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ΑΝΑΚΟΙΝΩΣΗ ΓΙΑ ΤΟΝ ΤΥΠΟ • INFORMAZIONE ALLA STAMPA • MEDEDELING AAN DE PERS**

EMBARGO : 19.4.83, 13hrs.

Brussels, 19 April 1983

ETIENNE DAVIGNON : "LET US NOT BE MESMERISED BY THE OIL
MARKET SITUATION" (Summary of Vice-President DAVIGNON's
Speech at the HAMBURG CONGRESS AND FAIR "ENERGY '83" -
19 April 1983

"I do not want to be labelled a Cassandra : one should be
pleased with the prospects of an upturn in economic growth which
lower oil prices will help to bring about.

However, it is of paramount importance, to maintain
acceptable levels of economic growth in the medium and
longer-term. It would indeed be tragic if Governments and
industrialists were to be mesmerised by the short-term signals
from the oil markets and were to reverse the real progress which
the industrialised countries have made over recent years in
reducing their dependence on oil. I know that all the
Governments of the Community have subscribed to commitments to
reduce the risks in overdependence on imported oil and to spread
the risks by diversifying energy supplies.

I also know that there is certainly a widespread recognition
among Governments about the need to avoid the mistakes of the
past. But I would be failing in my duty as the Vice-President of
the European Commission responsible not only for energy but also
for industry and R&D, if I did not sound a note of warning about
the disastrous consequences, if we were simply to pay
lip-service to commitments to get away from imported oil without
doing anything to ensure that they are fulfilled

International cooperation is central.

The framework for closer relations between the European
Community and other industrialised countries already exists -
through well-established bilateral contacts and through the OECD
and the IEA.

On the other hand, the framework for cooperation with the
oil-producing countries is less well-established. There are,
moreover, those who do not see the need to develop it. We have
nothing to gain, so they say, from engaging in any kind of
"dialogue".

This is a short-sighted view. The whole world will gain, if
better understanding between oil-producing countries and
oil-consuming countries leads to greater predictability on the
oil markets and a larger measure of consensus about future
energy developments more generally."