

Speech by the President of the Council of the  
European Communities, Mr Edmund DELL, Secretary  
of State for Trade of the United Kingdom

Suva, Fiji  
April 15, 1977

Mr President,

It is a great honour to be here as Members of the Council of the European Communities, in these delightful Pacific Islands, and to attend this, the second meeting of the ACP-EEC Council of Ministers, in response to last year's invitation from the ACP States. On behalf of the Community, I would like to thank the Government of Fiji, and more especially you yourself, Mr President for all you have done to ensure that this meeting is a success. May I say at once how much we have appreciated the warm and friendly welcome extended to us since our arrival. This has certainly succeeded in creating the right atmosphere for the successful conduct of our business.

As for the business itself, I am quite sure - knowing the remarkable talent you have shown since the entry into force of the Lomé Convention and perhaps even more since your accession to the presidency of the Council of Ministers of the ACP States - that under your chairmanship the meeting will be so conducted as to bring about the results to which we all aspire. May I then congratulate you on adding to your presidency of the ACP States the task of presiding over our joint meeting, and may I assure you that the Community will be working here after a journey which did not seem long since old friends, the 49 ACP countries, were waiting to greet us in a spirit of frank and sincere collaboration.

This meeting is taking place one year after the Lomé Convention entered fully into force. Now that we can stand back and take an objective view of the matter we would be able to take stock for the first time of the working of the Convention. This will indeed be the first aim of our meeting. It is the general feeling in the Community and, I am sure, in the ACP States, that the Convention has so far been working very successfully. The Lomé Convention has already obtained recognition in many international organizations - starting with the UN and its agencies - as a model, an exemplar, of what can be done towards the achievement of a fairer and more humane international economic order. We can make this claim because the Convention does not consist simply of general guidelines on development problems. On the contrary, its emphasis has been on practical co-operation and on effective action. As an example of this practical co-operation and effective action, I should like first to mention the success of the arrangements for stabilizing export earnings. A few months after the Convention entered into force, the ACP States were indemnified, in accordance with the terms and conditions laid down, for income losses suffered the previous year. The same procedure will apply this year for losses incurred in 1976. The system has worked swiftly and efficiently, thus proving that any doubts which may have been expressed about its application were unfounded. The ACP Governments, the Governments of the EEC Member States and the Commission have worked closely together to achieve this success.

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Another field in which the Convention is beginning to operate is that of industrial co-operation. Machinery has now been set up which should help us to promote industrial development in ACP States by means of schemes involving co-operation between ACP States and the Community Member States. A successful start has been made in economic, financial and technical co-operation intended to assist economic and social development in ACP States. The necessary administration has been ready for several months, and more than 500 million units of account have been committed for the financing of projects and action programmes in the first year. These projects have been selected in accordance with priorities agreed with ACP States themselves and have yet to be examined by the Council of Ministers, but the evidence so far suggests that they are highly satisfactory.

It would, however, be of little use encouraging development in the economies of ACP States if the Community market were not at the same time open to ACP products. Virtually all these products are in fact freely imported into the Community, without customs duties or quantitative restrictions of any kind, and subject only to a number of special procedures for certain agricultural products. This is a significant concession, without parallel in world trade, which the Community grants only to a limited number of other countries, and goes much further than the generalized preference scheme.

With regard to sugar, the reciprocal price and supply guarantee can represent a significant cost on the Community, itself a sugar producer, but these are costs which we accept willingly in view of our obligations under the Convention and the paramount importance of sugar production and exports for the ACP sugar-producing States.

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The Lomé Convention, as it stands, is deliberately weighted in favour of the ACP States. For example, the principle of trade reciprocity included in the Yaounde Convention is not a feature of this Convention. This lack of reciprocity is justified by the respective levels of development of the economies concerned and is, therefore, accepted by the Community. It is an expression of our wish to assist development in the ACP countries.

We are well aware that the application of the Lomé Convention can be further improved. We are prepared to examine all suggestions for such improvements.

The ACP States have sometimes made proposals which go beyond the scope of the Lomé Convention. We, for our part, have tried to act as positively as possible. Sometimes we have sought alternative solutions, especially where these appeared justified by the situation in the countries making the request. The Community has frequently emphasized its readiness to hold consultations on matters likely to affect the interests of the ACP States. We have been concerned not simply to fulfil a purely formal obligation.

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Mr President,

The Lomé Convention is a unique association of developed and developing countries. It is an association which concentrates on practical trade and development questions with a view to assisting economic progress in 49 developing countries - soon, I am glad to say to be 52. We are meeting here to consider the experience of the last twelve months and how our joint action can be further developed and improved. The friendship between our countries and the working of the Convention thus far provide guarantees that we can look forward to a conference whose positive conclusions will augur well for the future.

Considering the important positive results of the first year of implementation of the Lomé Convention, the Community believes that it cannot be said that it has adopted an unyielding or ungenerous attitude towards ACP States. Especially in the field of trade co-operation, a most important one for all ACP States, the Community has always respected its obligations strictly and promptly. Consultations have taken place each time when requested by ACP States, in accordance with Article 11 of the Convention. We understand very well that ACP States wish to consider again the means of facilitating the exploitation of the trade opportunities available in the EEC and within the ACP, and we are ready to help the ACP in this way, by appropriate consultations as well as by co-ordinated measures in the field of trade promotion, both on industrial and on agricultural products.

Far from neglecting its third world partners, and especially its ACP friends, far from delaying discussions on important trade matters because of its internal difficulties, the Community, which has never applied against the ACP the safeguard measures provided for in Article 10 of the Convention, has always accepted a joint examination of any concrete difficulty which might appear for the ACP States in a field relating to the implementation of the Lomé Convention. It is ready now to discuss with its partners, in most appropriate form, the best way to intensify and improve the consultation procedures, with a view to helping ACP States to further promote their exports to the Community's markets.

In the general framework of the relationship between third world countries and the European Community, the latter is proud to offer to its ACP partners, with the Lomé Convention, a many sided and liberal agreement which enables the ACP States to have virtually free access to the Community's market, one of the biggest in the world, and gives them extended opportunities for their economic and social development.

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