

Mr. Andersen

9 June 1978
(13.06)

The Foreign Minister's report to the European Parliament
on the Danish Presidency, 14.6.1978

I am pleased to have this opportunity today of giving Parliament a short report on the proceedings of the Council and on political co-operation during the last six months, in which I have had the privilege of holding the Presidency. I am not going to give you a complete run-down of every last decision, great and small. The area covered by our work is far too extensive and the decisions too numerous. Let me instead pick out a few salient points and let me - perhaps somewhat unconventionally - begin with two disappointments:

In spite of strenuous attempts, the fisheries policy has still not become a reality. This subject is to be discussed in Parliament this afternoon and I shall not go into the matter any further now.

In the energy sector also the Community still seems to be a long way from a common energy policy. The Presidency has tried very hard to obtain results in this area, which is of prime importance for the Community's future, and I think that the lack of progress is extremely worrying.

.../...

Among the areas in which results have been achieved, I think it worth mentioning that in spite of a particularly difficult beginning we have succeeded in setting new farm prices which will help to reduce the rate of inflation and will thereby have a positive effect on the economic situation in the Community.

As I told the meeting here in the European Parliament on 18 January 1978, the main task is to reverse the unsatisfactory economic and social trend in the Community. Although this is a long-term process, I venture to say that the common strategy formulated at the European Council meeting in Copenhagen on 7 and 8 April 1978, of which I gave an account to this House on 12 April 1978, is a step in the right direction.

I shall just give a brief account of the follow-up in the Council to the main points of the common strategy.

The Council of Economic and Finance Ministers has discussed economic policy with a view to achieving a higher rate of economic growth. These discussions will continue at the Council meeting on 19 June 1978, when it is aimed to define the requirements and room for manoeuvre with regard to each country's economic policy as well as to make recommendations for co-ordinating future arrangements in each Member State with a view to achieving the necessary economic growth within the Community.

At its meeting in May the Council of Economics and Finance Ministers reached agreement on a common position regarding the Commission's proposal on investment and borrowing in the Community, the so-called Ortolli facility. As Parliament is doubtless aware, this question will be the subject of a consultation between the Council and Parliament on 19 June 1978. The Presidency hopes that the new loan facility can then be adopted quickly to help achieve a higher level of investment in the Community.

Developments on the monetary markets have clearly demonstrated the need for greater stability both within the Community and over a broader geographical area if the foundations are to be laid for higher economic growth. It is my hope that concrete decisions can be taken later in the summer with a view to extending monetary co-operation, and that the Council of Economics and Finance Ministers will be able to pave the way at its meeting in June.

In January 1978 the Danish Government asked the Commission to lay down guidelines concerning the types of sectoral aid which were compatible with the common market. The Council discussed this question at its meeting on 6 June on the basis of the Commission statement and the memorandum which the German Government presented at the Council meeting on 2 May. The discussion formed part of a broader consideration of the structural problems of industry with a view to

reaching conclusions in preparation for the meeting of the European Council in Bremen on 6 and 7 July. I am pleased to report that representatives of the German Government have assured me that they intend to continue the positive line taken by the Danish Presidency in this area.

In the steel sector agreements were reached with the EFTA countries, Japan, South Africa, Spain, Portugal, South Korea, Australia, Hungary and Czechoslovakia on price and quantity constraints for the export of steel to the Community.

With a view to ensuring that the steel-consuming industries remain competitive, agreement was reached on certain discount arrangements to ensure that the shipbuilding industry can continue to purchase steel at world market prices.

I expect that structural problems in the steel industry and the shipbuilding industry to be discussed at the Council meeting on 27 June 1978.

I hope that the discussions on the common strategy will contribute to genuine progress at the European Council meeting on 6 and 7 July 1978. This is particularly important in the case of the economic and monetary questions. In this connection it is highly significant that a world economic summit is to be held shortly after the European Council meeting, namely on 16 and 17 July. This timetable means that the European Council meeting will not only be concerned with the possibilities for concrete decisions for the benefit of the Community, but with the extent to which the Community can contribute to measures on a broader international basis intended to achieve more satisfactory economic development.

This attitude, on which there is unanimity among the Community countries and which is bound to make a constructive contribution to the favourable development of the world economy, will increase the chances of other major industrialized countries at the economic summit giving assurances on measures aiming at the same goal.

The Community's negotiations with Greece on enlargement have occupied a prominent place since the beginning of the Danish Presidency, and significant results have been obtained during this period. I should like particularly to cite the sectors concerning customs union, capital movements, the Community's external relations, the Coal and Steel Community and Euratom.

In May the Commission submitted its communication on Portugal's application for membership, in response to which the Council meeting on 6 June delivered a favourable opinion. It is expected that negotiations with Portugal will begin in the autumn.

The Commission's opinion on Spain's application for membership is awaited and should be forthcoming before the end of the year.

The Commission has submitted a report, rejoicing in the title of "fresco", which reviews all the general issues relating to the enlargement of the Community. It does not contain concrete proposals nor does it directly touch on the negotiations I referred to earlier.

It does, however, give the Council the opportunity to compare the relevant problems and assess the consequences of enlargement for the European Communities.

The third meeting of the ACP-EEC Council of Ministers took place on 13 and 14 March. The meeting was characterized by the will for constructive co-operation, which is one of the outstanding features of the type of co-operation set up between the nine Community countries and the 53 developing countries under the Lomé Convention. The inaugural session of the negotiations for a new Convention is scheduled for 24 July and the Community has already begun to prepare the common Community attitude to be presented at the opening of the negotiations. I am in no doubt that the co-operation established under the Lomé Convention constitutes one of the Community's major day-to-day tasks and I am convinced that amongst both the Community countries and the participant developing countries there is a common positive will to develop existing co-operation while remaining true to its underlying principles.

Lastly, I should like to remind you that on 3 April 1978 a non-preferential agreement was signed between the Community and China. The Agreement entered into force on 1 June and is to remain in force for 5 years. As I see it, this Agreement will contribute to an increase in trade between China and the Community countries.

In European Political Co-operation the Nine's efforts have been directed essentially to East-West relations in the broad sense of the term, to Africa and to the consequences of the enlargement of the Community. These are areas whose direct importance for Europe requires no further explanation. The Nine nonetheless discussed a number of other important topics. Examples are the Middle East, where the Nine have maintained their common attitude towards the parties in the conflict, UN questions, where the Nine have continued to play an active and dynamic role, and also questions concerning human rights, which have affected political co-operation in several areas over the last six months.

The final stage of the Belgrade conference, with the discussions on the drawing up of a final document and the fixing of the time and venue of the next follow-up meeting, took place during the Danish Presidency. The final document was short and factual. This was perhaps not entirely satisfactory for the Nine, but on the other hand we were quite clear that if it was not possible to reach agreement on a substantial, balanced and forward-looking document, then the conference should close with a factual document. Nor should it be forgotten that the final document contains a confirmation of the provisions of the Helsinki final act as well as laying down the time and place for a new follow-up meeting - Madrid in 1980.

Following the UN Special Session on disarmament, the Nine held comprehensive talks on this matter. Despite the security-related differences between the individual EEC countries on disarmament policy, a large measure of common approach to the Special Session on disarmament was successfully maintained. This was expressed in a lengthy speech, given on behalf of the Nine by Minister Lise Østergaard. This is the first time that the Nine have made a common statement on disarmament at the UN.

As regards Africa, the Nine have in the past six months further co-ordinated their position and consolidated their agreement on a number of topics. These include Zimbabwe, where it is still our opinion that the British-American plan is the most likely to contribute to an internationally acceptable and peaceful solution. In Namibia it is our hope that the efforts of the five Western members of the Security Council to obtain Namibia's independence by the end of 1978 will succeed. Further, it is our opinion that a genuine African solution should be found in the Horn of Africa and we wholeheartedly support the OAU's attempts to bring about a negotiated settlement. Finally, during the period which has just ended, the Nine investigated the possibility of applying economic and non-economic measures to South Africa in order to bring about changes in the appalling apartheid system. These considerations should be seen as an extension of the code of conduct already adopted by the Nine.

[Incidentally, I shall have the possibility later this morning to discuss this topic in greater detail when the Parliament debates political conditions in Africa.]

I should like to conclude this speech by mentioning the progress which has been achieved in a matter which we all have at heart: the holding of direct elections.

I am able to inform you that since the election dates were laid down at the meeting of the European Council in April the act on direct elections can be expected to enter into force as the Danish Presidency closes so that the Parliament can deliver an Opinion on the election date in July and the Council can then confirm the dates laid down.

In the last six months I have endeavoured to take into account that co-operation between the Council and the Parliament should reflect the Parliament's new position after the introduction of direct elections. It has been a pleasure for me to contribute to effective co-operation between our Institutions and I should like to take this opportunity to express my thanks for the readiness to co-operate constructively which I constantly encountered in this Parliament.
