

**THE EUROPEAN COUNCIL**

**LISBON  
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Documents in the dossier include:

*Lisbon European Council*

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# I — Lisbon European Council

## Lisbon, 26 and 27 June

1.1. The meeting of Heads of State or Government held in Lisbon on 26 and 27 June was chaired by Mr Cavaco Silva, President of the Council and Prime Minister of Portugal, and attended by Mr Delors and Mr Andriessen, President and Vice-President of the Commission respectively. It was preceded by an address by Mr Klepsch, President of the European Parliament, who proposed a resumption of the interinstitutional conferences to enable agreement to be reached on implementation of the Treaty, with particular reference to the co-decision procedure and the Conciliation Committee, before the next European Council. Mr Klepsch also informed the meeting that the majority of MEPs were in favour of the Community being enlarged to include the EFTA countries which had applied for membership and felt it was vital to convene an intergovernmental conference on institutional reform to proceed in parallel with the accession negotiations.

The summit provided the Heads of State or Government with the opportunity to reaffirm that, despite the 'no' vote in the Danish referendum — and they made it clear that the door was none the less still open to Denmark — the Community would continue to press ahead with the European venture. The Maastricht Treaty must be ratified as planned, with no renegotiation and no modification, to ensure entry into force on 1 January 1993.

After consulting the President and the enlarged Bureau of the European Parliament, the European Council also agreed to extend Mr Delors' term as President of the Commission. Mr Klepsch endorsed this decision, which will be confirmed at the next part-session of Parliament.

On the question of enlargement, a broad consensus was reached on the approach outlined by the Commission in its reports entitled 'Europe and the challenge of enlargement' produced at the request of the Maastricht European Council (Supplement

3/93 — Bull. EC). Most importantly it was agreed that official negotiations with the EFTA countries which had applied for membership could begin as soon as the Treaty on European Union had been ratified and an agreement had been concluded on the second package of structural and financial measures.

The European Council consequently called on the institutions to press on with the necessary preparations for negotiations with the EFTA countries concerned (Austria, Sweden, Finland and Switzerland) on the basis of the institutional provisions set out in the Treaty on European Union and in the declarations attached to it. It also examined the applications submitted by Turkey, Cyprus and Malta and stated that cooperation with these countries must be intensified on the basis of the relevant association agreements, with particular emphasis on political dialogue. Finally, it was agreed that the Community would intensify cooperation and political dialogue with the countries of Central and Eastern Europe within the framework of the Europe agreements in an effort to assist them in their preparations for accession to the Union.

The outcome of the deliberations on the second package of structural and financial measures was largely positive and this should enable the final decisions to be adopted by the Edinburgh European Council in December. The summit reaffirmed that economic and social cohesion remains one of the cornerstones of the Union and agreed that the Cohesion Fund provided for in the Union Treaty would be put in place in Ireland, Portugal and Greece early in 1993. The cumulative effect of the new Fund and the structural Funds will mean an increase on a scale commensurate with the commitments entered into at Maastricht. The European Council also confirmed that implementation of the reform of the common agricultural policy, which it welcomed, would keep within the existing agricultural guideline and announced that there would be a substantial

increase in the resources devoted to action under the common foreign policy. Finally, it agreed to the renewal of the interinstitutional agreement for the duration of the new financial perspective.

After hearing a report from President Delors on subsidiarity and discussing the issue in depth, the European Council stressed the need for this principle to be strictly applied, both in existing and in future legislation, and called on the Commission and the Council to look at the procedural and practical steps needed to implement it and to report back to the European Council in Edinburgh. The Commission undertook to include a reference to the principle of subsidiarity in the recitals of future proposals justifying the initiative; the Council will have to do the same if it decides to amend the original Commission proposal.

The European Council approved the report by the Foreign Ministers on the likely development of the common foreign and security policy, identifying the areas open to joint action *vis-à-vis* particular countries or groups of countries (→ point I.31).

On the internal policy front the progress achieved in the course of the year on completion of the internal market was stressed by the European Council, which also listed the priorities for the months ahead and emphasized the need for even more attention to be paid to ensuring that the single market works fairly and efficiently after 1992. On the free movement of persons the European Council urged that efforts to resolve the problem impeding signature of the Convention concerning the crossing of external frontiers be pursued and pressed for rapid ratification of the Dublin Convention. It welcomed the agreement reached on the establishment of a European Drugs Monitoring Centre and the progress achieved on the setting-up of Europol.

Moving on to external relations, the European Council welcomed the acceptance by the international community meeting in Rio within the framework of the UN Conference on Environment and Development of the objective of sustainable development

and agreed to implement an eight-point plan by way of follow-up.

The European Council committed itself to reactivating the Uruguay Round negotiations with a view to bringing them to a swift conclusion and called on the parties concerned to demonstrate the flexibility based on reciprocity which the Community is prepared to continue to show in all the key areas.

Confirming its support for the current democratic processes and economic reforms in the countries of Central and Eastern Europe, the European Council welcomed the new progress achieved in the establishment and deepening of the Community's relations with these countries and expressed its willingness to pursue joint international action within the framework of the G-24 to improve the balance of payments situation in Bulgaria, Romania and Albania. It also expressed its willingness to play its part in the efforts by the international community to assist Russia and the other republics in the Commonwealth of Independent States (CIS) and agreed to the mobilization of part of the ECU 1.25 billion loan to provide emergency medical assistance. The issue of nuclear safety in some power stations in Central and Eastern Europe and the CIS was also addressed and the setting-up of multilateral machinery for action not covered by bilateral measures was considered; the Commission was asked to increase funding for the programmes already operational in this field.

In a political environment dominated by the crisis in the former Yugoslavia, the European Council adopted a declaration in which it proposed that the UN Security Council take all the steps needed to ensure that humanitarian aid gets through without delay; it did not rule out support for the use of military means by the United Nations to achieve this objective. It also agreed in principle to substantial further financial aid for the displaced persons in the territory of the former Yugoslavia and expressed its readiness to recognize the former Yugoslav republic of Macedonia under a name which

does not include the term 'Macedonia'. A decision was also taken to suspend participation by the Yugoslav delegation in the proceedings of the CSCE and other international forums and organizations.

In a declaration on the Middle East peace process the European Council took note of the results of the recent elections in Israel and acknowledged that it was up to the parties concerned in the dispute to establish the terms of a settlement, which — to be effective — must be freely negotiated and agreed among them. It reiterated its belief that, for an agreement to be just and lasting, it must be based on UN Security Council Resolutions 242 and 338 and repeated the commitment of the Community and its Member States to play a constructive and active role in the peace process, both at bilateral and at multilateral level. It also reaffirmed its support for the independence, sovereignty, unity and territorial integrity of Lebanon.

The European Council also adopted a declaration on relations between Europe and the Maghreb, in which it expressed its determination to continue its overall policy of contributing to the stability and prosperity of the Mediterranean region, favouring a partnership approach capable of placing relations on a footing commensurate in scale and intensity with the links forged by geography and history.

The signing of the Agreement establishing the European Economic Area provided the European Council with an opportunity to press for rapid ratification with a view to entry into force on 1 January 1993. Reference was made to the importance attached to the deepening of relations with Latin America in general and the Mercosur Group in particular and to the major role played by the Community and its Member States in the area of development cooperation. The European Council also appealed to all parties in South Africa to resume negotiations within the framework of the Convention for a Democratic and Non-racial South Africa. Finally, it expressed the hope that the Helsinki Summit would take the

action needed to enable the CSCE to play its role of contributing to freedom, peace and stability in Europe more effectively.

## Conclusions of the Presidency

1.2. The Treaty on European Union agreed at the European Council in Maastricht expressed the mutual commitment of the governments of the 12 Member States to create a Union capable of meeting the challenges with which Europe is confronted today. The realization of this commitment remains as important today as it was then as a means of ensuring peace and stability as well as economic and social progress in Europe and in the world.

Convinced that the political commitment undertaken in Maastricht represents a major positive step in the process of European unity, reinforcing democracy in European decision-making, the European Council in Lisbon expresses the determination to press ahead with European construction in this spirit. It agrees the following political guidelines reflecting its determination to maintain the impetus for developing the Community's work internally and externally over the coming decisive period.

The European Council heard a statement from Mr Klepsch, President of the European Parliament, on the main topics under discussion in the European Council.

## Progress towards European Union

### *State of the ratification procedure on the Treaty on European Union*

- **References:**
  - Signing of the Treaty on European Union: Bull. EC 1/2-1992, point 1.1.1
  - Conclusions of the Council on the outcome of the Danish referendum: point 1.1.1 of this Bulletin
  - Commission statement on the outcome of the Irish referendum: point 1.1.6 of this Bulletin

1.3. The European Council underlines the importance of respecting the timetable laid down for ratification to ensure in any case the entry into force of the Treaty as of 1 January 1993.

The European Council welcomes the result of the Irish referendum. It notes that ratification in one other Member State is likely to be completed before the summer holidays and that ratification

procedures in most other Member States are well advanced.

It confirms the conclusions reached by the General Affairs Council in Oslo on 4 June.

### *Enlargement*

- Reference: Commission report 'Europe and the challenge of enlargement': Supplement 3/92 — Bull. EC

I.4. The Treaty on European Union provides that any European State whose system of government is founded on the principle of democracy may apply to become a member of the Union. The principle of a Union open to European States that aspire to full participation and who fulfil the conditions for membership is a fundamental element of the European construction.

The European Council in Maastricht agreed that negotiations on accession to the Union on the basis of the Treaty agreed in Maastricht can start as soon as the Community has terminated its negotiations on own resources and related issues in 1992.

The European Council considers that the EEA Agreement has paved the way for opening enlargement negotiations with a view to an early conclusion with EFTA countries seeking membership of the European Union. It invites the institutions to speed up preparatory work needed to ensure rapid progress including the preparation before the European Council in Edinburgh of the Union's general negotiation framework. The official negotiation will be opened immediately after the Treaty on European Union is ratified and the agreement has been achieved on the Delors II package.

Negotiations with the candidate countries will, to the extent possible, be conducted in parallel, while dealing with each candidature on its own merit.

The European Council agrees that this enlargement is possible on the basis of the institutional provisions contained in the Treaty on the Union and attached declarations.

The European Council considers that, if the challenges of a European Union composed of a larger number of Member States are to be met successfully, parallel progress is needed as regards the internal development of the Union and in preparation for membership of other countries.

In this context the European Council discussed the applications which have been submitted by Turkey, Cyprus and Malta. The European Council agrees that each of these applications must be considered on its merits.

With regard to Turkey the European Council underlines that the Turkish role in the present European political situation is of the greatest importance and that there is every reason to intensify cooperation and develop relations with Turkey in line with the prospect laid down in the Association Agreement of 1964 including a political dialogue at the highest level. The European Council asks the Commission and the Council to work on this basis in the coming months.

Relations with Cyprus and Malta will be developed and strengthened by building on the association agreements and their application for membership and by developing the political dialogue.

As regards relations with Central and Eastern Europe, the European Council reaffirms the Community's will to develop its partnership with these countries within the framework of the Europe agreements in their efforts to restructure their economies and institutions. The political dialogue will be intensified and extended to include meetings at the highest political level. Cooperation will be focused systematically on assisting their efforts to prepare the accession to the Union which they seek. The Commission will evaluate progress made in this respect and report to the European Council in Edinburgh suggesting further steps as appropriate.

The Commission presented its report 'Europe and the challenge of enlargement'.

### *Future financing of the Community*

- References:
  - Commission communication to the Council 'From the Single Act to Maastricht and beyond: The means to match our ambitions': COM(92) 2000; Bull. EC 1/2-1992, point 1.2.1; Supplement 1/92 — Bull. EC
  - Commission communication to the Council on the Community's finances between now and 1997: COM(92) 2001; Bull. EC 3-1992, point 1.1.2
  - Commission report on the system of own resources: COM(92) 81; Bull. EC 3-1992, point 1.1.3
  - Commission report on application of the Interinstitutional Agreement of 29 June 1988 on budgetary discipline and improvement of the budgetary procedure: COM(92) 82; Bull. EC 3-1992, point 1.1.4
  - Commission communication on structural policies — assessment and outlook: Bull. EC 3-1992, point 1.1.5

I.5. The European Council welcomes the agreement on the reform of the common agricultural policy which will control production while guaranteeing farmers' incomes.<sup>1</sup> It confirms that the

<sup>1</sup> At the request of Italy the European Council will ask the Agricultural Council to find, if possible, at its next meeting a balanced solution to the dispute regarding the milk quotas system taking account of the problem of its application in Italy.

financial means necessary for the execution of this policy will be provided within the existing agricultural guideline.

The European Council reaffirms that economic and social cohesion represent an essential dimension of the Community and that the principles laid down in 1988 should be maintained (programming, concentration, partnership and additionality) and that their application should be simplified.

It decides with reference to the dispositions in the Maastricht Treaty and the annexed protocols to put in place early in 1993 and in those Member States where the GNP per inhabitant is less than 90% of the Community average the Cohesion Fund provided for in the Treaty.

For the regions concerned in those four Member States, the cumulated effect of the structural Funds and the Cohesion Fund will be an increase appropriate to reflect the Maastricht commitments.

The European Council also agrees to apply equivalent treatment to the East German *Länder* and East Berlin to that in regions whose development is lagging behind (Objective 1 regions within the structural policies) without reducing the benefit which the cohesion countries can legitimately expect on the basis of the Maastricht decision.

The European Council confirms its attachment to reinforcement of the other structural policies, whether reconversion programmes in regions affected by industrial decline (Objective 2) or rural development (Objective 5). Actions should be developed under the Social Fund relating to occupational integration of young people, adapting to changes in systems of production and combating long-term unemployment by means of training and retraining.

The European Council asks the Council to examine further the suggestion contained in the Commission's proposed financial perspectives in relation to stimulating the competitiveness of European business by mutual cooperation and by adapting research and innovation actions; the practical application would be such as to encourage increased participation of small and medium-sized businesses in Community programmes.

The European Council, aware of its increased responsibilities in the new international context, decides to increase substantially resources devoted to actions in the context of the common external policy.

As requested by the Maastricht European Council the regressive nature of the current system will be corrected. The implementation of the correction will take particular account of the situation of the Member States with a GNP per inhabitant below

90% of the Community average. In addition the Commission will present in July its report on the application of the mechanisms for correcting budgetary imbalances.

There is agreement in principle on the renewal of the interinstitutional agreement for the period of validity of the new financial perspectives on terms ensuring strict budgetary discipline and a smooth passage of the annual budgetary discussions.

The European Council will reach decisions at its meeting in Edinburgh on the various components of the Delors II package.

### *A Union close to its citizens*

1.6. The European Council agrees that specific steps must be taken to increase the transparency in the decision-making process of the Community and to reinforce the dialogue with the citizens of Europe on the Maastricht Treaty and its implementation.

The approach of the Maastricht Treaty of bringing the process of European unity closer to the citizens and reaffirming the importance of the identities of the nations that are part of the Union must be forcefully reflected in the Community's actions and behaviour. The European Council expresses the wish to see the dialogue between national parliaments and the European Parliament strengthened, including in the Conference of Parliaments.

The European Council recalls the important role that the subsidiarity principle has played in the drafting of the Treaty on the Union, both through the integration of this principle as a new legally binding ground rule in the Treaty (Article 3b) and through the introduction for the first time of precise delimitation of the type of Community action which can be carried out in the new areas of competence which the Treaty assigns to the Union.

The European Council is convinced that harmonious development of the Union over the coming years depends to a considerable degree on the strict application to existing and future legislation of the principle of subsidiarity by all the institutions. This will be essential to ensure a direction of the European construction which is in conformity with the common wish of Member States and of their citizens.

The European Council, having heard a first report by the President of the Commission on this subject, invited the Commission and the Council to undertake urgent work on the procedural and practical steps to implement the principle and to report to the European Council in Edinburgh.

The Commission undertook, for its part, to justify, in the recitals of future proposals, the relevance of its initiative with regard to the principle of subsidiarity. The Council will have to do the same if it decides to amend the original Commission proposal.

There will likewise be a re-examination of certain Community rules in order to adapt them to the principle of subsidiarity. A report will be prepared for the European Council in December 1993 on the results of that re-examination.

### *Internal market*

1.7. The European Council reaffirms its firm commitment to the adoption of the necessary measures to complete the internal market by 31 December 1992 in accordance with Article 8a of the Treaty.

### **Free movement of goods, services and capital**

1.8. The European Council notes with satisfaction the substantial progress which has been accomplished towards the completion of the internal market in these areas over the last six months. Over 90% of the measures needed to implement the single market without internal frontiers have now been adopted. It welcomes in particular the agreements reached on insurance and public purchasing, which virtually complete the White Paper programme in these sectors, as well as on the final phase of air transport liberalization and on maritime cabotage, and the very substantial progress on plant and animal health, and on medicine and drugs.

The European Council invites the Council (economic and financial affairs) meeting on 29 June to finalize its work on VAT rates and special regimes, on structures and rates for excise duties and on investment services. It also calls on the Council to complete rapidly the necessary legislation on company law (including the European Company Statute) and to complete its work on the protection of cultural goods on the basis of the considerable progress made recently. Priority should also be given in the following months to completing the single market in the fields of liberalization of road transport, intellectual property including the Community trade mark office and outstanding issues on energy.

The European Council reaffirms the importance of the trans-European networks for the effective functioning of the internal market and urges the

Council to pursue the work already carried out in this field.

The European Council also welcomes the progress made by Member States on removing existing national controls on goods, and in stepping up the pace and effectiveness of the transposition and implementation of Community legislation in the internal market. This process must continue.

Beyond this immediate horizon, the European Council recognizes that increased attention needs to be paid to ensuring that the single market will work fairly and effectively in the post-1992 era. It invites the relevant institutions to take the necessary steps, before 1 January 1993, to ensure this objective, building on the work already undertaken by the Commission and the Council in this area.

### **Free movement of persons**

#### ● **References:**

Convention setting out procedures and criteria for determining the Member State responsible for examining an application for asylum: Bull. EC 6-1990, point 2.2.2  
Six-monthly meeting of Ministers responsible for immigration: point 1.5.13 of this Bulletin

1.9. The Council took note of the report drawn up by the Coordinators' Group on Free Movement of Persons and approved the recommendations contained in it. It wishes in particular to emphasize the following aspects thereof:

The European Council takes due note that the Presidency has devoted considerable effort with a view to settling the last problem impeding the signature of the Convention of the Member States of the European Community concerning the crossing of the external frontiers and has proposed a compromise solution.

In this connection, the European Council expresses its concern at the absence of a solution to this matter and urges that efforts should be pursued with a view to settling the last problem impeding the signature of the Convention.

The European Council calls for all ratifications of the Dublin Convention to be effected by the end of 1992. It welcomes the substantial progress achieved in preparing for its implementation as well as in other aspects of harmonization of asylum policy.

The European Council requests that the work on drafting an instrument setting up a European Information System be conducted in such a way as to allow the instrument to be signed during the second half of 1992, if possible.

It invites the competent authorities to adopt the other essential measures identified in the Palma

document and to implement the work programme on asylum and immigration which it approved at its Maastricht meeting.

### *Social affairs*

*I.10.* The European Council welcomes the progress made recently in social matters and urges the Council to pursue the efforts in the social field as the necessary complement to the realization of the internal market.

### *Fight against drugs*

- **References:**

Conclusions of the Rome II European Council: Bull. EC 12-1990, point I.17

Amended proposal for a Regulation on the establishment of a European Drugs Monitoring Centre and a European Information Network on Drugs and Drug Addiction: COM(92) 237; Bull. EC 5-1992, point 1.1.196

*I.11.* The European Council took note of the report drafted by the European Committee to Combat Drugs (ECCD).

It welcomed the political agreement which emerged on the Regulation establishing a European Drugs and Drug Addiction Monitoring Centre. That body will help give the Community and the Member States an overall view of this serious social phenomenon and will thus assist them in defining their action.

The European Council confirms its full support for the organization in the Member States, from 16 to 22 November 1992, of a European Week to promote the prevention of drug use. It calls for particular emphasis to be placed on the prime importance of education and prevention as regards young people.

It calls upon the ECCD to report to it, at its Edinburgh meeting, on the implementation of the European programme for the fight against drugs adopted by the Rome European Council on 14 December 1990. That report may be accompanied by proposals for further measures.

### *Europol*

- **Reference:** Six-monthly meeting of Ministers responsible for immigration: point 1.5.13 of this Bulletin

*I.12.* The European Council took cognizance of the report prepared by the Trevi Ministers and signified its agreement on its conclusions.

It calls for the preparation of the Convention necessary for the establishment of Europol.

It endorses the setting-up of a project team to facilitate the early establishment of a European Drugs Intelligence Unit, which has been conceived as the first phase of Europol's development.

### **External relations**

*I.13.* The European Council noted with satisfaction the initiatives developed in the last months in the field of the Community external relations, in line with the ever-increasing expectations of third countries with regard to the role to be played by the Community on the international scene.

The European Council confirmed the will of the Community to continue acting in this area in a spirit of solidarity and cooperation, fully assuming its international responsibilities.

### *Rio Conference on Environment and Development*

- **Reference:** United Nations Conference on Environment and Development: point 1.3.127 of this Bulletin

*I.14.* The European Council welcomes the results of the United Nations Conference on Environment and Development (UnCED) held at Rio de Janeiro from 3 to 14 June 1992 and in particular the acceptance by the international community at the highest level of the aim of sustainable development worldwide. It also noted with satisfaction the role played by the Community and by its Member States in the Conference.

The European Council invites all the participating States to proceed rapidly to the implementation of the measures agreed at Rio.

The Community and its Member States, for their part, are prepared to commit themselves to the following eight-point plan:

- (i) to ratify the climate change convention and publish national plans for implementing it;
- (ii) to publish national plans for action on biodiversity, and to establish the basis for ratification of the convention;
- (iii) to publish national plans for the implementation of the forest principles;
- (iv) to publish national plans for the implementation of the Rio Declaration and Agenda 21;
- (v) to give financial support to developing countries for the implementation of Agenda 21 through Official Development Assistance (ODA) and for the replenishment of the Global Environment Facility (GEF);



(vi) to take the lead at the 1992 UN General Assembly in the establishment of the Sustainable Development Commission;

(vii) to put their weight behind establishing an international review process for the forest and desertification principles;

(viii) to take the lead in the restructuring of the GEF so that it can in time be established as the permanent financial mechanism for the climate change and biodiversity conventions.

The European Council invites the other States to make a similar commitment.

### *Uruguay Round*

I.15. The European Council reaffirms its commitment to a swift conclusion of the Uruguay Round. An open multilateral trading system reinforced by rules and discipline accepted by all concerned is essential for world economic growth. Further liberalization of world trade will benefit both industrialized and developing countries.

The European Council underlines that these negotiations form a whole and that in order to be successful they must lead to a substantial and balanced result in all areas of the negotiations (agriculture, market access, rules and discipline and new subjects).

Particular responsibility lies with the major trading partners to ease the final multilateral process of the Uruguay Round by opening the way to a solution of the problems that remain. The Community has shown, and is prepared to continue to show, such flexibility based on reciprocity.

In the context of the Uruguay Round the Community has submitted substantial contributions and offers in key areas of the negotiations. In taking the initiative of reforming its common agricultural policy, the Community is basing its agricultural future on a better match between supply and demand, thus contributing to the stabilization of world markets while ensuring that the incomes of Community farmers are legitimately maintained.

The European Council calls on all parties to the negotiations to show similar flexibility so that realistic and balanced solutions can be achieved in agriculture and that in the area of access to markets and services, undertakings can be secured leading to genuine liberalization that is both tangible and mutually satisfactory.

The European Council invites the Community negotiators to pursue the dialogue with their partners and in particular with the United States to

resolve the remaining differences so that overall agreement can be concluded as soon as possible.

### *Common foreign and security policy*

I.16. The European Council approved a report by Ministers for Foreign Affairs on the likely development of the common foreign and security policy (CFSP) with a view to identifying areas open to joint action *vis-à-vis* particular countries or groups of countries (Annex I).

### *Countries of Central and Eastern Europe*

#### • References:

Interim Agreements relating to the Europe Agreements with Czechoslovakia, Hungary and Poland: Bull. EC 1/2-1992, points 1.4.9 and 1.4.10

Directives for the negotiation of Europe Agreements with Bulgaria and Romania: Bull. EC 5-1992, point 1.2.12

Cooperation agreements with Albania, Estonia, Latvia and Lithuania: Bull. EC 5-1992, point 1.2.11

Proposals for Council Decisions providing further medium-term financial assistance for Bulgaria and Romania: points 1.4.7 and 1.4.8 of this Bulletin

I.17. The European Council expresses its full support for the processes aimed at consolidating democratic institutions in the countries of Central and Eastern Europe, thereby guaranteeing the rule of law and respect for human rights. This includes the principles governing the rights of minorities, and the inviolability of borders, which can be altered only by peaceful means and through agreement, in accordance with the commitments accepted by the signatories to the UN Charter, the Helsinki Final Act and the Charter of Paris for a New Europe.

The European Council also supports the economic reforms undertaken by the governments of the countries of Central and Eastern Europe aimed at creating a climate conducive to modernization and the development of a market economy.

In the light of the results of the 5 and 6 June elections in Czechoslovakia and the Joint Public Declaration of Mr Klaus and Mr Meciar after their talks of 19 and 20 June, the European Council expresses the hope that the ongoing talks between the different political forces will continue in a peaceful and constructive manner and that the important steps in regional and international cooperation already achieved may be further developed without any major difficulty.

The European Council welcomes the progress made in the establishment and deepening of relations with the countries of Central and Eastern Europe and in particular the entry into force of the Intermediate Agreements to the European

Agreements signed with Czechoslovakia, Hungary and Poland, the approval of the directives for negotiation with Bulgaria and Romania and the completion of the trade and cooperation agreements with the Baltic States and with Albania.

The European Council expresses its willingness, within the framework of the G-24, to pursue joint international action to assist the balances of payments of Bulgaria, Romania and Albania, in view of the continued financing needs in these countries which are covered neither by international financial institutions nor by public and private interventions.

### *Commonwealth of Independent States (CIS)*

#### • References:

Lisbon conference on the coordination of assistance to the independent States of the former Soviet Union: Bull. EC 5-1992, point 1.2.8

Agreement establishing an International Science and Technology Centre: Bull. EC 5-1992, point 1.2.10

I.18. The European Council is following developments in the CIS with the greatest interest and confirms its willingness to play its part in the efforts made by the international community to restore the economies of Russia and of other Republics of the CIS. Those efforts, in accordance with the guidelines adopted at the Lisbon Conference of 23 and 24 May 1992, are aimed at ensuring the early integration of those States in the world economy with the intention of contributing to the prosperity of their respective peoples.

The European Council believes that the reforms aimed at achieving proper efficiency should continue to be accompanied by the political changes already under way, which are needed to consolidate an open society founded on the rule of law, individual liberties and political pluralism.

The European Council welcomes the agreement signed by the Presidents of Russia and Ukraine in Dagomis, on 23 June, in which both parties settled the basis for a future share of the Black Sea Fleet and hopes to see the agreements implemented without delay to the benefit of peace and security in the region.

The European Council, on this occasion, expresses its deep concern with the continued fighting in Georgia, in Moldova and in the enclave of Nagorno-Karabakh, and strongly urges all authorities concerned to end the vicious cycle of violence by engaging in a political dialogue and cooperating with all peace efforts, namely in the framework of CSCE.

The European Council underlines the role of the human and technical assistance to the CIS, instituted by the Community, and expresses satisfaction over the positive results achieved in actions so far.

The European Council agrees that urgent action must be initiated in order to provide emergency medical assistance using a suitable part of the loan of ECU 1.25 billion. The Commission will act accordingly.

The European Council considers that the Lisbon Conference on assistance to the Commonwealth of Independent States, which for the first time gathered together representatives of the donor countries, the international organizations and the beneficiary countries, constituted an important moment in which to effect an overall balance of the assistance provided so far by the international community and to stress the extent of the effort developed by the Community and its Member States in that context.

The European Council welcomes the signing of the agreement which creates the International Science and Technology Centres, for reorientation of CIS scientists and technical staff towards pacific activities and reiterates the importance it attaches to the preservation of the scientific and technological potential of the former Soviet Union.

### *Nuclear safety in the Central and East European countries and the CIS*

I.19. The European Council notes the considerable effort undertaken in the framework of the Phare programme for Central and Eastern Europe as well as in the technical assistance programme for the CIS to improve the safety of nuclear power plants of Soviet design.

The European Council considers that, in addition to the bilateral contributions under the coordination of the G-24, the setting up of a multilateral mechanism would be desirable to take action that will not be covered by bilateral measures; it invites the other G-7 partners to respond positively to this initiative.

Given the urgency of this problem, the European Council asks the Commission to increase further the amounts foreseen for this purpose in both programmes.

As far as the 'upgrading' of these nuclear power stations is concerned, the European Council requests the Council to consider the possibility of extending the Euratom loans to investments for this purpose.

## *European Energy Charter*

- Reference: Conference on the European Energy Charter: point 1.3.92 of this Bulletin

I.20. The development of close cooperation in the energy sector will make a vital contribution to facilitate and accelerate the transition of the former socialist countries towards a market economy. Based on the progress to the achieving of the energy internal market, it will play an important role in maintaining and strengthening economic and political stability in Europe, and in enhancing environmental protection.

Therefore, the European Council emphasizes the importance of rapid progress in the negotiation of the Basic Agreement for the implementation of the European Energy Charter and urges the Charter Conference to intensify its efforts in order to reach early agreement to be signed in a forthcoming Lisbon Conference on Energy.

## *Yugoslavia*

I.21. The European Council adopted the declaration in Annex II.

## *Middle East peace process*

I.22. The European Council adopted the declaration in Annex III.

## *Relations with the Mediterranean countries*

- Reference: Regulations (EEC) Nos 1762/92 to 1764/92 on implementation of the new Mediterranean policy: OJ L 181, 1.7.1992; points 1.4.16 to 1.4.18 of this Bulletin

I.23. The European Council adopted the declaration in Annex IV on relations with the Maghreb countries.

The European Council underlines the importance it attributes to its general relations with the Mediterranean countries and welcomes in this connection the recent agreement on the renewed Mediterranean policy, which constitutes an essential element towards greater political and economic stability in the Mediterranean region.

## *European Economic Area*

- Reference: Signing of the Agreement establishing the European Economic Area: Bull. EC 5-1992, points 1.2.1 and 2.2.1

I.24. The European Council welcomes the conclusion of the negotiation process and the signature on 2 May in Oporto of the Treaty creating the European Economic Area.

The European Council expresses its desire to see that the ratification processes in progress take place as soon as possible, so that the Treaty may come into force on 1 January 1993.

## *Latin America*

- References:
  - Lisbon Conference (San José VIII): Bull. EC 1/2-1992, points 1.4.42, 2.2.1 and 2.2.2
  - EEC-Rio Group ministerial conference: Bull. EC 5-1992, point 1.2.29
  - Framework cooperation Agreement between the European Economic Community and Paraguay: Bull. EC 5-1992, points 1.2.34 and 1.2.35
  - Framework cooperation Agreement between the European Economic Community and Brazil: point 1.4.30 of this Bulletin

I.25. The European Council underlined the importance it attaches to the deepening of relations between the Community and Latin America as the means to support economic recovery and consolidation of democracy in that region.

In this context, it welcomes the positive results of the last ministerial meetings which took place in Lisbon and Santiago de Chile, and the signature of new framework agreements with Brazil and Paraguay.

The European Council stressed the importance of supporting the efforts of economic integration which are developed at regional level, such as Mercosur.

In this context, following the meeting in Guimaraes on 2 May 1992, the European Council invites the Commission to present proposals with a view to intensifying and institutionalizing relations between the Community and Mercosur.

## *Relations between the Community and its Member States and developing countries*

- References:
  - Conclusions of the Luxembourg European Council: Bull. EC 6-1991, point 1.45
  - Resolution of the Council and the representatives of the Member States on human rights, democracy and development: Bull. EC 11-1991, point 1.3.67

I.26. The European Council believes that the far-reaching changes in the international scene have contributed to the creation of a new climate and favourable opportunities for the revitalization of a constructive dialogue aimed at promoting devel-

opment based on solidarity, mutual interest and shared responsibilities.

The easing of international tensions with the end of the Cold War provides new possibilities and resources for development but also favours the emergence of new forms of cooperation, namely at the inter-regional level. At the same time, a political consensus is growing around the fundamental relationship between pluralistic democracy, respect for human rights and development regarded as an equitable and sustainable process focused on the individual.

The European Council, recalling its Declaration on Human Rights adopted in Luxembourg as well as the resolution of the Development Council on human rights, democracy and development of 28 November 1991, reaffirms that the respect, promotion and safeguarding of human rights is an essential element in international relations and therefore one of the cornerstones of cooperation as well as of relations between the Community and its Member States and other countries. It attaches special importance to positive initiatives designed to ensure active support to those countries which are instituting democracy, improving human rights performance as well as promoting good governance.

The European Council considers that an active relationship and dialogue with developing countries is a fundamental condition to overcome the disparities and gaps that still divide the populations of the world. The European Community and its Member States are playing and will continue to play a major role in all fields of cooperation for development, taking in due account the new possibilities brought about by a positive climate in international relations.

## CSCE

- **References:**
  - Signing of the Charter of Paris for a New Europe: Bull. EC 11-1990, point 1.1
  - Opening of the fourth CSCE follow-up meeting: Bull. EC 3-1992, point 1.3.78

I.27. The European Council reaffirms the commitment of the Community and its Member States to the CSCE process and underlines the major contribution of the CSCE to freedom, peace and stability in Europe and as a means to ensure cooperation among all participating States, on the basis of full compliance with the provisions of the Helsinki Final Act, the Charter of Paris for a New Europe and all other relevant CSCE texts. Without total respect and thorough implementation of all CSCE commitments, no State can expect to play

a role in the building-up of a new Europe of peace, freedom, cooperation and progress.

The European Council welcomes the positive results already achieved at the ongoing CSCE follow-up meeting of Helsinki and looks forward to a successful outcome of the Helsinki Summit meeting. The European Council expresses its conviction that, on the occasion of the Helsinki Summit, fundamental steps will be taken which shall render the CSCE more effective and operational in order to be able to play the role it must assume in the future.

The European Council urges parties to the CFE Treaty to take the necessary steps in order to achieve its entry into force. Furthermore, the European Council stresses that an agreement to limit the personnel strength of conventional armed forces of the CFE participating countries will further enhance stability and security in Europe and should be signed at the Helsinki Summit.

## *Non-proliferation and arms exports*

I.28. The European Council noted with satisfaction the conclusion of a common list of nuclear goods and nuclear-related dual-use goods to be controlled by Member States, when exported.

Furthermore, the European Council notes that work in progress in European political cooperation has, by comparing national policies on arms exports, identified an additional common criterion on which these policies are based.

This criterion will be added to those approved by the European Council of Luxembourg and will be formulated as follows:

'The compatibility of the arms exports with the technical and economic capacity of the recipient country, taking into account the desirability that States should achieve their legitimate needs of security and defence with the least diversion for armaments of human and economic resources.'

## *Southern Africa*

- **Reference:** Declaration by the Community and the Member States on the violence in South Africa: point 1.5.8 of this Bulletin

I.29. The European Council is deeply concerned about the recent violence in South Africa. Recalling the Community and its Member States' statement of 23 June expressing shock at the Boipatong massacre, it notes the fact that the South African Government has stated its readiness to allow for foreign observers to participate in the investigation under way. It underlines the absolute need to

ensure an effective control of the police and security forces. The ministerial troika of the Community and its Member States will address this issue on the occasion of its forthcoming visit to South Africa.

It calls upon all parties in South Africa to resume negotiations in the framework of Codesa, which is a privileged forum where the necessary consensus may be sought, in order to ensure a peaceful transition towards a true democratic and non-racial South Africa, in particular by the establishment of a transitional government. The European Council considers it vital that South Africa not lose the substantial progress already made in that forum.

The European Council notes with satisfaction the clear advances made towards a lasting peace throughout southern Africa, in particular the progress made in the peace process in Angola, which should culminate in general elections in September 1992.

The European Council urges the parties involved in the Mozambican conflict to reach, with utmost urgency, a peace agreement in the context of the mediation process in which EC countries play an active role. This will make possible the delivery of international aid to the affected populations, who are already suffering because of the prolonged drought which is having catastrophic effects throughout the sub-region.

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I.30. The European Council, after consultation of the President and the enlarged Bureau of the European Parliament, agreed to renew the mandate of Mr Jacques Delors as President of the Commission.

## Annex I

**Report to the European Council in Lisbon on the likely development of the common foreign and security policy (CFSP) with a view to identifying areas open to joint action *vis-à-vis* particular countries or groups of countries**

### *I — Introduction: the likely development of CFSP*

I.31. The Treaty establishing the European Union, which should come into force on 1 January 1993, will mark the creation of the common foreign and security policy.

The CFSP should be seen as the successor to the activities hitherto pursued by Member States in the framework of European political cooperation (EPC) under the Single European Act. With specific aims and means, the CFSP represents a *saut qualitatif* in the sense that it integrates the *acquis* of EPC and gives it greater potential, principally by means of joint action, an additional instrument which implies a strict discipline among Member States and enables the Union to make full use of the means at its disposal.

With the new phase now beginning, the CFSP should contribute to ensuring that the Union's external action is less reactive to events in the outside world, and more active in the pursuit of the interests of the Union and in the creation of a more favourable international environment. This will enable the European Union to have an improved capacity to tackle problems at their roots in order to anticipate the outbreak of crises. Furthermore, the Union will be able to make clearer to third countries its own aims and interests, and to match more closely those parties' expectations of the Union.

In order to contribute to the strengthening of the Union's external activities as a whole, it will be up to the Council and to the Commission to ensure consistency between the CFSP, the Community external action and the cooperation in the fields of justice and home affairs.

The legal provisions on CFSP are to be found in Title V of the Maastricht Treaty where it is stated that the Union shall gradually implement 'joint action in the areas in which the Member States have important interests in common' (Article J.I.3).

It was specifically with a view to identifying the areas open to joint action that the Maastricht European Council issued a statement in which the Council was invited:

'to prepare a report to the European Council in Lisbon on the likely development of the CFSP with a view to identifying areas open to joint actions *vis-à-vis* particular countries or groups of countries'.

It should be noted that the proposals herein constitute only a starting point for the implementation of CFSP and more specifically for joint action. Consequently the proposals on geographical areas and horizontal domains for joint action are to be seen as a first indication and should in no way be regarded as exhaustive.

### *II — Framework*

In accordance with the Union's Treaty, the CFSP covers all areas of foreign and security policy and

implies, with the aim of achieving the objectives set out in Article J.1.2:

- (i) systematic cooperation between Member States in the conduct of policy on any matter of foreign or security policy of general interest;
- (ii) the gradual implementation of joint action in the areas in which the Member States have important interests in common.

Joint action must be seen as a means for the definition and the implementation by the Union of a policy in the framework of the CFSP in a specific issue. It must necessarily:

- (i) satisfy the objectives of the Union set out in Article B and, more particularly, in Article J.1.2;
- (ii) take into account the Union's *acquis*;
- (iii) remain consistent with other actions and positions adopted by the Union.

For each area, the Union should define specific objectives in order to select the issues in which joint action may be envisaged. These specific objectives might be *inter alia*:

- (i) strengthening democratic principles and institutions, and respect for human and minority rights;
- (ii) promoting regional political stability and contributing to the creation of political and/or economic frameworks that encourage regional cooperation or moves towards regional or sub-regional integration;
- (iii) contributing to the prevention and settlement of conflicts;
- (iv) contributing to a more effective international coordination in dealing with emergency situations;
- (v) strengthening existing cooperation in issues of international interest such as the fight against arms proliferation, terrorism and the traffic in illicit drugs;
- (vi) promoting and supporting good government.

The existence of important interests in common constitute the basic criterion for adopting joint action (Article J.3). According to the principle of solidarity among Member States, this does not rule out the possibility of a given interest being of more importance to some Member States than to others.

It is possible at this stage to list certain factors determining important common interests. Account should be taken of these and other factors in defining the issues and areas for joint action:

- (i) the geographical proximity of a given region or country;
- (ii) an important interest in the political and economic stability of a region or country;

- (iii) the existence of threats to the security interests of the Union.

Bearing in mind that joint action should be gradually implemented, a limited number of geographical areas has been identified. For each area, a number of horizontal issues in respect of which joint action could be undertaken in the short term were selected. These areas are: Central and Eastern Europe, in particular the Commonwealth of Independent States and the Balkans, the Mediterranean, in particular the Maghreb, and the Middle East.

In addition, certain domains within the security dimension have already been identified by the European Council.

As pointed out in the introduction, the selection of areas for implementation of joint action is merely illustrative.

The European Council will review the international situation in order to establish general guidelines for joint action in the light of change in the areas already identified and in any others where appropriate.

With regard to the special importance of the North-South relations, the Union may want to develop gradually in a consistent and coordinated manner its external activities *vis-à-vis* the countries of Africa, Latin America and the Caribbean and Asia in all aspects of its relations (e.g. foreign, security, economic and development policies) in order to contribute to the development of those regions within a context of full respect for human rights, and to the strengthening of their relations with the Union. Particular account will be taken of relations, including contractual relations, which have been established with regional and other groupings.

The Union wishes also to draw attention to the high priority it continues to attribute to the relations with the United States of America, Canada and Japan, with whom the Union has adopted separate joint declarations which constitute a basis for a fruitful partnership. All sides remain aware that cooperation in a close partnership remains indispensable.

In accordance with the provisions of Title V, the Member States of the Union will coordinate their action in international organizations of which they are members and at international conferences at which they participate, both in pursuing common positions and following up joint actions.

### III — Joint action *vis-à-vis* particular countries and groups of countries

The following paragraphs identify, in accordance with the European Council's mandate, areas in

which joint action *vis-à-vis* selected individual countries or groups of countries would appear to be, in a first phase, particularly beneficial for the attainment of the objectives of the Union.

#### A — Central and Eastern Europe

The Community and its Member States have followed closely the economic and political changes in the region. They seek to respond to challenges by mobilizing the resources at their disposal to support the transformation taking place in those countries, in particular the establishment of the rule of law and the process of economic reform.

The Union will:

- (i) promote political stability and contribute to the creation of political and/or economic frameworks that encourage regional cooperation or moves towards regional or sub-regional integration;
- (ii) encourage full implementation of the CSCE commitments in the framework of the CSCE itself and elsewhere, including in particular the provisions relating to:
  - (a) the human dimension, notably respect for democracy, the rule of law, human rights including those of persons belonging to national minorities;
  - (b) the prevention and settlement of conflicts, whilst fully respecting the inviolability of frontiers and other CSCE principles.

##### 1. *Russia and the former Soviet Republics*

Hitherto, the action of the Community and its Member States in the political field has been dominated by the need to assure the area's stability, with particular attention to the preservation of European security. With a view to strengthening the Union's capacity for influence *vis-à-vis* this group of countries, joint action might be envisaged in the following areas:

- (i) support for the setting-up of a framework of harmonious relations between the European Union and the new States, taking into account the different interests and historical experiences of the States concerned;
- (ii) reinforcing existing patterns of cooperation and trade between the new States themselves;
- (iii) encouraging full compliance with all the treaties on disarmament and arms control to which they are parties, including those on non-proliferation;
- (iv) opening joint facilities and missions, each case being treated on its merits.

##### 2. *Other countries in Central and Eastern Europe including the Balkans*

These countries are engaged in the road to democracy and in the process of setting up new political and economic structures. It would be convenient to reinforce their links with the European Union and other organizations.

Progress has already been made by some of these countries in the process of democratization and integration in European institutions. Taking it into account, joint action might be envisaged in establishing the political frameworks to foster these countries' relations with each other and with the Union and the reinforcement of their ties with European organizations and structures.

##### 3. *Former Yugoslavia*

For the present the essential aim is to promote peace among the peoples and countries of the area and to contribute to safeguarding European security.

The following issues could fall within the framework of joint action:

- (i) the Union efforts to find a peaceful and lasting solution to the Yugoslav crisis including the Peace Conference and the continuation of the various aspects of the monitoring mission;
- (ii) the monitoring of a possible future solution and the promotion of cooperation between the Republics;
- (iii) the promotion of cooperation in political and security issues between the Republics and the Union;
- (iv) the contribution to the strengthening of democracy and the rule of law, human and minority rights, by means of legal and technical cooperation.

#### B — Maghreb and Middle East

The southern and eastern shores of the Mediterranean as well as the Middle East are geographical areas in relation to which the Union has strong interests both in terms of security and social stability.

The Union has therefore an interest in establishing with the countries of the area a relationship of good neighbourliness. The goal should be to avoid a deepening of the North-South gap in the region by favouring economic development and promoting full respect for human rights and fundamental freedoms and the development and consolidation of democracy and the rule of law.

## 1. *Maghreb*

The Maghreb is the Union's southern frontier. Its stability is of important common interest to the Union. Population growth, recurrent social crises, large-scale migration, and the growth of religious fundamentalism and integralism are problems which threaten that stability.

Without prejudice to the necessary differences in approach concerning the region's various countries, attention might be given in priority to the following:

- (i) promoting a constructive dialogue, aimed at creating an area of peace, security and prosperity, in which respect of the fundamental principles of international law is assured;
- (ii) establishing a framework of cooperation in all fields, which should gradually lead to an upgraded partnership between the Union and its Member States and the Maghreb countries;
- (iii) strengthening of existing cooperation measures on the foreign policy aspects of the fight against terrorism and illicit traffic in drugs;
- (iv) ensuring full compliance by the countries of the region with the relevant treaties and agreements on disarmament and arms control, including those on non-proliferation;
- (v) supporting the current moves towards regional integration.

## 2. *Middle East*

The Middle East has been one of the constant preoccupations of the Community and its Member States. The instability which has been a permanent feature of this region affects international security and the interests of the Union, the most important of which are to ensure the stability of the area and a relationship of cooperation and dialogue.

Within the framework of the objectives set by the Union, the following domains are potentially open to joint action:

- (i) development of systematic action to support the process of negotiations launched by the Middle East Conference in Madrid on the basis of the relevant resolutions of the United Nations Security Council which should lead to a just and comprehensive solution to the Arab-Israeli conflict and the Palestinian question;
- (ii) ensure the Union's active involvement in the peace process;
- (iii) making efforts to persuade Israel to change its policy regarding settlements in the Occupied Territories and to persuade Arab countries to renounce their trade boycott;

- (iv) support moves towards regional integration;
- (v) ensure the full compliance by the countries of the region with the relevant treaties and agreements on disarmament and arms control, including those on non-proliferation, and with the relevant resolutions of the United Nations Security Council;
- (vi) the foreign policy aspects of the fight against terrorism and the illicit traffic in drugs.

## IV — *Domains within the security dimension*

The Heads of State or Government at the Maastricht European Council adopted provisions for the establishment, the definition and the implementation of a common foreign and security policy. This policy shall include all questions related to the security of the Union, including the eventual framing of a common defence policy, which might in time lead to a common defence.

In this context, the European Council indicated the domains within the security dimension which may be, as from the entry into force of the Treaty, the object of joint actions, namely:

- (i) the CSCE process;
- (ii) the policy of disarmament and arms control in Europe, including confidence-building measures;
- (iii) nuclear non-proliferation issues;
- (iv) the economic aspects of security, in particular control of the transfer of military technology to third countries and control of arms exports.

In accordance with Article J.4, the Union requests the WEU, which is an integral part of the development of the European Union, to elaborate and implement decisions and actions of the Union which have defence implications. In this context, Member States which are also members of the WEU recall the Declaration adopted at Maastricht in December 1991 and which was noted by the Intergovernmental Conference. The issues having defence implications dealt with under Article J.4. shall not be subject to the procedure of joint action.

The policy of the Union in accordance with Article J.4 shall not prejudice the specific character of the security and defence policies of certain Member States and shall respect the obligations of certain Member States under the North Atlantic Treaty and be compatible with the common security and defence policy established within that framework.

The European Council has also invited the Ministers for Foreign Affairs to begin preparatory work with a view to defining the necessary basic elements for a policy of the Union by the date of entry into force of the Treaty. This preparatory



work should in particular consider the elements which will be necessary to the Union in the framework of the CFSP. To this effect an *ad hoc* working group on security will be created under the Political Committee.

## Annex II

### European Council declaration on former Yugoslavia

• **References:**

Regulation (EEC) No 1432/92 and Decision 92/285/ECSC prohibiting trade with the Republics of Serbia and Montenegro: OJ L 166, 20.6.1992; point 1.4.12 of this Bulletin

Regulation (EEC) No 1433/92 and Decision 92/286/EEC removing Montenegro from the list of beneficiaries of the positive measures to assist certain republics of the former Yugoslavia: OJ L 151, 3.6.1992; point 1.4.13 of this Bulletin.

1.32. The European Council strongly condemns the continuing violence which has ravaged the territory of the former Yugoslavia for over a year, resulting in an appalling loss of life and a desperate humanitarian situation, in particular in Bosnia-Herzegovina. Although all parties have contributed, in their own way, to the present state of affairs, by far the greatest share of the responsibility falls on the Serbian leadership and the Yugoslav army controlled by it. The Community and its Member States stress again the need for full application of the sanctions stipulated by the UN Security Council.

The European Council deplores in particular that the reopening of Sarajevo airport for humanitarian purposes, in accordance with UN Security Council Resolution 758, has not been achieved. Further measures are therefore required. EC Member States will propose that the legally competent body, the UN Security Council take, without delay, all necessary measures for the reopening of the airport and effective delivery of humanitarian assistance to Sarajevo and neighbouring areas. The European Community and its Member States are ready to cooperate in that as far as is legally and practically possible for them to do so. This may include airborne humanitarian aid. While giving priority to peaceful means, the European Council does not exclude support for the use of military means by the UN to achieve these humanitarian objectives.

Noting the Declaration by the WEU Council of Ministers of 19 June 1992, the European Council welcomes the study being carried out by this organization of possible means in support of actions undertaken in the framework of the relevant UN Security Council resolutions.

The European Council is gravely preoccupied by the increasingly intolerable situation of the hundreds of thousands of displaced persons in the territory of the former Yugoslavia. In spite of actions already undertaken, in particular by the United Nations High Commissioner for Refugees (UNHCR), the European Council considers that further important financial help will be needed. The Commission will coordinate these efforts with the other G-24 countries.

With regard to Kosovo, the European Council expects the Serbian leadership to refrain from further repression and to engage in serious dialogue with representatives of this territory. The European Council reminds the inhabitants of Kosovo that their legitimate quest for autonomy should be dealt with in the framework of the Conference on Yugoslavia. It stresses the need to immediately dispatch observers to Kosovo as well as to neighbouring countries in order to prevent the use of violence and with a view to contributing to the restoration of confidence. The Community and its Member States call upon the CSCE to take the necessary steps to that effect and stand ready, as far as they are concerned, to take part in such a mission.

The European Council reiterates the position taken by the Community and its Member States in Guimaraes on the request of the former Yugoslav Republic of Macedonia to be recognized as an independent State. It expresses its readiness to recognize that republic within its existing borders according to their Declaration on 16 December 1991 under a name which does not include the term Macedonia. It furthermore considers the borders of this republic as inviolable and guaranteed in accordance with the principles of the UN Charter and the Charter of Paris.

The European Community and its Member States will not recognize the new federal entity comprising Serbia and Montenegro as the successor State of the former Yugoslavia until the moment that decision has been taken by the qualified international institutions. They have decided to demand the suspension of the delegation of Yugoslavia in the proceedings at the CSCE and other international forums and organizations.

The European Council states its determination to help the people of the former Yugoslavia in their quest for a peaceful future in Europe and reiterates that the EC Conference on Yugoslavia chaired by Lord Carrington is the only forum capable of ensuring a durable and equitable solution to the outstanding problems of the former Yugoslavia, including constitutional arrangements for Bosnia-Herzegovina. The European Council urges all parties involved in the peace process to participate

fully and without further delay in the negotiations sponsored by the Conference.

### *Annex III*

#### **Declaration of the European Council on the Middle East peace process**

- Reference: Opening of the Middle East peace conference: Bull. EC 10-1991, point 1.3.15

1.33. The European Council reaffirms its support for the peace process launched in Madrid in October 1991, which provides a unique opportunity for peace. It is of paramount importance for the world and Europe in particular, which has an essential role to play in the political and economic stability of the region. The European Council pays tribute to the commitment and perseverance of the co-sponsors as well as to the wisdom and courage displayed by the parties directly involved.

The European Council has taken note of the results of the election in Israel. It believes that these results, which are an illustration of the democratic tradition in Israel, will reinforce the peace process and the commitment to a just and lasting settlement. It hopes that the new Israeli Government, as well as the Arab parties involved, will seize the opportunity to negotiate a comprehensive peace.

The European Council recognizes that it is for the parties to the dispute to establish the terms of a settlement, which, to be effective, must be freely negotiated and agreed among them. But the European Council reiterates its belief that for an agreement to prove just and lasting it will have to be based on United Nations Security Council Resolutions 242 and 338, which enshrine the principle of land for peace. It should provide for the security of all States in the region, including Israel, within recognized and guaranteed borders, and for the Palestinian people to exercise their right to self-determination.

The European Council reiterates the need for all parties to commit themselves to the peace process, to refrain from all acts of violence and to avoid any action likely to endanger the negotiations, or to threaten the climate of confidence. It hopes that the new Israeli Government and the Arab parties will act quickly to implement confidence-building measures. It looks forward to a halt to the building and expansion of Israeli settlements in the Occupied Territories, including East Jerusalem, which are illegal under international law, and to full application of the provisions of the Fourth Geneva Convention. The European Council also calls upon the members of the Arab League to lift the boycott

of trade to Israel, which is incompatible with the spirit of the peace process.

The European Council reiterates the commitment of the Community and its Member States to play a constructive and active role in the peace process, in both its bilateral and multilateral tracks, based on the Community's well-known positions of principle. Both Israel and her Arab neighbours can rely on Europe's commitment to building a future of peace and prosperity in the region in the light of progress achieved in the peace process.

The European Council reiterates the Community's wish for full implementation of Security Council Resolution 425. It reaffirms its support for Lebanon's independence, sovereignty, unity and territorial integrity. It calls for the withdrawal of all foreign forces from Lebanon and for cooperation by the parties with the United Nations forces serving there. The European Council believes that the Lebanese people should be permitted to make their views known in elections which are held under conditions guaranteed to be free and fair.

### *Annex IV*

#### **Declaration by the European Council on relations between Europe and the Maghreb**

- Reference: Commission communication to the Council 'The future of relations between the Community and the Maghreb': Bull. EC 4-1992, point 1.4.6

1.34. The European Council reaffirms its solidarity with the Maghreb countries and its firm determination to continue its overall policy of contributing to the stability and prosperity of the Mediterranean region on the basis of an approach favouring partnership.

The Community and its Member States consider that their relations with the Maghreb countries must be founded on a common commitment to:

- (i) respect for international law, the principles of the United Nations Charter and the Resolutions of the United Nations Security Council;
- (ii) respect for human rights and fundamental freedoms in civil, political, economic, social and cultural matters and for democratic values exemplified by free and regular elections;
- (iii) the establishment of democratic institutional systems guaranteeing pluralism, effective participation by citizens in the lives of their States and respect for the rights of minorities;
- (iv) tolerance and coexistence between cultures and religions.

The political dialogue between the European Community and its Member States and the Maghreb countries should permit a regular exchange of information and greater mutual consultation on political and security matters. Similarly, the European Community and its Member States hope that this dialogue will as soon as possible extend to elected representatives and the social partners. The Community and its Member States are also ready, at the appropriate time, to continue the dialogue entered into with the AMU.

In the economic field, the European Council reiterates its support for the harmonious development of the Maghreb region with a view to its economic integration, the introduction of true market economies and the modernization of economic systems.

In this context the European Council, mindful of the possibilities for action already decided upon in the context of the new Mediterranean policy, to which the Community remains firmly committed, considers that a true Europe-Maghreb partnership should encourage the continuation of economic reforms and a substantial increase in private investment, and more particularly joint ventures between firms in Europe and the Maghreb, with a view to promoting job-creating activities.

The European Council states that the Community is ready to play a full part in such an undertaking, in particular through financial cooperation, especially in the context of the new Mediterranean

policy, investment promotion, increased technical cooperation in all areas of common interest and ultimately, by stages, the setting up of a free-trade area. The European Council notes that talks have already made it possible to explore this approach with Morocco and hopes that rapid progress can be made along these lines. It proposes that a similar approach be adopted towards other countries in the region.

In the social field, the European Council considers that priority consideration must be given to the problems raised on both sides of the Mediterranean by:

- (i) migration and the living and working conditions of migrant communities;
- (ii) demographic imbalances and the attendant economic and social disparities.

In the cultural field, the European Council considers that more exchanges, in particular of young people, university students and staff, scientists and those in the media, are vital for a better knowledge and mutual understanding of peoples and cultures in Europe and the Maghreb.

Through the progressive attainment of the objectives cited, in particular that of partnership, the European Council shows its firm determination to place relations between Europe and the Maghreb on a footing which, in scale and intensity, is commensurate with the links forged by geography and by history.