

europaean community NEWS

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EC ADOPTS LOAN PLAN TO RECYCLE PETRODOLLARS

The European Community will borrow up to \$3 billion outside the Community according to a plan to recycle petrodollars into EC countries suffering from balance-of-payments deficits caused by higher cost of oil imports. The plan was adopted by the Council of Ministers October 21. The money, to be raised and jointly guaranteed by the nine member states will be reloaned on a case basis to central banks with severe deficits. The loans will be paid back after a minimum of five years.

EC GRANTED UN OBSERVER STATUS

The European Community was granted observer status to the United Nations General Assembly on October 11. The Assembly gave unanimous consent to a draft resolution proposing EC observer status. The resolution, which was drawn up by the Community countries, was presented by French Ambassador to the United Nations, Louis de Guiringaud since France provides the current EC Council President.

EC-CANADA MEETINGS ON TIMBER INDUSTRY

A delegation of Commission officials and representatives of European timber-related industries recently concluded a two-week visit to Canada at the invitation of the

Canadian Government. This was the first EC-Canada meeting of government and industrial representatives to discuss the situation in a single industrial sector. Talks centered on Canadian resource, trade, and industrial development policies; the role of foreign investment in the continuing growth of resource industries, and possible ways to assure a continued supply of wood fiber for the European market. Both parties agreed to maintain a dialogue on trade and industrial cooperation in the forest products sector.

ORTOLI INVITED TO MOSCOW BY COMECON

A Council for Mutual Economic Assistance (Comecon) invitation to Commission President Francois-Xavier Ortoli is under study by the European Community. The invitation, issued by Comecon Secretary General Nikolai Fedeyev, marks the latest in a series of Comecon overtures for developing relations with the Community.

EC-US EXPERTS MEET ON NONTARIFF BARRIERS

American and Commission technical experts met in Brussels October 15-16 to discuss nontariff trade barriers in the industrial sector. The meetings were a technical-level follow-up to the latest of the regular semi-annual EC-US consultations, in Brussels last June. Discussions covered public procurement policies, regional development subsidies, and industrial environmental standards.

EC REGIONAL POLICY
ESSENTIAL -- THOMSON

"The Community in any meaningful sense cannot survive without an EC regional policy," Commissioner George Thomson said in an address to the International European Training Center in Venice October 11. Regional policy is designed to balance Community expenditure in a way that encourages rich and poor member countries to dovetail their economic policies. Of the six original EC countries, Italy has the lowest gross domestic product per person and therefore deserves more Community aid, according to Thomson.

Italy represents 29 per cent of the total EC population but has received 26.4 per cent of total EC grants, loans, and subsidies.

CALL FOR STRONGER EC,
POLITICAL COOPERATION

The Common Market and political cooperation must simultaneously be strengthened to begin the political organization of Europe, French Foreign Minister Jean Sauvagnargues said October 10 before the National Assembly Foreign Affairs Committee. Turning to US-European affairs, Sauvagnargues said "Europe and the United States must have good rela-

tions. But France and Europe have their own interests and one of the guidelines of France's foreign policy is the solidarity of interests between France and Europe."

EC SEEKS TEXTILE
EXPORT RESTRAINTS

The European Community will begin seeking bilateral voluntary restraint agreements with textile-exporting countries under multilateral arrangements negotiated in Geneva last year. On October 14, the Council of Ministers authorized the Commission to open talks with India and Pakistan to seek such accords.

COMMON EC POSITION FOR
FOOD CONFERENCE FORMED

The European Community's common position will be presented next month at the World Food Conference in Rome by French Agriculture Minister Christian Bonnet, in his role as EC Council President. This position, formulated on October 15 by the Council, covers increased farm production in developing countries, a world food alert system, storage plan coordination, food aid, agricultural trade, and conference follow up activities.

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