NEGOZJATION

EEC - AFRICAN CARIBBEAN AND PACIFIC

COUNTRIES

Statement by Mr. KROHN, 14 December 1973

Mr. Chairman, Ladies and Gentlemen,

May I before I begin say that what I will say may, in some important points, not be quite identical with the text which has been distributed. So my declaration is what I am going to say and not in all points what is mentioned in the written text.

Mr. Chairman, Ladies and Gentlemen,

I am glad of the opportunity that this afternoon's meeting has given us the attempt in common to summarize and to evaluate what we have achieved so far.

I believe that we have made progress in three important ways. First, we are now fully aware of each other's basic considerations, in the fields that we have discussed. The start of negotiations are, by their very nature, a difficult period. It would not be objective of me to hide the fact that there are important areas of difference between our two positions. But we have now identified them and this should enable us to get down to reducing the gaps. Secondly, we have now been able to establish a set of working methods which, if not yet fully run in, have allowed us to evolve a rational system of work, we hope. And thirdly, this first phase has given our two sides the opportunity to reflect, during the break, upon the work of the next stages. Our respective internal discussions will now have some real substance to digest. I anticipate, Mr.Chairman, that this should lead to more fruitful results in the next round.

I am bound to admit, however, that we had hoped, on our side, as you, to have made rather more substantial progress than we have. We may have underestimated the difficulties in coordinating our respective positions given the exceptional size of these negotiations. I am, however, for the reasons I have explained, hopeful that we shall move along at a faster pace next year.

I would like briefly to summerize the stage we have reached with regard to the two main elements of our discussion so far : trade and financial and technical cooperation. First trade.

In broad terms, we have succeeded in identifying the areas in which we are in general agreement and in isolating those where we need more detailed discussion.

I think it became clear from the outset that we share the view that, whatever arrangements we reach at the end of the day, they must be designed to encourage the effective development and diversification of your exports to the Community. Our agreement must concentrate on this aim. At the same time, your commercial relations with other countries must not be harmed. Over and above this, we have recognised together the need for positive ways to support regional integration. The backcloth is, therefore, clear.

It is satisfactory that we have established agreement on these general points. But I particularly welcome the fact that we have been able to start detailed and technical discussions on trade matters in the working group. My delegation has found it of great value to learn your detailed considerations with regard to the rules of origin and non-tariff barriers. Both these questions are of a complex and detailed kind and I do not hide the fact that we may have considerable difficulty with some points and this is also the reason why I feel, Mr. Chairman, that we could not hope that during one meeting of the working group on each of these subjects we could already find solutions to this complex and detailed problem. But from another side, we should take advantage of the break to study your proposals with great care so that when we meet again we shall be ready to make a start in trying to answer your points.

In my declaration of 6 December I suggested five points for detailed discussion. As I have just said, we have been able to make a start on the first two. As for the question of agricultural products, we have distributed a document setting out the Community's rules for agricultural products. It is our intention to supplement this by circulating shortly another document giving more detailed statistical information. I hope, Mr. Chairman, that this will enable you, on your side, to evaluate more precisely the extent to which your interests are involved in this question.

As for the other two points in my suggested list - the erosion of preferences enjoyed by our partners in the EEC market and the application of Chapter III of Protocol 22 - the Community delegation is ready to join you in the New Year for discussion whenever and in whatever forum you think appropriate. Although we naturally have our own ideas on these questions I should like to emphasize that they are by no means rigid or inflexible. We are, for our part, very interested to have your views and suggestions and, I can assure you that they will help us considerably to reach a definitive and positive position.

As far as the trade field is concerned, Mr. Chairman, you have expressed some disappointment that we could not sufficiently define the discussion on these subjects. But, as I said before, since the working groups met only once on each of these very complicated subjects, I think it would have been too optimistic to hope that we might find solutions during this first meeting. On our side, I would not say that we are disappointed but we hope that we could broaden the field of problems very soon in the beginning of the next year by heading those points which I just mentioned: erosion of preferences and the application of Chapter III of Protocol 22.

We have been able, Mr. Chairman, to reach agreement on fundamental aspects of the operation of financial and technical cooperation and in particular on the basic objectives. These are : economic and social progress within the partner states, their economic independence, the support of efforts towards regional integration and the ultimate objective of making such cooperation, in due course, superfluous.

As regards the amount of the future EDF it has seemed to us, both, premature to try to fix a sum at this stage of the negotiations; on the other hand, I was able to confirm to you that the Community's aim is globally to ensure for the associated countries advantages equivalent to those from which they benefit already and to put the new partner states on an equal footing. The working group concerned has examined two important fields and has been able to reach some first results.

You have just said, Mr. Chairman, that you too consider this document 16/73 only as a product of a drafting group. I agree with you that the full Working party should have a look at it before it is assumed to be an

agreed text and I would sell, Mr. What wan, before it is an agreed text, that it should be submitted to the meeting at the level of Ambassadors and Plenipotentaries.

Given the program we have already made, I believe that it will be useful if the working group, from its next meeting, can also get down to the other questions in the field of technical and financial assistance I suggested earlier; that is to say, the promotion of regional cooperation and the special measures in favour of the least favoured countries. It should, in our mind, in addition, continue working in the areas referred to in its first report which require further discussion. Meanwhile, any suggestions which you may have on this subject will be the subject of detailed study by the Community over the coming days.

You have been suggested a time-table for the beginning of the works in January and if I understood correctly this is that, on your side, you will start working in the week of 14th January and you have suggested that our experts might meet yours during that week. I think this suggestion is acceptable for us. You have been suggested, furtherwore, Mr. Chairman, that on the Ambassadors level you start meeting en 21st January and that you have provisionally scheduled the meeting with us on Wednesday 23rd January. However, this has to be confirmed. I will also say in this respect, Mr. Chairman, that we could accept this suggestion from your side.

emphasize, from the Community side, that we shall not waste the period leading up to the reopening of our discussions in January. I know that the same holds true for you. Many of you will be returning to your respective countries for consultations. But we hope you will still be able to find time for some relaxation with your families. So, for those of you who are leaving Brussels, may I, on behalf of the Community, wish you a pleasant journey. For those of you who will be remaining here over the period of Christmas, may I also express the hope that we shall have the opportunity to meet, and not necessarily to discuss our official business, but also as friends. I understand that arrangements are being made for this to be possible.

Mr. Chairman, may I thank you and all your colleagues from Africa, the Caribbean and the Pacific, for the positive way your hard work and organisation has enabled us to make an effective and useful start to our negotiations and wish you the Compliments of the Season, and invite you to return

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again in January so that we can continue in this spirit of friendly dialogue, not only to build on our common ground but also to close, bit by bit and step by step, those gaps between our respective positions.