

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: DENMARK

JANUARY-JUNE 1978

Meetings and press releases January-March 1978

<b>Meeting number</b>	<b>Subject</b>	<b>Date</b>
496 <sup>th</sup>	Foreign Affairs	17 January 1978
486 <sup>th</sup> (wrong number but not corrected)	Fisheries	16-18 January 1978
497 <sup>th</sup>	Agriculture	23-24 January 1978
498 <sup>th</sup>	Fisheries	30-31 January 1978
499 <sup>th</sup>	Agriculture	31 January 1978
500 <sup>th</sup>	Foreign Affairs	7 February 1978
501 <sup>st</sup>	Agriculture	13-14 February 1978
502 <sup>nd</sup>	Economics/Finance	20 February 1978
503 <sup>rd</sup>	Agriculture	6-7 March 1978
504 <sup>th</sup>	Foreign Affairs	7 March 1978
505 <sup>th</sup>	No record of a meeting	
506 <sup>th</sup>	Economics/Finance	20 March 1978

PRESS RELEASE

LIBRARY

496th Council meeting

- Foreign Affairs -

Brussels, 17 January 1978

President: Mr K.B. ANDERSEN,  
Minister for Foreign Affairs  
of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Henri SIMONET Minister for Foreign Affairs

Denmark:

Mr K.B. ANDERSEN Minister for Foreign Affairs

Mr Niels ERSBØLL State Secretary  
Ministry of Foreign Affairs

Germany:

Mr Klaus von DOMNANYI Minister of State,  
Federal Ministry of Foreign  
Affairs

France:

Mr André ROSSI Minister for Foreign Trade

Mr Jean-François DENIAU State Secretary, attached to the  
Minister for Foreign Affairs

Ireland:

Mr Michael O'KENNEDY Minister for Foreign Affairs

Mr Raphael BURKE Minister of State,  
Department of Industry, Commerce  
and Energy

Italy:

Mr Luciano RADI Deputy State Secretary,  
Ministry of Foreign Affairs

Luxembourg:

Mr Jean DONDELINGER

Ambassador,  
Permanent Representative

Netherlands:

Mr D. VAN DER MEI

State Secretary,  
Ministry of Foreign Affairs

Mr K.H. BEIJEN

State Secretary,  
Ministry of Economic Affairs

United Kingdom:

Dr David OWEN

Secretary of State for Foreign  
and Commonwealth Affairs

Mr Edmund DELL

Secretary of State for Trade

Mr Frank JUDD

Minister of State,  
Foreign and Commonwealth Office

Commission:

Mr Roy JENKINS

President

Mr Wilhelm HAFERKAMP

Vice-President

Mr Lorenzo NATALI

Vice-President

Viscount Etienne DAVINGNON

Member

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ELECTION OF MEMBERS OF THE EUROPEAN PARLIAMENT

The Council took stock of the progress of legislative procedures in the Member States for the election of members of the European Parliament by direct universal suffrage.

It agreed to resume its examination of this question at its March meeting with the aim of setting the date for this election at the meeting of the European Council on 7 and 8 April 1978. The Council instructed the Permanent Representatives Committee in the meantime to carry out the necessary work on the fixing of this date.

RELATIONS WITH YUGOSLAVIA

The Council gave the Commission negotiating directives for the conclusion of a new Agreement between the European Economic Community and Yugoslavia to replace the present Agreement, which is due to expire on 31 August 1978.

The Council prepared these directives in line with the spirit of the joint declaration of Belgrade of 2 December 1976 reiterating the great importance it attached to co-operation with Yugoslavia.

CYPRUS

After discussing, on the basis of a Commission report, the negotiating session with Cyprus on 22 December 1977 on the determination of the trade arrangements between the Community and Cyprus in the agricultural sector (1978-1979), the Council requested the Commission to resume the negotiations with Cyprus as quickly as possible and to report back in time for its meeting on 7 February 1978.

GATT MULTILATERAL TRADE NEGOTIATIONS

The Council noted the Community's political will to enter the substantive phase of the GATT trade negotiations.

To this end, the Council, on a proposal from the Commission, defined the principles which the Community negotiators will be defending regarding the various working hypotheses worked out or outlined within the GATT and instructed the Commission to seek mutually acceptable solutions in the different sectors of the negotiations.

The Council confirmed the importance which the Community attaches to securing a positive outcome to the negotiations, with meaningful and realistic concessions balanced evenly among the main partners.

The Council also gave its agreement for the Community to submit its offers concerning certain agricultural products - other than those likely to be covered by international agreements.

IRON AND STEEL PROBLEMS

Further to the agreement in principle already reached on the crisis measures approved by the Council at its meeting on 20 December 1977, the Council gave its assent to a draft Commission decision prohibiting matching of offers of iron and steel products from certain third countries with which bilateral arrangements on prices and quantities are concluded.

When the assent was given, the Council heard a report from Mr DAVIGNON on the implementation of both the internal and external aspects of the crisis measures and on their initially encouraging effects upon the market. It was agreed that the Council would be kept regularly informed on the implementation of the measures adopted on 20 December and in particular on the progress of the bilateral negotiations with the steel-exporting third countries.

MISCELLANEOUS DECISIONS

The Council adopted the provisions necessary for the conclusion by the European Economic Community of

- the Agreement between the European Economic Community and the Republic of India on trade and commercial co-operation in jute products, and an exchange of letters on this subject (both signed on 7 December 1977),
  - the Agreement between the European Economic Community and the Republic of India on trade in coir products, and an exchange of letters on this subject (both signed on 5 December 1977).
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PRESS RELEASE

Wrong number, but not changed  
by Council - Meeting occurred  
at dates stated.

LIBRARY

Continuation of the  
486th meeting of the Council

- Fisheries -

Brussels, 16, 17 and 18 January 1978

President: Mr Antoine HUMBLET,  
Minister for Agriculture  
and Small Firms and Trades  
of the Kingdom of Belgium

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Antoine HUMBLET                      Minister of Agriculture and  
Small Firms and Trades

Denmark:

Mr Svend JACOBSEN                      Minister of Fisheries  
Mr Jørgen HERTOFT                      State Secretary  
Ministry of Fisheries

Germany:

Mr Josef ERTL                              Federal Minister of Agriculture  
Mr Hans-Jürgen ROHR                      State Secretary,  
Federal Ministry of Agriculture

France:

Mr Marcel CAVAILLE                      State Secretary,  
Ministry for Public Investments  
and Regional Development with  
special responsibility for  
Transport (Fisheries)

Ireland:

Mr Brian LENIHAN                      Minister of Fisheries

Italy:

Mr Vito LATTANZIO                      Minister of Shipping and Transport  
Mr Vito ROSA                              State Secretary to the Ministry  
of Shipping

Luxembourg:

Mr Joseph WEYLAND

Deputy Permanent Representative

Netherlands:

Mr A.P.L.M.M. van der STEE

Minister of Agriculture and  
Fisheries

United Kingdom:

Mr John SILKIN

Minister of Agriculture,  
Fisheries and Food

Mr Bruce MILLAN

Secretary of State for Scotland

The Commission:

Mr Finn Olav GUNDELACH

Vice-President

FISHERIES POLICY

The Council resumed its discussions on the definitive arrangements for internal fisheries, these discussions having been broken off on 7 December 1977.

Having noted that the progress made at this meeting should permit the conclusion of a fisheries policy agreement before 31 January 1978, the Council agreed to continue its discussions at a further meeting on Monday 30 January 1978 and to adopt at that meeting the regulations under examination, which should enter into force on 1 February 1978.

PRESS RELEASE

LIBRARY

497th meeting of the Council

- Agriculture -

Brussels, 23 and 24 January 1978

President: Mr Poul DAISAGER,  
Minister of Agriculture  
of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Antoine HUMBLET                      Minister of Agriculture and  
Small Firms and Trades

Denmark:

Mr Poul DALSGER                      Minister of Agriculture  
Mr Hans Jørgen KRISTENSEN           State Secretary,  
Ministry of Agriculture

Germany:

Mr Joseph EREL                      Federal Minister of Agriculture  
Mr Hans-Jürgen ROHR                State Secretary,  
Federal Ministry of Agriculture

France:

Mr Pierre MEHAIGNERIE              Minister of Agriculture  
Mr Jacques BLANC                    State Secretary,  
Ministry of Agriculture

Ireland:

Mr Jim GIBBONS                      Minister for Agriculture

Italy:

Mr Giovanni MARCORA                Minister of Agriculture

Luxembourg:

Mr Jean HAMILIUS

Minister of Agriculture

Mr Albert BERCHEM

State Secretary,  
Ministry of Agriculture

Netherlands:

Mr A.P.L.M. van der STEE

Minister of Agriculture and  
Fisheries

United Kingdom:

Mr John SILKIN

Minister of Agriculture,  
Fisheries and Food

The Commission:

Mr Finn Olav GUNDELACH

Vice-President

AGRICULTURE PRICES AND RELATED MEASURES

The Council held a general policy debate on the Commission proposals concerning the fixing of the prices for certain agricultural products for 1978/1979 and related measures, thus enabling each delegation to set forth the aspects of greatest interest to it.

The debate centred on general issues, such as the average level of the proposed price increases, the criteria used by the Commission in drawing up its proposals and a number of measures relating to the markets in the main products, including milk, wine, cereals, rice, beef and veal, sugar and fruit and vegetables.

In conclusion, the Council agreed, in view of the fact that opinions were awaited from the European Parliament and the Economic and Social Committee, to instruct the Special Committee on Agriculture to continue examining the technical aspects of the proposals and to report back to it so that it could continue studying the matter as a whole at its meetings scheduled for February and March 1978.

CEREALS AND RICE

Pending the opinion of the European Parliament, the members of the Council expressed their initial reactions to the Commission proposals to re-introduce, following judgments Nos 177/76, 16/77, 124/76 and 20/77 of the Court of Justice, into the basic regulations on cereals and rice the possibility of granting production refunds for maize groats and meal and broken rice to be used for brewing and for Quellmehl intended for bread-making.

The Council concluded its discussion of this item by instructing the Special Committee on Agriculture to examine the Commission report on starch products and to continue its examination of the above proposals in the light of the day's discussions so that the Council might act on them when fixing agricultural prices for 1978/1979.

FRUIT AND VEGETABLES

The Council held a brief discussion on the proposed amendment to the basic Regulation on fruit and vegetables, and to the Regulation laying down special measures to encourage the processing of certain varieties of oranges.

The Council agreed that this proposal, the purpose of which is to strengthen the Community preference for oranges, mandarins and lemons by raising their reference prices, should be re-examined in the near future in the context of the 1978/1979 agricultural price proposals and of the measures to be considered for Mediterranean agriculture.

AGRI-MONETARY MEASURES

The Council signified its agreement in principle <sup>(1)</sup> to the Regulation concerning an amendment to the representative conversion rates used in the agriculture sector for the Italian Lira and the pound sterling.

Under this Regulation the "green rate" for the Italian Lira would be devalued by 6%, the new rate being:

100 Lit. = 0.0912409 UA  
1 UA = 1,096.00 Lit.

Similarly, the "green rate" for the pound sterling would be devalued by 7.5%, the new rate being:

£1 = 1.57578 UA  
1 UA = £0.634204

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(<sup>1</sup>) Three delegations, however, gave their agreement ad referendum and are to make their final position known not later than 29 January 1978.

After noting the oral interim report by the Chairman of the Special Committee on Agriculture relating to the proposal for a Regulation on the "automatic" reduction of the monetary compensatory amounts, the Council instructed the Special Committee on Agriculture to continue its work and agreed to return to the matter at a forthcoming meeting in the light of the final report drawn up by that Committee.

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The Council also took note of the interim report submitted by the Commission regarding the economic effects of the agri-monetary system and noted the Commission's intention of submitting a final report in good time for the Council to discuss it before the agricultural prices for the 1978/1979 marketing year were fixed.

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Lastly, the Council adopted in the official languages of the Communities the Regulation on the exchange rate to be applied under the agricultural structures policy as from 1 February 1978. This Regulation stipulates that the amounts laid down under the agricultural structures policy are to be converted into national currency in accordance with the green parity applicable on 1 January of the year in which the decision is taken to grant aid from the Guidance Section of the EAGGF.

RELATIONS WITH THE ACP STATES

The Council instructed the Special Committee on Agriculture to re-examine the question of the advisability of granting a tariff reduction in respect of certain processed agricultural products from the ACP States and agreed to resume its own examination of the matter at its next meeting.

SUGAR

At the request of the French delegation the Council agreed that it would examine as a matter of urgency the proposal promised by the Commission regarding the transfer of certain basic quotas for cane sugar from the Departments of the French Antilles to the Department of Réunion.

MEDITERRANEAN AGRICULTURE

The Council agreed that at its meeting on 13 and 14 February it would hold a detailed discussion on the Commission communication on guidelines for the development of the Mediterranean regions of the Community, together with proposals relating to agriculture, and instructed the Special Committee on Agriculture to prepare the proceedings.

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MISCELLANEOUS DECISIONS

The Council adopted, in the official languages of the Communities, a Regulation adopting Regulation (EEC) Nos 1059/69, 1060/69 and 2682/72 laying down the trade arrangements applicable to certain goods resulting from the processing of agricultural products and not covered by Annex II of the Treaty.

The Council also adopted in the official languages of the Communities a Decision extending until 31 December 1979 Decision No 76/402/EEC on the level of the interest rate subsidy provided for by Directive 72/159/EEC on the modernization of farms, to be applied in Italy.

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On a proposal from the Italian Government, the Council appointed Mr Aldo BONACCINI, Segretario nazionale CGIL, member of the Economic and Social Committee as a replacement for Mr Giacinto MILITELLO, who has resigned, for the remainder of the latter's term of office, which runs until 16 September 1978.

On a proposal from the Unione Italiana Lavoratori Metalmeccanici, the Council also appointed Mr Francesco LOTITO, Segretario nazionale UILM-UIL, member of the ECSC Consultative Committee as a replacement for Mr GUTTADAURO, who has resigned, for the remainder of the latter's term of office, which runs until 9 July 1978.

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PRESS RELEASE

LIBRARY

498th meeting of the Council

- Fisheries -

Brussels, 30 and 31 January 1978

President: Mr Poul DALSGER,  
Minister of Agriculture  
of the Kingdom of Denmark



Luxembourg:

Mr Joseph WEYLAND

Deputy Permanent Representative

Netherlands:

Mr Aart de ZEEUW

Director-General,  
Ministry of Agriculture

United Kingdom:

Mr John SILKIN

Minister of Agriculture,  
Fisheries and Food

The Commission:

Mr Finn Olav GUNDELACH

Vice-President

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FISHERIES POLICY

Internal aspects

The Council noted that, despite the fact that substantial progress had been made towards solving the numerous problems arising in connection with the formulation of a new common fisheries policy, it was not possible to reach an overall agreement. However, all the delegations expressed their intention of continuing their efforts to reach a solution.

In order to prevent a legal vacuum from occurring from 1 February 1978, after the expiry of certain Community conservation measures, a draft decision providing for interim measures was submitted to the Council. This draft would state that the Council had agreed on those aspects of the Commission proposals before the Council which had not been contested. Eight delegations were able to agree to this draft. These delegations confirmed that any national measures that their countries might be forced to take in order to fill the legal vacuum from 1 February would be adopted in accordance with this draft decision.

The United Kingdom gave an assurance that its national measures would be strictly necessary, non-discriminatory and in conformity with the Treaty, and that the Commission's approval would be sought.

- External aspects -

The Council extended the interim arrangements applicable to Swedish vessels for one month and those applicable to Spanish vessels up to 20 February 1978.

The Council adopted a Regulation laying down the fishery arrangements for certain third countries in the 200-mile zone off the coast of the French Department of Guyane until 31 May 1978.

The Council adopted a Regulation establishing a quota of 1,000 tonnes of herring from the West Scotland stock to be granted to Norway for the period from 1 to 28 February 1978 to allow the continuation of reciprocal arrangements between the Communities and Norway concerning fisheries.

In the case of the Faroe Islands, the Council took the necessary measures to allow an immediate resumption of fishing activities which had been suspended on a reciprocal basis since 1 January 1978.

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MISCELLANEOUS DECISIONS

Agricultural questions

The Council adopted in the official languages of the Communities the Directives:

- on the approximation of the laws of the Member States relating to materials and articles which contain vinyl chloride monomer and are intended to come into contact with foodstuffs;
- amending for the second time Directive 70/357/EEC on the approximation of the laws of the Member States concerning the antioxidants authorized for use in foodstuffs intended for human consumption;
- amending for the sixth time the Directive of 23 October 1962 on the approximation of the laws of the Member States concerning the colouring matters authorized for use in foodstuffs intended for human consumption;
- amending for the thirteenth time Directive 64/54/EEC on the approximation of the laws of the Member States concerning the preservatives authorized for use in foodstuffs intended for human consumption.

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The Council adopted in the official languages of the Communities a Regulation concerning an amendment to the representative conversion rate used in the agriculture sector for the Italian lira and the pound sterling (see Press Releases of 24.I.1978 No 111/78 Presse 9 and 31.I.1978 No 158/78 Presse 13 + Corr. 1).

Food aid

The Council recorded its agreement on the programme of aid in the form of cereals for 1978 on the understanding that the section on national projects would be finalized at a later date.

Aid under Community projects is broken down as follows:

Recipient	Quantity in '000 tonnes
<u>I. COUNTRY</u>	
Afghanistan	5
Bangladesh	115
Bolivia	2
Cape Verde	7
Chad	3.5
Comoros	5
Egypt (1)	67
Ethiopia	10
Gambia	3
Ghana	12.5
Guinea Bissau	7.5
Guinea Conakry	5
Honduras	7
Jamaica	1
Jordan	17
Lebanon	20
Lesotho	1.5

(1) Egypt is also to receive a quantity of 48,000 t allocated to it from the 1977 reserve (Council Decision of 29 December 1977).

Recipient	Quantity in 000 tonnes
Mauritania	3.5
Mauritius	7
Mozambique	10
Niger	4
Pakistan	30
Peru	7.5
Rwanda	2
Sao Tomé and Príncipe	1.8
Senegal	18
Sri Lanka	27
Sudan	7
Tanzania	5
Togo	3
Upper Volta	8.5
Vietnam	80
Yeman AR	7
Yemen PDR	4.5
Zaire	10
Zambia	6
<b>II. <u>INSTITUTIONS</u></b>	
CRS (Chile)	15
ICRS	15
LRCS	1.5
UNICEF	15
UNRWA	40
WFP	55
<b>III. <u>RESERVE</u> <sup>(1)</sup></b>	<b>48.2</b>
<b>IV. <u>TOTAL</u></b>	<b>720.5</b>

(<sup>1</sup>) The reserve is to cover requests not yet received, particularly from Sahel countries and Somalia, and to cope with emergencies. It includes a project on 3,500 t entered in advance in favour of Djibouti.

Commercial questions

The Council adopted in the official languages of the Communities the Decision authorizing prolongation or tacit renewal of certain trade agreements concluded between Member States and third countries.

Social Affairs

On a proposal from the Irish Government, the Council appointed Mr John KEANE and Mr Patrick HAYDEN of the Department of Labour as members and Mr Paschal LEONARD of the Permanent Representation of Ireland as an alternate member of the Advisory Committee on Freedom of Movement for Workers, to replace Mr E.R. O'NEILL and Mr Paschal LEONARD, members who have resigned, and Mr Kevin BONNER, alternate member who has resigned, for the remainder of their respective terms of office, which run until 10 October 1979.

The Council also, acting on a proposal from the Irish Government, appointed Mr G.B. O'SULLIVAN of the Department of Labour as a member of the Administrative Board of the European Foundation for the Improvement of Living and Working Conditions, to replace Mr Tadhg O'CARROLL, member who has resigned, for the remainder of the latter's term of office, which runs until 14 March 1979.

Lastly the Council, acting on a proposal from the Irish Government, appointed Mr W. WHITE, Inspector at the Department of Education, as an alternate member of the Advisory Committee on Vocational Training, to replace Mr Peter J. CONNOLLY, alternate member who has resigned, for the remainder of the latter's term of office, which runs until 20 June 1978.



PRESS RELEASE

499th meeting of the Council

- Agriculture -

Brussels, 31 January 1978

President: Mr Poul DALSGER  
Minister of Agriculture  
of the Kingdom of Denmark



Netherlands:

Mr A.P.L.M.M. van der STEE

Minister for Agriculture and  
Fisheries

United Kingdom:

Mr John SILKIN

Minister for Agriculture,  
Fisheries and Food

Commission:

Mr Finn Olav GUNDELACH

Vice-President

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DEVALUATION OF THE GREEN POUND

After discussing the questions raised by the devaluation of the green British pound in the context of the problems relating to the fixing of agricultural prices for the next marketing year, the Council approved an amendment to the rate of exchange to be applied for the British pound.

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/ This amendment will entail a 5% devaluation as from February 1978 for pigmeat and beef and veal. A further devaluation of 2.5% for these products and a devaluation of 7.5% for milk and milk products will take effect when the decision on the 1978/1979 agricultural prices is implemented.

As regards the other products, the new rate of exchange devalued by 7.5% ( $\pounds 1 = 1.57678 \text{ UA}/1 \text{ UA} = \pounds 0.634204$ ) will enter into force at the beginning of the marketing year for each product.

158/78 (Press. 13) Corr. 1  
31 Jan. 1978

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PRESS RELEASE

LIBRARY

500th meeting of the Council

- Foreign Affairs -

Brussels, 7 February 1978

President: Mr K.B. ANDERSEN  
Minister for Foreign Affairs  
of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Henri SIMONET Minister for Foreign Affairs

Denmark:

Mr K.B. ANDERSEN Minister for Foreign Affairs

Mme Lise ØSTERGAARD Minister without Portfolio with special responsibility for foreign policy matters

Mr Niels ERSBØLL State Secretary,  
Ministry for Foreign Affairs

Germany:

Mr Klaus von DOHNANYI Minister of State,  
Federal Ministry for Foreign Affairs

France:

Mr Luc de la BARRE de NANTEUIL Ambassador,  
Permanent Representative

Ireland:

Mr David ANDREWS Minister of State,  
Ministry for Foreign Affairs

Italy:

Mr Arnaldo FORLANI Minister for Foreign Affairs

Luxembourg:

Mr Jean HAMILIUS Deputy Minister for Foreign Affairs

Netherlands:

Mr C.A. van der KLAUW Minister for Foreign Affairs  
Mr D. van der MEI State Secretary,  
Ministry for Foreign Affairs  
Mr K.H. BEIJEN State Secretary,  
Ministry for Economic Affairs

United Kingdom:

Mr David OWEN Secretary of State for Foreign  
and Commonwealth Affairs  
Mr Frank JUDD Minister of State,  
Foreign and Commonwealth Office

Commission:

Mr Roy JENKINS President  
Mr Wilhelm HAFERKAMP Vice-President  
Mr Finn Olav GUNDELACH Vice-President  
Mr Lorenzo NATALI Vice-President  
Mr Claude CHEYSSON Member  
Viconte Etienne DAVIGNON Member  
Mr Richard BURKE Member

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RELATIONS WITH JAPAN

The Council, recalling the statements on relations with Japan made by the European Council on 30 November 1976, 26 March 1977 and 5 December 1977, reaffirmed the importance which the Community attaches to strengthening relations between the European Community and Japan in a spirit of mutual co-operation.

The Council adopted a common strategy for the dialogue to be conducted by the Community institutions with the Japanese Government, which will also guide the Member States in their contacts with Japan. The Council asked the Commission, working in conjunction with the Presidency, to convey its views to the Japanese Government at a high level and to report to it as soon as possible and in any event before the meeting of the European Council on 7 April 1978.

The Council laid particular emphasis on the following aspects:

In the present international economic situation it is essential that the objective which the Japanese Government has recently set itself of reducing its surpluses on current account to 6 thousand million dollars in 1978 be achieved and that subsequently the surpluses be eliminated as rapidly as possible.

Notwithstanding the action already undertaken by the Japanese Government, which the Council noted, the bilateral trade situation continually worsened throughout 1977. It is vital that there be a significant change in Japan's position on trade and payments by the end of the summer of 1978:

This objective necessitates macroeconomic measures going hand in hand with effective opening up of the Japanese market. By stimulating domestic demand Japan should achieve sustained growth at a high level. Independently of efforts to bring the GATT multilateral negotiations to a rapid conclusion it should make a significant effort to open up its market, in particular by adopting a programme to step up imports of manufactured products, facilitating access to public markets and implementing measures to alter the structure of the Japanese distribution system.

At the same time, Community exporters should step up their efforts on the Japanese market.

RELATIONS WITH CHINA

The Council heard a report by Vice-President HAFERKAMP on the negotiations with a delegation from the People's Republic of China which ended on 3 February with the initialling of a commercial agreement between the European Economic Community and China.

The Council welcomed the successful completion of these negotiations and stressed the political and economic importance of this event.

The formal signing of the Agreement is planned to take place in Brussels towards the end of March.

PROBLEM OF STEEL

The Council heard a report by the Commission on the implementation of the anti-crisis plan decided on last December with the aim of remedying the difficulties in the steel sector.

It noted this report, which covered both the progress made in the talks being held with the countries which are the Community's main steel suppliers - in particular the EFTA countries - for the purpose of concluding arrangements, and application of the internal measures.

The Council confirmed the importance which it, and the Commission, attach to full implementation of the measures agreed upon in December 1977.

GREEK ACCESSION

The Council welcomed the fact that it was going to be possible to open the phase of negotiations proper with Greece, on the chapter concerning customs union and free movement of goods in the industrial sector, at the next negotiation session to be held at deputy level on 10 February.

Having noted with satisfaction the Commission's intention of submitting proposals covering every field of the negotiations by the end of the summer, the Council declared that it was determined to conclude the substantive negotiations with Greece with all possible speed and that it would make every effort to make it possible to conclude this phase of the negotiations by the end of this year.

CYPRUS

On the basis of a report and proposals put forward by the Commission at the meeting, the Council took stock of the situation regarding the negotiations currently being conducted with Cyprus for the purpose of defining the trade arrangements in the agricultural sector for 1978 and 1979. Broad agreement was reached that these negotiations should be concluded rapidly and the Council took the necessary procedural steps to that effect.

FOOD AID

Following the policy debate which it held on 28 November 1977 on the volume to be adopted for the 1978 programme of food aid in the form of skimmed milk powder, the Council took the basic decision to set this volume at 150,000 tonnes.

This amount, which is covered by the appropriation already entered for food aid in the 1978 budget, will inter-alia enable the Community to contribute to the implementation in India of the "FLOOD II" operation, an integrated rural-development project.

At the same time, the Council agreed to hold a discussion in the near future on the basic philosophy behind the food aid policy.

The Council issued directives to the Commission for the negotiation of a new Food Aid Convention in the framework of an International Cereals Agreement (United Nations Conference in Geneva from 13 February to 23 March 1978).

NORTH-SOUTH DIALOGUE

The Council heard a statement by Mr CHEYSSON presenting the Commission's communication on the guidelines for the forthcoming international meetings of UNCTAD in connection with the North-South Dialogue.

After a wide-ranging discussion, the Council reaffirmed the importance which the Community attaches to the next stage of the North-South Dialogue and confirmed the need for the Community and the Member States to express a common position in the Dialogue.

The Council also noted the importance which, in the general context of the integrated programme, the problem of the Common Fund presented in regard to the restarting of the Dialogue: it instructed the Permanent Representatives Committee to examine the proposals submitted by the Commission with a view to the resumption of the negotiations on the Common Fund.

Similarly, the Council agreed that, with a view to the next ministerial meeting of UNCTAD (Geneva 6 - 10 March), which would be mainly concerned with debt and with the least-advanced countries, a common position would be drawn up at its next meeting on 7 March at the latest. The Permanent Representatives Committee was likewise instructed to examine the Commission's proposals to this end.

SUMMER TIME

After examining the technical aspects of the proposal for a Directive on summer time arrangements, the Ministers for Transport agreed at the meeting on 20 and 21 December to ask the Council in its composition of Ministers for Foreign Affairs to look into this matter.

The Council today held a discussion on the international implications of this subject, following which it stressed the importance it attached to the attainment of a harmonized system of summer time within the Community. Recognizing the implications of a Community decision for certain neighbouring countries, the Council agreed to instruct the Permanent Representatives Committee to attend to further developments on this dossier.

DENTAL SURGEONS

Having before it four draft Directives and Decisions on the right of establishment and freedom to provide services in respect of dental surgeons, the Council settled the essential issue of the definition of the scope of the profession.

The agreement reached on the principle of the definition of the scope will enable the work in this field to be completed in the coming months.

MISCELLANEOUS DECISIONS

Relations with the ACP States and the OCT/FOD

As the agreements for the accession of the Republic of Cape Verde, the Democratic Republic of Sao Tomé and Príncipe and Papua New Guinea to the Lomé Convention have not yet entered into force owing to the fact that all the ratification procedures have not yet been completed, the Council agreed to an exchange of letters between the Community and these three States for the extension of the interim provisions relating to trade between the Community and these three States until 31 December 1978.

The Council also adopted in the official languages of the Communities the Decision increasing the amounts which the European Investment Bank may commit in the form of risk capital for the purpose of applying the ACP-EEC Convention of Lomé and the Decision on the association of the overseas countries and territories with the European Economic Community.

By means of this Decision and in the light of the satisfactory experience recorded in the use of the 40 million EUA which could be committed in the form of risk capital during the first two years of application of the Lomé Convention, the Council has placed at the Bank's disposal for allocation from 1 April 1978, the balance of 60 million EUA set aside for this form of financing.

Trade policy

The Council adopted in the official languages of the Communities the regulations

- amending Regulation (EEC) No 114/77 concerning import arrangements for certain textile products originating in Singapore;
- subjecting Community imports of textile products originating in certain third countries to common arrangements for authorization and quantitative limits;
- maintaining the arrangements for imports into the Community of textile products originating in Taiwan.

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The Council adopted in the official languages of the Communities the decision adopting a concerted action research project on the growth of large conurbations.

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On a proposal by the United Kingdom Government, the Council appointed Mr D.A. DAVIS, Director of Resource Planning, Central Electricity Generating Board, a Member of the ECSC Consultative Committee in place of Mr Donald CLARK, who has resigned, for the remainder of the latter's term of office which expires on 9 July 1978.

On a proposal by the United Kingdom Government, the Council also appointed Mr R.M. JOHNSON, Director of Training, Training Services Agency, a Member of the Advisory Committee on Vocational Training in place of Mr F.C. HAYES, member, who has resigned and Mr J.D. RIMINGTON, Training Services Agency, an alternate member of the same Committee in place of Mr B.D. WINKETT, alternate member, who has also resigned, for the remainder of their terms of office which expire on 20 June 1978.

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PRESS RELEASE

LIBRARY

501st meeting of the Council

- Agriculture -

Brussels, 13 and 14 February 1978

President: Mr Poul DALSGER  
Minister for Agriculture  
of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Antoine HUMBLET                    Minister for Agriculture and  
Small Firms and Trades

Denmark:

Mr Poul DALSGER                    Minister for Agriculture  
Mr Hans Jørgen KRISTENSEN        State Secretary,  
Ministry for Agriculture

Germany:

Mr Joseph ERTL                    Federal Minister for Agriculture  
Mr Hans-Jürgen ROHR               State Secretary,  
Federal Ministry of Agriculture

France:

Mr Pierre MEHAIGNERIE            Minister for Agriculture

Ireland:

Mr Jim GIBBONS                    Minister for Agriculture

Italy:

Mr Giovanni MARCORÀ               Minister for Agriculture

Luxembourg:

Mr Jean HAMILIUS                  Minister for Agriculture  
and Viticulture  
Mr Albert BERCHEM                State Secretary,  
Ministry for Agriculture

Netherlands:

Mr A.P.L.M.M. van der STEE      Minister for Agriculture and  
Fisheries

United Kingdom

Mr John SILKIN                      Minister for Agriculture,  
Fisheries and Food

Commission:

Mr Finn Olav GUNDELACH              Vice-President

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DEVELOPMENT OF THE MEDITERRANEAN REGIONS - MEASURES RELATING TO AGRICULTURE

The Council heard a report on the progress of work in the Special Committee on Agriculture concerning the Commission communication on guidelines for the development of the Mediterranean regions of the Community and the accompanying proposals relating to agriculture, covering both market organization and structural measures. In this connection, it also heard an introductory statement by Vice-President GUNDELACH on the new specific proposals on wine which the Commission recently submitted to the Council in addition to its general communication (European Joint-Trade Table-Wine organization, possibility of blocking wine held by producers, incentives for groupings which improve quality, floor price in the event of serious crises, etc.).

On the basis of this information, the Council held a wide-ranging policy debate on the organization of markets, in particular on the measures proposed for olive oil, fresh and processed fruit and vegetables and wine and, as regards structural measures, on the improvement of wine-growing structures in Languedoc-Roussillon, the improvement of rural infrastructure and irrigation in the Mezzogiorno.

The Council instructed the Special Committee on Agriculture to continue its work on the matter, bearing in mind the views expressed, with a view to expediting the Council's subsequent discussions on these matters.

AGRICULTURAL PRICES AND RELATED MEASURES

The Council took note of the progress made regarding the financial implications of the Commission proposal on the fixing of agricultural prices for 1978/1979 and related measures. It exchanged views on specific matters concerning the products which were not examined at the previous Council meeting, namely, sugar, oilseeds, protein, tobacco, seeds and pigmeat.

The Council noted that the Commission intended to put forward certain additional proposals together in the near future, particularly for milk products, sugar, starches and mutton and lamb.

Finally, the Council agreed to return at its meeting scheduled for 6 and 7 March 1978 to all major issues concerning the fixing of agricultural prices and related measures for the next marketing year, while the Special Committee on Agriculture would diligently continue its examination in the light of the guidelines which emerged from the Council's discussions.

IMPORTS OF TOMATOES FROM THE ACP STATES

Pending the Opinion of the European Parliament, the Council stated that it was in principle sympathetic to the proposal that the CCT duty on fresh or refrigerated tomatoes be reduced by 60% during the period from 15 November to 15 April for a tariff quota of 1,000 tonnes for the benefit of the ACP States, and particularly of Senegal (on the understanding, however, that the minimum duty, i.e. 2 UA/100 kg, for this product would continue to apply).

The Council will decide on the Regulation in question once it receives the Opinion, which is expected at the end of the week.

PRODUCER GROUPS

The Council had before it an interim report by the Special Committee on Agriculture on progress with work on the Regulation concerning producer groups and unions thereof as an instrument to improve the marketing structures for agricultural products in certain regions where this is particularly desirable.

On the basis of this report the Council held an exchange of views in particular on the question of which regions should benefit from the arrangements under examination. In this context and with regard to the other questions outstanding concerning the composition of the groups and aid for groups and unions thereof, the Council agreed to resume discussions at its next meeting on the basis of a comprehensive report.

AGRI-MONETARY QUESTIONS

The Council held an exchange of views on the considerations which prompted the proposal for a Regulation relating to the fixing of representative conversion rates in agriculture, the purpose of which is the progressive and to some extent automatic dismantling of monetary compensatory amounts. It agreed that the Special Committee on Agriculture should continue its examination of this matter in the light of today's discussions.

The Council took note of the Commission report on the economic effects of the agri-monetary system. The Members of the Council were asked in turn for their preliminary comments on the subject, and the Council subsequently instructed the Special Committee on Agriculture to conduct a more detailed examination of the report so that the Council could discuss it at a forthcoming meeting.

The Council also adopted in the official languages of the Communities the Regulation stipulating that the new representative rate for the Italian lira fixed by Regulation No 178/78 of 30 January 1978 is to apply to tomato concentrates from 20 February 1978. This Regulation also provides that the new rate for the pound sterling fixed by Regulation No 179/78 is to apply to isoglucose from 1 July 1978.

POTATOES

The Council examined the problem of the arrangements to be applied to early potatoes in the context of the future common organization of the market for the potato sector in general, with particular reference to the implications of these arrangements for the conclusion of negotiations with Cyprus on agricultural products.

The Council asked the Special Committee on Agriculture to study in detail all the questions outstanding in this area with a view to early resumption of discussions within the Council.

RICE FOR REUNION

Having received a proposal from the Commission intended to improve supplies of rice to the department of Réunion (by means of adjusting the levy system), the Council, pending receipt of the European Parliament's Opinion, stated that it was sympathetic to this Regulation in principle. It will take a final decision once it has received the Opinion requested.

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## MISCELLANEOUS DECISIONS

### Agricultural questions

The Council adopted in the official languages of the Communities:

- the Regulation amending Regulation (EEC) No 2824/72 laying down general rules for the financing of interventions by the Guarantee Section of the EAGGF;
- the Regulation fixing, for the 1978/1979 milk year, the guideline figure for the fat content of standardized whole milk imported into Ireland and the United Kingdom;
- the Regulation amending Regulation (EEC) No 3331/74 on the allocation and alteration of the basic quotas for sugar.

### Research

The Council adopted in the official languages of the Communities the first programme of research projects in the field of medical and public health research, comprising concerted projects in the following three fields:

- registration of congenital abnormalities;
- cellular ageing and decreased functional capacity of organs;
- extracorporeal oxygenation.

Energy

In the context of the Community action programme for the rational use of energy (RUE), the Council adopted in the official languages of the Communities

- the Directive on the performance, maintenance and regulation of heat generators and the insulation of the heat distribution system in new buildings  
[see Press Release 1476/77 (Presse 167) of the Council meeting on Energy on 13 December 1977].

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The Council gave its assent to financial aid pursuant to Article 55(2)(c) of the ECSC Treaty for a research project on the factors causing molten-metal/water explosions.

The Council adopted in the official languages of the Communities the Directive concerning co-ordinated statistics on the business cycle in building and civil engineering.

On a proposal from the United Kingdom Government, the Council, pending the replacement of the Committee's members, appointed Mr G.R. WILSON alternate member of the Committee of the European Social Fund to replace Mr WINKETT, alternate member who has resigned.

PRESS RELEASE

LIBRARY

502nd Council meeting  
- Economic Affairs/Finance -

Brussels, 20 February 1978

President:

Mr Per Haekkerup  
Minister for Economic Affairs of the  
Kingdom of Denmark

20.II.1978

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Gaston GEENS	Minister for Finance
Mr Willy CLAES	Minister for Economic Affairs

Denmark:

Mr Per HAEKKERUP	Minister for Economic Affairs
Mr Knud HEINESEN	Minister for Finance
Mr Kurt HANSEN	State Secretary, Ministry for Economic Affairs

Germany:

Mr Otto SCHLECHT	State Secretary, Federal Ministry for Economic Affairs
Mr Manfred LAHNSTEIN	State Secretary, Federal Ministry for Finance

France:

Mr Robert BOULIN	Minister for Economic Affairs and Finance
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Ireland:

Mr Brendan DILLON	Ambassador, Permanent Representative
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Italy:

Mr Gaetano STARMIATI	Minister of the Treasury
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Luxembourg:

Mr Jacques POOS	Minister for Finance
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The Netherlands

Mr Frans ANDRIESEN

Minister for Finance

The United Kingdom

Mr Denis HEALEY

Chancellor of the Exchequer

The Commission:

Mr François-Xavier ORTOLI

Vice-President

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THE ECONOMIC SITUATION IN THE COMMUNITY

The Council held a detailed exchange of views on the economic situation in the Community. The debate fell within the context of the discussion to be held in March at the meeting of the "ECONOMIC AFFAIRS/FINANCE" Council which will be devoted to adapting the economic policy guidelines for 1978 (first quarterly examination of the economic situation in accordance with the "convergence" decision of 1974), and of the discussion on the economic and social situation in the Community to be held by the European Council at its meeting on 7 and 8 April.

LOANS FOR THE PURPOSE OF PROMOTING INVESTMENT WITHIN THE  
COMMUNITY

The Council heard a statement by Vice-President ORTOLI, who submitted a proposal by the Commission empowering the Commission to issue loans for the purpose of promoting investment within the Community. This proposal follows on the European Council's agreement in principle on 5 and 6 December to the creation of such an instrument.

Taking a favourable attitude to the broad outlines of the proposal, the Council requested the Permanent Representatives Committee to examine the technical aspects of the proposal and to report it so that it could discuss these matters when it has received the European Parliament's Opinion.

ECONOMIC AND MONETARY ACTION PROGRAMME FOR 1978

The Council heard a statement by Mr ORTOLI, who presented a communication from the Commission on the economic and monetary action programme for 1978. It gave a favourable reception to this programme, which forms part of the five-year economic and monetary action programme submitted by the Commission in December.

With a view to preparing for its discussions on the substance of this programme, the Council instructed the Permanent Representatives Committee and the Committees specializing in economic, financial or monetary affairs to examine the Commission communication in accordance with their fields of competence and to submit a report to it covering all the questions raised by the document.

## MISCELLANEOUS DECISIONS

### Transport

The Council adopted in the official languages of the Communities:

- the Decision amending the Directives annexed to the Council Decisions of 28 December 1972, 17 February 1975 and 17 May 1976 on the opening of negotiations for an Agreement on the implementation of regulations for the temporary laying-up of vessels for the transport of goods and applicable to certain inland waterways;
- the Decision instituting a consultation procedure and setting up a Committee on Transport Infrastructures;
- the Directive amending the first Directive on the establishment of common rules for certain types of carriage of goods by road between Member States;
- the Decision amending the two Decisions of 15 October 1975 on the negotiation of an Agreement between the European Economic Community and third countries on the rules applicable to international carriage of passengers by coach and bus.

For the decisions in principle, see press release 1523/77 (Presse 176) of 20 and 21 December 1977.

### Agriculture/Fisheries

The Council adopted in the official languages of the Communities:

- the Regulation amending Regulation (EEC) No 2967/76 laying down common standards for the water content of frozen and deep-frozen chickens, hens and cocks;
- the Regulation on the crediting of securities, deposits and guarantees furnished under the common agricultural policy and subsequently forfeited;

- the Regulation amending Regulation (EEC) No 787/69 on the financing of intervention expenditure in respect of the domestic market in cereals and rice;
- the Regulation laying down certain interim measures for the conservation and management of fishery resources applicable for the period 21 February to 31 May 1978, to vessels flying the flag of Spain;
- the Regulation suspending at 4% from 1 March to 30 June 1978 the autonomous Common Customs Tariff duty on sardinops sagax or ocellata ("pilchards"), fresh, chilled or frozen, whole, headless or in pieces, intended for the processing industry, falling within subheading ex 03.01 B I q).

### Other decisions

The Council adopted in the official languages of the Community the Directive on waste from the titanium dioxide industry.

For the decision in principle, see press release 1473/77 (Presse 164) of 12 December 1977.

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The Council adopted in the official languages of the Community the Decision adopting a concerted project by the European Economic Community in the field of the physical properties of foodstuffs.

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The Council adopted in the official languages of the Communities the Regulation concerning the authorization arrangements for imports into Italy of malleable cast-iron tube and pipe fittings originating in Taiwan.

### Appointments

The Council appointed

- on a proposal from the Danish Government, Mrs Karen GREDAL member of the Economic and Social Committee in place of Mrs BENNEDSEN, who has resigned;
- on a proposal from the Netherlands Government, Drs. T. ETTY member of the Economic and Social Committee in place of Drs. de VRIES REILINGH, who has resigned, for the remainder of the latter's term of office, i.e. until 16 September 1978.

The Council also appointed

- on a proposal from the Fédération Charbonnière de Belgique, Mr Pierre URBAIN member of the European Coal and Steel Community Consultative Committee in place of Mr PEETERS, who has resigned;
- on a proposal from the United Kingdom Government, Mr Gordon KENNEDY member of the European Coal and Steel Community Consultative Committee in place of Mr HAMER, who has died, for the remainder of the latter's term of office, i.e. until 9 July 1978.

PRESS RELEASE

503rd Council meeting

- Agriculture -

Brussels, 6 and 7 March 1978

President: Mr Poul DALSGER,  
Minister for Agriculture  
of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Antoine HUMBLET                      Minister for Agriculture and  
Small Firms and Trades

Denmark:

Mr Poul DALSGER                      Minister for Agriculture  
Mr Hans Jørgen KRISTENSEN            State Secretary,  
Ministry for Agriculture

Germany:

Mr Joseph ERTL                      Federal Minister for Agriculture  
Mr Hans-Jürgen ROHR                  State Secretary,  
Federal Ministry of Agriculture

France:

Mr Pierre MEHAIGNERIE                Minister for Agriculture

Ireland:

Mr Jim GIBBONS                      Minister for Agriculture

Italy:

Mr Giovanni MARCORA                  Minister for Agriculture

Luxembourg:

Mr Jean HAMILIUS                      Minister for Agriculture  
and Viticulture  
Mr Albert BERCHEM                    State Secretary,  
Ministry for Agriculture

Netherlands:

Mr A.P.L.M.M. van der STEE

Minister for Agriculture and  
Fisheries

United Kingdom:

Mr John SILKIN

Minister for Agriculture,  
Fisheries and Food

Mr Gavin STRANG

Parliamentary Secretary of State,  
Ministry of Agriculture, Fisheries  
and Food

Commission:

Mr Finn Olav GUNDELACH

Vice-President

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AGRI-MONETARY MEASURES

After a detailed discussion of the effect of the application of monetary compensatory amounts on trade, particularly in the context of recent monetary fluctuations, the Council agreed to devalue the representative rate for the French franc in the agricultural sector (green rate) by 1.205% with effect from 8 March 1978, thus reducing the monetary compensatory amounts to 21.5. The French franc in this sector will henceforth be equivalent to 0.166638 UA.

The Council

- notes the intention of the Commission to study and report at the next meeting of the Agricultural Council on the possible use in the future of a longer period of reference for the rates of exchange used in the weekly fixing of monetary compensatory amounts;
- notes that, in view of the report for its next meeting, the Commission will calculate, in the period up to the end of March, the monetary compensatory amounts each week on the basis of the rates of exchange noted over a preceding period of three weeks.

The Commission also stated that it reserved the right, in connection with the forthcoming fixing of agricultural prices, to submit additional proposals relating to the details for fixing monetary compensatory amounts in general, in particular in the pigmeat sector.

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The Council noted progress in the Special Committee on Agriculture on the Commission report on the economic effects of the agri-monetary system. In view of the size of the problems arising in this sector, it agreed to put all the questions raised by monetary compensatory amounts on the agenda for its next meetings.

AGRICULTURAL PRICES AND RELATED MEASURES

After noting the Commission's supplementary proposals in the beef and veal, milk products and cereals (starch) sectors, the Council decided to consult the European Parliament, on these proposals, such consultation being mandatory, and to consult the Economic and Social Committee. It instructed the Special Committee on Agriculture to continue its work on questions outstanding in the light of the awaited Opinion of the European Parliament and with a view to the preparations of the forthcoming Council discussions.

Pending completion of this work the Council agreed to extend the marketing year for certain products, viz. beef and veal, the dried fodder and the milk sector, until 1 May 1978.

This decision on dried fodder was accompanied by the following statement:

"The Council agrees that account will have to be taken of the adoption of the new organization of the market in dried fodders, to an appropriate extent, since operators may suffer as a result of the delay in the implementation of these rules originally scheduled for 1 April 1978."

In the same context the Council noted the Commission proposal to extend during April EAGGF assistance to a consumer subsidy for butter in the United Kingdom at the level applied during the previous month, namely 33 UA per 100 kg. It agreed to take a decision on this matter after consulting the European Parliament.

DEVELOPMENT OF THE MEDITERRANEAN REGIONS

The Council noted an interim report by the Special Committee on Agriculture on current work on the Commission communication on guidelines for the development of the Mediterranean regions, together with proposals relating to agriculture. This report centred chiefly on questions of organization of the market (fresh and processed vegetables, wine) and on structural measures.

After an exchange of views during which the Italian and French delegations in particular reaffirmed the great importance they attached to these issues, the Council instructed the Special Committee on Agriculture to continue its work in the light of the day's discussions, so that it might hold a substantive debate at its next meeting.

## MILK PRODUCTS SECTOR

The Council held a first policy debate on the whole range of proposals relating to Milk Marketing Boards in Great Britain and Northern Ireland.

At the end of the debate, in which particular attention was paid to the legal and political issues relating to the organizational proposals in question, the Council instructed the Special Committee on Agriculture to continue its examination of the proposals in order to prepare for a more detailed discussion at a future Council meeting.

## PRODUCER GROUPS

After noting a report by the Special Committee on Agriculture on the amended proposal for a Regulation concerning producer groups and associations thereof, the Council instructed the Special Committee on Agriculture to continue its work on the matter so that the Council could discuss it at a future meeting.

### AGRICULTURAL DECISIONS

The Council adopted in the official languages of the Communities:

- the Decision on the equivalence of forest reproductive material produced in Austria;
- the Regulation amending Regulation (EEC) No 2305/70 on the financing of intervention expenditure in respect of the domestic market in beef and veal;
- the Decision concerning employment aid for certain slaughterhouses in Northern Ireland.

### MISCELLANEOUS DECISIONS

The Council adopted in the official languages of the Communities:

- the Regulations relating to the organization of two surveys on earnings and labour costs respectively in industry, wholesale and retail distribution, banking and insurance;
- the multi-annual research and development programme in the field of primary raw materials (1978-1981) indirect action;
- the Decision adopting a programme of research and development for the European Atomic Energy Community on uranium exploration and extraction.

### Appointment

On a proposal from the United Kingdom Government the Council appointed Mrs A.S. GITTELSON member of the Advisory Committee of the Euratom Supply Agency to replace Mr W.C.F. BUTLER, who has resigned, for the remainder of his term of office, i.e. until 28 March 1979.

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PRESS RELEASE

504th meeting of the Council

- Foreign Affairs -

Brussels, 7 March 1978

President: Mr K.B. ANDERSEN,

Minister for Foreign Affairs  
of the Kingdom of Denmark

LIBRARY

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Henri SIMONET Minister for Foreign Affairs

Denmark:

Mr K.B. ANDERSEN Minister for Foreign Affairs

Mrs Lise ØSTERGAARD Minister without portfolio with special responsibility for matters of foreign policy

Mr Niels ERSBØLL State Secretary,  
Ministry for Foreign Affairs

Germany:

Mr Hans-Dietrich GENSCHER Federal Minister for Foreign Affairs

Mr Klaus von DOHNANYI Minister of State,  
Federal Ministry for Foreign Affairs

France:

Mr Louis de GUIRINGAUD Minister for Foreign Affairs

Ireland:

Mr Michael O'KENNEDY Minister for Foreign Affairs

Italy:

Mr Arnaldo FORLANI Minister for Foreign Affairs

Luxembourg:

Mr Jean HAMILIUS

Deputy Minister for Foreign  
Affairs

Netherlands:

Mr C.A. van der KLAAUW

Minister for Foreign Affairs

Mr J. de KONING

Minister for Development  
Co-operation

Mr D. van der MEI

State Secretary,  
Ministry for Foreign Affairs

United Kingdom:

Dr David OWEN

Secretary of State for Foreign  
and Commonwealth Affairs

Mr Frank JUDD

Minister of State,  
Foreign and Commonwealth Office

Commission:

Mr Wilhelm HAFFERKAMP

Vice-President

Mr Lorenzo NATALI

Vice-President

Mr Claude CHEYSSON

Member

Mr Guido BRUNNER

Member

Viscount Etienne DAVIGNON

Member

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DIRECT ELECTIONS

The Council held an exchange of views with a view to the discussion which the European Council will hold on 7 and 8 April next concerning the date of the election of the European Parliament by direct universal suffrage.

It was agreed that examination of this question would be resumed at the meeting on 4 April.

EUROPEAN COUNCIL

The Council prepared certain questions which were likely to be discussed by the European Council on 7 and 8 April next in Copenhagen.

NORTH-SOUTH RELATIONS

The Council reviewed current progress in the dialogue between the developing and the industrialized countries and confirmed the importance the Community attached to the next stage of this dialogue, of which it also underlined the overall interest.

Accordingly, special attention was given to the UNCTAD ministerial meeting which opened in Geneva on ~~5~~ 6 March to discuss debt problems and problems relating to the least developed countries. At the end of a constructive discussion which centred on indebtedness, the Council instructed the delegations in Geneva to continue preparing the Community's common position in the light of what had been said.

RELATIONS WITH JAPAN

Further to the conclusions reached at its meeting on 7 February, the Council heard a report by the President on his visit to Tokyo on behalf of the Community and a Commission report on current progress in the negotiations it had been instructed to carry out with Japan.

These two reports were followed by a discussion at the end of which the Council confirmed the importance it attached to reaching agreement with the Japanese Government, on the basis of its conclusions in February and in a spirit of co-operation, on a set of measures likely to bring about a significant reduction in Japan's trade and payment surpluses. These measures would include macro-economic as well as practical measures likely to have immediate effect as regards opening up the Japanese market.

The Council will be informed of the outcome of the Commission's negotiations at its next meeting on 4 April prior to the European Council on 7 and 8 April in Copenhagen.

GREEK ACCESSION

The Council took note of a report on current progress regarding the accession of Greece. The report included details of the programme for the next few weeks prior to the meeting of the Negotiating Conference to be held at ministerial level in Luxembourg on 3 April.

GATT MULTILATERAL TRADE NEGOTIATIONS

The Council took note of an interim report from the Commission on progress in the GATT trade negotiations.

IRON AND STEEL PROBLEMS

The Council heard a statement by Viscount DAVIGNON, member of the Commission, on the work undertaken by the Commission in pursuance of the instructions it received on 19/20 December 1977 with a view to resolving the current difficulties in the steel sector.

The Council noted with satisfaction that the arrangements with the EFTA countries had been initialled on 28 February and that progress was being made in the negotiations with the other steel supplying countries.

The Council also took stock of certain aspects of the current internal situation, in particular with regard to the implementation of the crisis measures and the current work on the re-organization of the iron and steel industry.

CIEC SPECIAL ACTION

The Council agreed to sign, in the near future, the agreement between the European Economic Community and its Member States, on the one hand, and the IDA, on the other hand, concerning the implementation of the contribution which the EEC has agreed to make to the Special Action Programme decided on at the Conference on International Economic Co-operation with a view to helping the various low-income countries facing general problems of resource transfer that hinder their development to satisfy their immediate requirements.

It is recalled that the EEC's contribution to this special action amounts to 385 million dollars and that it has decided that this contribution will be implemented through the IDA. The agreement to be signed with the IDA will cover the detailed arrangements for such implementation.

RELATIONS WITH CHINA

The Council decided on the signing in the near future of the trade agreement between the European Economic Community and the People's Republic of China; signing could take place at the beginning of April.

SHIPBUILDING

The Council recorded its agreement on the substance of the Directive on aid to shipbuilding (4th Directive) <sup>(1)</sup>.

The 4th Directive, which will apply for three years, is a logical development from the 3rd Directive, which expired on 31 December 1977, in extending harmonization of conditions of competition within the Community. Its purpose is to promote effective action in this field, which requires a solution covering all aid and intervention directly or indirectly affecting competition and trading conditions on the shipbuilding market. To this end, it defines the criteria, and the procedures for notifying the Commission, for non-discriminatory aid by the authorities to investment, for the rescue of an undertaking, for coping with the crisis, and aid to shipowners for the purchase of vessels.

The temporary aid for the rescue of an undertaking, which is necessary to obviate acute social problems, is permitted provided that it enables a definitive solution to be worked out to the problems confronting the undertaking.

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<sup>(1)</sup> The formal adoption could take place shortly after the texts have been finalized in the official languages of the Communities.

7.III.78

In insisting that the aid should be non-discriminatory, the Directive also seeks to promote the inter penetration of the Community market by encouraging Community shipowners to invite tenders as far as possible from other Member States' shipyards.

The approval of this Directive comes at a time of crisis, which, in order to preserve a sound and competitive shipbuilding industry - a matter of vital interest to the Community - requires the maintenance, on a temporary basis and subject to phased reductions, of certain aid to production which would not be justified in normal circumstances, to allow the industry to meet the new market conditions and adapt to them.

In addition, the Council, having noted a statement by the Commission on progress made concerning its communication on the structural adaptation of the shipbuilding industry, agreed to expedite the current work so that it could hold a debate on this at its next meeting scheduled for 6 June 1978.

MISCELLANEOUS DECISIONS

The Council adopted the additional directive for the conclusion of the negotiations with Cyprus in the agricultural sector.

Appointments

On a proposal from the representatives organizations, the Council appointed Mr Christian OURY, Président-Directeur Général du Comité de la Sidérurgie Belge et du Groupement des Hauts Fourneaux et Aciéries Belges, a member of the European Coal and Steel Community Consultative Committee in place of Baron van der REST, Member, who has resigned, for the remainder of the latter's term of office, which runs until 9 July 1978.

The Council appointed,

- on a proposal from the United Kingdom Government,
  - Mr G.R. WILSON, Office of the United Kingdom Permanent Representative to the European Communities, alternate member of the Advisory Committee on Freedom of Movement for Workers in place of Mr J.D. RIMINGTON, alternate member, who has resigned, for the remainder of the latter's term of office, which runs until 10 October 1979;
  - Mr A.J. GILLIVER, Department of Employment, Overseas Labour Section, member of the above-mentioned Committee for the remainder of the term of office of its members, which runs until 10 October 1979;

-- on a proposal from the Danish Government, Mr Knud ELLEGAARD, Specialarbejderforbundet i Danmark, a full member of the above Committee as a replacement for Mr Ejler SØNDER, full member, who has resigned, for the remainder of the latter's term of office, which runs until 10 October 1979.

The Council appointed,

-- on a proposal from the United Kingdom Government, Mr P.J. BAYLISS, Department of Employment, a full member of the Administrative Board of the European Foundation for the improvement of living and working conditions, as a replacement for Mr R.S. ALLISON, full member, who has resigned,

-- on a proposal from the Commission, Mr W.H. TAYLOR, Confederation of British Industry, a full member of the above Committee as a replacement for Mr Roy W. WATSON, full member, who has resigned, for the remainder of Mr ALLISON's and Mr WATSON's terms of office, which run until 14 March 1979.

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Pending the conclusion of the consultations with Norway, Sweden and the Faroe Islands on the reciprocal fishing arrangements for 1978, the Council agreed on arrangements with these countries for the period until 15 April 1978.

No record of a 505<sup>th</sup> meeting.

PRESS RELEASE

Brussels, 20 March 1978

506th meeting of the Council  
- Economic and Financial Affairs -

Brussels, 20 March 1978

President: Mr Knud HEINESEN  
Minister for Finance  
of the Kingdom of Denmark

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Gaston GEENS	Minister of Finance
Mr Willy CIAES	Minister for Economic Affairs

Denmark:

Mr Knud HEINESSEN	Minister of Finance
Mr Kurt HANSEN	State Secretary, Ministry of Economic Affairs

Germany:

Otto Graf LAMBSDORFF	Federal Minister for the Economy
Mr Hans MATTHÖFER	Federal Minister of Finance
Mr Manfred LAHNSTEIN	State Secretary, Federal Ministry of Finance

France:

Mr Robert BOULIN	Minister delegate, Ministry for Economic Affairs and Finance
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Ireland:

Mr Ray McSHARRY	Minister of State
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Italy:

Mr Filippo PANDOLFI	Minister of the Treasury
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Luxembourg:

Mr Jacques POOS	Minister of Finance
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Netherlands:

Mr Frans ANDRIESSEN

Minister of Finance

United Kingdom:

Mr Denis HEALY

Chancellor of the Exchequer

Commission:

Mr François-Xavier ORTOLI

Vice-President

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PREPARATION FOR THE EUROPEAN COUNCIL

On the basis of a Commission communication, the Council prepared the economic policy aspects of the next meeting of the European Council on 7 and 8 April in Copenhagen.

ECONOMIC POLICY GUIDELINES FOR 1978

Under the first quarterly review provided for in the Council Decision of 18 February 1974 on the attainment of a high degree of convergence of the economic policies of the Member States, the Council took note of two Commission communications concerning:

- the economic policy guidelines for 1978,
- the summary account and the degree of convergence of the economic policies pursued in the Member States of the European Communities in 1977.

The Council took note of the Commission communication on the economic policy guidelines for 1978, according to which there was no need to alter the economic policy guidelines laid down by the Council in the "Annual Report" approved on 21 November 1977.

MISCELLANEOUS DECISIONS

Commercial policy

The Council adopted, in the official languages of the Communities, the Regulations

- opening, allocating and providing for the administration of Community tariff quotas for certain wines having a registered designation of origin, falling within subheading ex 22.05 C of the Common Customs Tariff, originating in Morocco (1978/1979) and Algeria (1977/1978) respectively;
- on proof of origin for textile products falling within Chapter 51 or Chapters 53 to 62 of the Common Customs Tariff and imported into the Community, and on the conditions for acceptance of such proof;
- suspending from 1 April to 30 June 1978 the autonomous Common Customs Tariff duty applicable to certain qualities of magnesium oxides falling within subheading ex 25.19 A.

The Council adopted, in the official languages of the Communities, the Regulations establishing indicative ceilings and Community supervision for imports of certain products originating in Austria, Finland, Iceland, Norway, Portugal, Sweden and Switzerland (1978).

Furthermore, the representatives of the Governments of the Member States of the European Coal and Steel Community, meeting within the Council, approved the Decisions establishing supervision of imports of certain products originating in Austria and Sweden (1978).

## Relations with the ACP States

Pending completion of the procedures for the ratification of the Agreements of Accession to the Lomé Convention of Papua New Guinea, Sao Tomé and Príncipe and Cape Verde, the Council agreed to extend until 31 December 1978 the arrangements for the advance application of the trade provisions of the Convention to imports from these States.

## Agricultural policy

The Council adopted, in the official languages of the Communities,

### - the Regulations

- = amending Regulation (EEC) No 1418/76 on the common organization of the market in rice with regard to the French overseas department of Réunion;
- = laying down a transitional provision on Community financing of the consumer subsidy for butter referred to in Regulation (EEC) No 880/77;

### - the Directive supplementing Directive 72/280/EEC of 31 July 1972 on the statistical surveys to be made by Member States on milk and milk products.

Environment

The Council adopted the Directive on toxic and dangerous waste <sup>(1)</sup> in the official languages of the Communities.

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The Council gave the assents requested by the Commission pursuant to Article 56(2)(a) of the ECSC Treaty (Italsider S.p.A. - Italy, P.S.A. Peugeot-Citroën - France, Saarländische/ Investitionskreditbank A.G. - Germany).

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<sup>(1)</sup> For summary of this Directive see Press Release No 701/77 (Presse 68) of 14 June 1977)