

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: UNITED KINGDOM

JULY-DECEMBER 1986

Meetings and press releases July 1986

Meeting number	Subject	Date
1094 th	Economics/Finance	7 July 1986
1095 th	Budget	7-8 July 1986
1096 th	Budget	9-10 July 1986
1097 th	Industry	9 July 1986
1098 th	Agriculture	14-15 July 1986
1099 th	Foreign Affairs	21-22 July 1986
1100 th	Budget	21-22 July 1986
1100 th continued	Budget	8-9 September 1986
1101 st	Internal Market	24 July 1986



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

8194/86 (Presse 113)

1094th Council meeting
- Economic and Financial Affairs -
Brussels, 7 July 1986

President: Mr Nigel LAWSON
Chancellor of the Exchequer
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Mark EYSKENS Minister for Finance

Denmark:

Mr Anders ANDERSEN Minister for Economic Affairs

Germany:

Mr Hans TIETMEYER State Secretary,
Federal Ministry of Finance

Mr Otto SCHLECHT State Secretary,
Federal Ministry of Economic
Affairs

Greece:

Mr Constantin SIMITIS Minister for Economic Affairs

Spain:

Mr Miguel Angel FERNANDEZ-ORDÓÑEZ State Secretary for Economic
Affairs and Planning

France:

Mr François SCHEER Ambassador,
Permanent Representative

Ireland:

Mr John BRUTON Minister for Finance

Mr Jim O'KEEFFE Minister of State at the
Department of Public Service

Italy:

Mr Carlo FRACANZANI State Secretary,
Ministry of the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister attached to the
Minister for Finance

Netherlands:

Mr C. MAAS

Paymaster General
Ministry of Finance

Portugal:

Mr Miguel CADILHE

Minister for Finance

Mr Victor COSTA MARTINS

State Secretary for European
Integration

United Kingdom:

Mr Nigel LAWSON

Chancellor of the Exchequer

Mr Peter BROOKE

Minister of State, Treasury

Commission:

Mr Henning CHRISTOPHERSEN

Vice-President

Mr Alois PFEIFFER

Member

1986 REFERENCE FRAMEWORK AND BUDGET - COUNCIL CONCLUSIONS

1. The Council takes note of the judgment of the Court of Justice of the European Communities on the 1986 budget.
2. The Council agrees that the outstanding difficulties and uncertainties over the 1986 budget must now be resolved as quickly as possible.
3. The Council welcomes the Commission's initiative in putting forward a letter of amendment indicating the main points for discussion.
4. The Council's objective is to secure adoption of a new, single budget for 1986, during the second week of July (or as soon as possible thereafter).
5. The Council agrees in principle that the reference framework limits for 1986 can be raised and that the Council (Budget Ministers) should be invited to determine the new figures subject to
 - (i) limiting the increase for agricultural spending in 1986 to amounts which can be justified mainly by the exceptional circumstance of the abnormally large depreciation of the dollar;
 - (ii) examining the scope for economies in all areas of expenditure.
6. The Council notes that the 1987 reference framework figures for non-compulsory expenditure in point 2 of the conclusions of the Council's 28 April meeting will need to be raised to a level 8,1 per cent above the levels of appropriations finally agreed for 1986.

7. The Council underlines the need to keep the evolution of commitments and commitment appropriations in the structural funds below the growth of payment appropriations, while taking full account in particular of the undertakings entered into with Spain and Portugal.

At this meeting the Council also pointed out that the reference framework for 1986 acknowledged the existence of a problem linked to the cost of the past. The Council confirms that this question should be taken into consideration in the budgetary procedure.

SECOND QUARTERLY REVIEW OF THE ECONOMIC SITUATION IN THE COMMUNITY

On the basis of a Commission communication on the economic outlook for 1987 and the Member States' budgetary policy, the Council held its second quarterly review of the economic situation in the Community, in accordance with Article 3 of the 1974 Decision on convergence.

At the close of discussions, the Council agreed with the broad thrust of the Commission's analysis, and particularly concurred in the Commission's view that for the time being it is unnecessary to modify the economic policy guidelines for 1986 as adopted by the Council in December 1985. It also took note of the quantitative guidelines for Member States' national budgets for 1987.

MISCELLANEOUS DECISIONS

Relations with the United States

The Council agreed to the interim solution negotiated ad referendum between the Commission and the United States on the consequences of enlargement - Spain aspect.

The Council asked the Commission to communicate this agreement to the United States and to check that the US side also agreed.

Relations with Malta

The Council adopted, in the official languages of the Communities, the Regulation on the conclusion of a Protocol on financial and technical co-operation between the European Economic Community and the Republic of Malta. This Protocol covers, for the period up to 31 October 1988, a total sum of 29,5 million ECU:

- 16 million ECU in the form of loans from the European Investment Bank;
- 13,5 million ECU from the Community's budgetary resources, composed of:
 - = 3 million ECU in the form of loans on special terms (including contributions to risk capital formation);
 - = 10,5 million ECU in the form of grants.

Relations with the EFTA countries

The Council adopted, in the official languages of the Communities, the Regulations:

- implementing Decisions No 1/86 of the EEC-Switzerland/Austria Joint Committees - Community transit - amending the Agreement between the European Economic Community and the Swiss Confederation/Republic of Austria on the application of the rules on Community transit consequent upon the accession of the Kingdom of Spain and the Portuguese Republic to the European Communities;
- implementing Decisions No 2/86 of the EEC-EFTA countries Joint Committees amending, on account of the accession of Spain and Portugal to the European Communities, Protocol No 3 concerning the definition of the concept of "originating products" and methods of administrative co-operation.

Commercial policy

The Council adopted, in the official languages of the Communities, the Regulation amending Regulation (EEC) No 1698/85 imposing a definitive anti-dumping duty on imports of electronic typewriters originating in Japan (exclusion of certain models of electronic typewriter from the scope of Regulation No 1698/85).

Generalized preferences

The Council adopted, in the official languages of the Community, the Regulation applying supplementary generalized tariff preferences in respect of certain industrial products originating in developing countries and sold at the Berlin "Partners in Progress" Fair.

Relations with the ACP States

The Council authorized the Commission to negotiate agreements with the ACP States on the guaranteed prices applicable to cane sugar from the ACP States for the 1986/1987 delivery period in accordance with Protocol No 7 annexed to the third ACP-EEC Convention, and with the Republic of India for sugar delivered by that country.

Agriculture

The Council adopted, in the official languages of the Communities, the Regulation laying down special measures for imports of olive oil originating in Tunisia. The purpose of this Regulation is to apply autonomously for a period of two months, in the form of a special levy of 28 ECU/100 kg on a quantity of 20 000 tonnes, the provisions contained in the Protocol currently being negotiated on the adaptation of the Co-operation Agreement between the EEC and the Tunisian Republic.

The Council also adopted, in the official languages of the Communities, the Regulation derogating from Regulation (EEC) No 2261/84 as regards the conditions for granting recognition to associations of olive oil producers' organizations in respect of the 1985/1986 marketing year. The transitional provisions already adopted for 1984/1985, whereby the minimum number required for recognition of these associations is reduced, are extended for a further marketing year.

Health

The Representatives of the Governments of the Member States meeting within the Council adopted, in the official languages of the Communities, the Resolution on a programme of action of the European Communities against cancer (see press release 7246/86 (Presse 76) of 29 May 1986, p. 4).

Appointment

On a proposal from the Irish Government, the Council appointed Mr Maurice CASHELL as a member of the European Foundation for the Improvement of Living and Working Conditions to replace Mr G.B. O'SULLIVAN, who has resigned, for the remainder of his term of office, which runs until 17 February 1988.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

8195/86 (Presse 114)

1095th Council meeting
- Budget -

Brussels, 7 and 8 July 1986

President: Mr Peter BROOKE
Minister of State
Treasury
of the United Kingdom

7/8.VII.86

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Guy VERHOFSTADT Minister for the Budget

Denmark:

Mr Knud-Erik TYGESEN State Secretary,
Ministry of Foreign Affairs

Germany:

Mr Hans TIETMEYER State Secretary,
Federal Ministry of Finance

Greece:

Mr Yannis PAPANTONIOU State Secretary for Economic
Affairs

Spain:

Mr José BORRELL State Secretary for Finance

France:

Mr Alain JUPPE Minister attached to the Minister
for Economic Affairs, Finance
and Privatization, with
responsibility for the Budget

Ireland:

Mr Jim O'KEEFFE Minister of State at the
Department of Public Service

Italy:

Mr Carlo FRACANZANI State Secretary,
Ministry of the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for the Budget

Netherlands:

Mr W.F. VAN EEKELEN

State Secretary for Foreign
Affairs

Portugal:

Mr Rui ALVAREZ CARP

State Secretary for the Budget

United Kingdom:

Mr Peter BROOKE

Minister of State, Treasury

Mr Ian STEWART

Economic Secretary to the Treasury

Commission:

Mr Henning CHRISTOPHERSEN

Vice-President

1986 BUDGET

In accordance with the Court judgement of 3 July on the 1986 Budget, the Council resumed its considerations of 1986 budgetary provisions.

Aware of the need to reach a speedy and balanced conclusion in conjunction with the European Parliament, the Council agreed on the budgetary provisions as shown in the Annex.

The increase of the budgetary correction for the U.K from 1400 to 1900 MECU was also agreed.

Furthermore the Council accepted in respect of the 1986 Budget, but without prejudice to later years, the Commission's proposals in the rectifying letter on the classification of the eight disputed lines, on the basis that all disputed classifications will be discussed with the Parliament and with the Commission in the course of the 1987 budget procedure.

Finally the Council took note that in order to facilitate the financial integration of Spain and Portugal, the Commission will make payments within the year of 50 % on commitments granted in 1986 in response to appropriate applications under the Regional Funds.

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The results of the Council deliberations have been transmitted immediately to the European Parliament, which is due to debate the 1986 budget on 9 July.

A meeting of the "trilogue" between the Presidents of the Council, the Commission and the European Parliament on the matter is taking place today, 8th July in Strasbourg.

A further Council meeting is called for in Strasbourg tomorrow, 9th July, at 17.00 hrs.

RESULTS OF BUDGET COUNCIL

	<u>Letter of Amendment</u>		<u>Council's Decisions</u>		<u>Difference</u>	
	CA	PA	CA	PA	CA	
EAGGF Guarantee	21 927.3	21 927.3	22 112	22 112	+ 184.7	+ 184.7
EAGGF Guidance	974.12(2)	890.3(3)	884.12(4)	785.18(5)	- 90	- 108.94
ERDG	3 176.5	2 373	3 098	2 373	- 78.5	- 803.17
ESF	2 370.5	2 533	2 290	2 533	- 80.5	- 163.77
Other NCE	3 865.95	3 385.43	3 654.9	3 264.73	- 211.05	- 1111.22
Other CE	2 146.43	2 210.87	2 139.03	2 208.47	- 7.4	- 62.44
Restitutions Spain Portugal	1 805.7	1 805.7	1 801.96	1 801.96	- 3.74	- 1111.74
<u>TOTAL</u>	<u>36 266.5</u>	<u>35 125.6</u>	<u>35 980.01</u>	<u>35 078.34</u>	<u>- 286.49</u>	<u>- 1111.26</u>

- (1) All figures rounded
 (2) Of which 401.45 NCE
 (3) Of which 295.77 NCE
 (4) Of which 396.45 NCE
 (5) Of which 275.77 NCE



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

8353/86 (Presse 117)

1096th meeting of the Council

- Budget -

Strasbourg, 9 and 10 July 1986

President: Mr Peter BROOKE

Minister of State at the Treasury
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Guy VERHOFSTADT Minister for the Budget

Denmark:

Mr Knud-Erik TYGESEN State Secretary,
Ministry of Foreign Affairs

Germany:

Mr Walter KITTEL Deputy Permanent Representative

Greece:

Mr Yannis PAPANTONIOU State Secretary for the
National Economy

Spain:

Mr José BORRELL State Secretary for Finance

France:

Mr Claude MARTIN Deputy Permanent Representative

Ireland:

Mr Jim O'KEEFFE Minister of State at the Department
of Public Service

Italy:

Mr Carlo FRACANZANI State Secretary,
Ministry of the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for the Budget

Netherlands:

Mr W.F. van EEKELEN

State Secretary for Foreign Affairs

Portugal:

Mr Rui ALVAREZ CARP

State Secretary for the Budget

United Kingdom:

Mr Peter BROOKE

Minister of State at the Treasury

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Commission:

Mr Henning CHRISTOPHERSEN

Vice-President

1986 BUDGET

During its deliberations on the 1986 draft Budget, the Council met a European Parliament delegation led by Mr COT, Chairman of the Committee on Budgets, the other members being Mr SCOTT HOPKINS and Mrs BARBARELLA, Vice-Chairmen of that Committee, Mr AIGNER, Chairman of the Committee on Budgetary Control, Mr CHRISTODOULOU, Rapporteur for the 1986 General Budget, and Mr DANKERT, Mrs SCRIVENER, Mr VON DER VRING, Mr LANGES, Mr PASTY, Mr D'ORMESSON and Mr BONDE, Members of the Committee on Budgets.

At the end of its deliberations, the Council indicated its willingness to agree new maximum rates of increase in commitment appropriations and payment appropriations with the European Parliament, in the light of the following increases in the budget estimates for 1986 as compared with the results of the Council meeting on 7 and 8 July ⁽¹⁾:

	<u>MECU</u>	
	CA	PA
CE	7,405	2,405
NCE	68,450	92,101

The European Parliament will have to decide in the context of the vote on the 1986 Budget, which will take place during the afternoon of 10 July.

⁽¹⁾ See Annex.

RESULTS OF BUDGET COUNCIL ON 7 AND 8 JULY 1986 (1)

	<u>Letter of Amendment</u>		<u>Council Decisions</u>		<u>Difference</u>	
	CA	PA	CA	PA	CA	PA
EAGGF Guarantee	21 927,3	21 927,3	22 112	22 112	+ 184,7	+ 184,7
EAGGF Guidance	974,12(2)	890,3(3)	884,12(4)	785,18(5)	- 90	- 105,12
ERDF	3 176,5	2 373	3 098	2 373	- 78,5	-
ESF	2 370,5	2 533	2 290	2 533	- 80,5	-
Other NCE	3 865,95	3 385,43	3 654,9	3 264,73	- 211,05	- 120,7
Other CE	2 146,43	2 210,87	2 139,03	2 208,47	- 7,4	- 2,4
Restitutions Spain Portugal	1 805,7	1 805,7	1 801,96	1 801,96	- 3,74	- 3,74
<u>TOTAL</u>	<u>36 266,5</u>	<u>35 125,6</u>	<u>35 980,01</u>	<u>35 078,34</u>	<u>- 286,49</u>	<u>- 47,26</u>

- (1) All figures rounded.
(2) Of which 401,45 NCE.
(3) Of which 295,77 NCE.
(4) Of which 396,45 NCE.
(5) Of which 275,77 NCE.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

8196/86 (Presse 115)

1097th Council meeting

- Industry -

Brussels, 9 July 1986

President : Mr Peter MORRISON,
Minister of State for Industry
United Kingdom

Netherlands :

Mr G.M.V. VAN AARDENNE

Deputy Prime Minister,
Minister for Economic Affairs

Portugal :

Mr José M. DUARTE DE JESUS

Minister and Counsellor,
Permanent Representation

United Kingdom :

Mr Peter MORRISON

Minister of State for Industry

Commission :

Mr Karl-Heinz NARJES

Vice-President

ARRANGEMENT WITH THE UNITED STATES ON SEMI-FINISHED STEEL PRODUCTS

The Council established that the voluntary restraint arrangement on semi-processed steel products negotiated with the United States was in principle acceptable, and considered the still unresolved problem of the allocation to the Member States of the export possibilities offered by the arrangement.

The Council's discussions produced a solution for the allocation of quantities to the Member States on which one delegation, however, maintained a reservation; that delegation will disclose its position in the next few days.

ANOTHER DECISION

Accession of Mexico and Morocco to GATT

The Council authorized the Commission to take part in the negotiations on the accession of Morocco and Mexico to GATT.

PRESS RELEASE

8354/86 (Presse 118)

1098th meeting of the Council
- Agriculture -
Brussels, 14 and 15 July 1986

President: Mr Michael JOPLING,
Minister for Agriculture,
Fisheries and Food
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Paul DE KEERSMAEKER State Secretary for European
Affairs and Agriculture

Denmark:

Mrs Britta SCHALL HOLBERG Minister for Agriculture

Germany:

Mr Ignaz KIECHLE Federal Minister for Food,
Agriculture and Forestry

Mr Walter FLORIAN State Secretary,
Federal Ministry of Food,
Agriculture and Forestry

Greece:

Mr Yiannis POTTAKIS Minister for Agriculture

Spain:

Mr Julian AREVALO President of the Fund for the
Establishment and Regulation of
Agricultural Prices and Production

France:

Mr François GUILLAUME Minister for Agriculture

Ireland:

Mr Austin DEASY Minister for Agriculture

Italy:

Mr Filippo Maria PANDOLFI Minister for Agriculture

Luxembourg

Mr Marc FISCHBACH

Minister for Agriculture and
Viticulture

Mr René STEICHEN

State Secretary,
Ministry of Agriculture and
Viticulture

Netherlands

Mr Gerrit BRAKS

Minister for Agriculture

Portugal

Mr Alvaro BARRETO

Minister for Agriculture

Mr Arlindo CUNHA

State Secretary
for Agricultural Development

United Kingdom

Mr Michael JOPLING

Minister of Agriculture,
Fisheries and Food

Mr John GUMMER

Minister of State,
Ministry of Agriculture,
Fisheries and Food

Commission:

Mr Frans H.J.J. ANDRIESSEN

Vice-President

Lord COCKFIELD

Vice-President

ADJUSTMENTS TO THE COMMON ORGANIZATION OF THE MARKET IN BEEF AND VEAL

At the close of its discussions on the fixing of agriculture prices on 25 April 1986, the Council agreed that a decision on reforms in the beef and veal sector should be taken before the end of 1986.

To this end the Council embarked on a fresh examination of the Commission proposal, which was reintroduced by the Commission representative. It conducted a detailed exchange of views at political level in order to define the terms of reference of the discussions which are to take place over the coming months.

After this exchange of views, the Council instructed the Special Committee on Agriculture to continue work on the main issues raised during the discussion, giving due weight to the Commission proposal and the comments and suggestions made by various delegations.

In view of the urgent nature of this matter, the Council requested the Special Committee on Agriculture to submit a further report to it as soon as possible in the autumn.

SOCIO-STRUCTURAL MEASURES

After taking note of a report from the Chairman of the Special Committee on Agriculture, the Council held a discussion which centered on certain fundamental issues highlighted in the report in connection with the objective to be attained, the system to be applied to persons giving up farming (pre-pension), compensatory allowances and environmentally sensitive areas.

At the close of its discussion, the Council agreed to keep this item on the agenda for its forthcoming meetings with a view to reaching a decision during the autumn.

The Council instructed the Special Committee on Agriculture to continue examining the fundamental issues arising in connection with this matter, and the Permanent Representatives Committee to consider the financial aspects in further detail.

ESTABLISHMENT OF A COMMUNITY VINEYARD REGISTER

At the close of its discussions, the Council was able to reach an agreement of principle, by a qualified majority, on the establishment of a Community vineyard register in wine-producing Member States.

The creation of this register is essential in order to obtain the information on production potential and trends which is necessary for the proper operation of the common organization of the wine market, and in particular Community arrangements with regard to intervention and to planting.

This register is to be established over a six-year period. The Community contribution to expenditure on its establishment represents 50% of the cost of compilation, the management costs being borne by the Member States.

The Regulation will be formally adopted in the near future once the texts have been finalized.

IMPORT OF NEW ZEALAND BUTTER INTO THE UNITED KINGDOM
ON SPECIAL TERMS

The Council reached broad agreement on the Commission proposal on continued imports of New Zealand butter into the United Kingdom on special terms.

In view of a reservation by the Irish delegation with regard to the quantities to be imported, the Council agreed to defer this matter until its meeting on 21 and 22 July 1986.

SALE OF BUTTER AT REDUCED PRICES TO PERSONS RECEIVING SOCIAL ASSISTANCE

After discussing the proposal on the sale of butter at reduced prices to persons receiving social assistance, the Council instructed the Special Committee on Agriculture to examine the technical issues still outstanding and agreed to return to this matter at a forthcoming meeting.

INWARD PROCESSING ARRANGEMENTS

The Council agreed in principle, by a qualified majority, on an amendment to the arrangements suspending the IPA in the milk products sector, which will enable the IPA for lactoserum to continue until 1 January 1987.

The Regulation will be formally adopted in the near future once the texts have been finalized.

GENERAL RULES FOR THE APPLICATION OF THE SUPPLEMENTARY MECHANISM APPLICABLE TO TRADE (SMT)

At the close of its discussions, the Council agreed in principle, by a qualified majority, on the Regulation the purpose of which is to establish arrangements for applying safeguard measures in respect of new potatoes and seed potatoes coming from third countries and covered by the SMT.

These measures are based on the corresponding provisions of the common organizations of the markets.

The Regulation will be formally adopted in the near future once the texts have been finalized.

MONETARY COMPENSATORY AMOUNTS IN THE EGGS AND POULTRY SECTORS

The Council agreed to return to this topic at its meeting in September with a view to reaching a decision. In this connection, it instructed the Special Committee on Agriculture to examine in further detail the technical problems arising in this sector.

EXTRACTION SOLVENTS USED IN THE PRODUCTION OF FOODSTUFFS
AND FOOD INGREDIENTS

The Council conducted an exchange of views on this proposal for a Directive which is intended to establish Community rules for extraction solvents used in the food industry and which at present still gives rise to several problems of a technical character.

After discussion, the Council laid down certain guidelines and instructed the Permanent Representatives Committee to continue examining this matter with a view to reporting back to a forthcoming Council meeting.

The Council also emphasized the importance which it attached to the various problems connected with harmonization in the agricultural and food sectors, designed as this was to bring about completion of the full internal market as soon as possible and in accordance with the relevant programme. The Council agreed that these matters should regularly be entered on the agenda for its meetings.

MISCELLANEOUS DECISIONS

Other decisions on agriculture

The Council adopted, in the official languages of the Communities, the Directives

- concerning the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (Portugal). This Directive classifies 75% of the land under cultivation in Portugal (2 425 794 ha) as less-favoured
- concerning the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (Spain). This Directive classifies 62% of the land under cultivation in Spain (17 million ha) as less-favoured
- concerning the Community list of less-favoured farming areas within the meaning of Directive 75/268/EEC (Germany). This Directive contains a new definition of the criteria for delimiting less-favoured areas with a view to enlarging the list of such areas in Germany. Under this new definition, the proportion of less-favoured areas in Germany is increased to 51% of the UAA in Germany (increase of 2,179 863 ha)

The Council adopted, in the official languages of the Communities, the Regulations

- adapting, by reason of the accession of Spain, Regulations (EEC) Nos 797/85, 355/77 and 1360/78 on agricultural structures, with particular reference to certain rates of Community contribution applicable in less-favoured areas and the least-favoured areas
- on a specific common measure to improve vine-growing structures in Portugal. This Regulation concerns restructuring aid and support measures, and premiums for the permanent abandonment of vine-growing. The measure is to apply for 10 years and the estimated cost to the EAGGF, Guidance Section, is 73 million ECU.
- amending Regulation No 3035/80 laying down general rules for granting export refunds on certain agricultural products exported in the form of goods not covered by Annex II to the Treaty and the criteria for fixing the amount of such refunds. This amendment is designed to adapt the Regulation to the changes in the Common Customs Tariff nomenclature and in the tariff classification of goods and to other developments which have taken place since its entry into force.

- laying down measures for the marketing of sugar produced in the French overseas departments and for the equalization of the price conditions with preferential raw sugar. This Regulation is a follow-up to the undertakings entered into by the Council on supplies to the sugar refining industry in Portugal and on the establishment of competitive equality between sugar from the FOD and preferential sugar.

The Council took note of the Commission communication on fresh fruit and vegetables in Spain concerning

- the application of aid and price disciplines during the interim period and during the verification of convergence stage
- the alignment of prices and the adoption of Community aids during the second stage.

The purpose of the communication is

- to determine the level of the Spanish prices to be taken into consideration for the application of price discipline
- to report on the situation as regards Spanish national aids and Community aids.

The Council also took note of the Commission communication on Portuguese agricultural products subject to the system of transition by stages concerning

- the application of the price and aid rules during the interim period and the first stage
- the alignment of prices and aids during the second stage.

The purpose of the communication is

- to determine the level of Portuguese prices to be taken into consideration for the application of price discipline
- to report on the situation as regards Portuguese national aids which are similar to Community aids.

Relations with Austria in the field of research

The Council agreed to the signing of the framework Agreement on scientific and technical co-operation between the European Communities and the Republic of Austria; the Agreement will be signed on 15 July 1986.

The aim of the Agreement is to establish a framework covering all co-operation with Austria in the field of research.

Among other things, this co-operation should make it possible to promote discussions on guidelines, priorities and planning for the research policies of Austria and the Community, on the prospects for and development of co-operation, the forwarding of the resulting information, the co-ordination of programmes and projects carried out by each party, participation in joint programmes and the carrying out of joint operations.

This Agreement is the fifth in a series of agreements to be concluded with the EFTA countries - similar agreements have been signed with Sweden, Switzerland, Norway and Finland - in line with the Luxembourg declaration of 9 April 1984 aimed at developing inter alia co-operation with the EFTA countries in the area of scientific and technical research and development.

All these Agreements will come into force once the necessary internal procedures have been concluded by the Contracting Parties.

Relations with the United States - Steel: Arrangement on
Semi-finished products

The Council formally approved the Arrangement negotiated by the Commission with the United States on semi-finished steel products. This Arrangement in the form of an exchange of letters amends and supplements the general Arrangement of 21 October 1982 by including semi-finished products; the general rules of the 1982 Arrangement are thus extended to semi-finished products.

Apart from the 200 000 t for the Tuscaloosa company, the Arrangement provides for the following amounts of semi-finished products to be exported by Community steel producers:

1986 July - December	300 000 t (600 000 t on an annual basis)
1987	620 000 t
1988	640 000 t
1989 January - September	502 500 t (670 000 t on an annual basis).

The Council also adopted the provisions for the implementation of this Arrangement and the rules to be applied to the allocation of the quantities which may be exported by the various Member States (burden sharing).

At the same time, the Council adopted the Regulation repealing the Community retaliatory measures against the United States which were decided on when the United States introduced unilateral import restrictions at the end of 1985 in respect of Community exports of semi-finished products.

COST projects

The Council adopted two Decisions concerning the conclusion of Community COST concertation agreements

- on a concerted action project in the field of aquatic primary biomass (marine macroalgae) (COST project 48)
- between the EEC and Finland, Norway, Sweden, Switzerland and Yugoslavia on a concerted action project in the field of plant in vitro culture (COST project 87).

The research covered by COST project 48 is as follows:

1. Examination of primary production and harvesting techniques for the optimization of biomass production from natural populations of marine plants.
2. Development of methods for intensive cultivation and genetic improvement of species of marine algae in attached and unattached forms in various cultivation systems.
3. Studies of the uptake of nutrients by marine algae in various cultivation systems and the use of waste waters for this purpose.
4. Examination of a wide range of marine algae for new fine chemicals and biochemicals for direct use or as precursors for chemical and pharmaceutical applications.
5. Toxicity testing of marine plants destined for human or animal consumption; environmental impact studies.
6. Studies of conversion of marine plants for the production of energy (e.g. fermentation to methane, thermochemical processes) or chemical compounds.

Implementation of this research project for the period until 31 December 1989 will require a financial contribution by the States and the Community of some 30 MECU.

The primary aims of COST project 87 are to develop tissue culture methods for:

- rapid multiplication of healthy plants,
- freeing plants from pathogens,
- safe long-term storage of plant cultures

using selected model plants.

Implementation of this research project for the period until 14 June 1988 will require a financial contribution by the States and the Community of some 20 MECU.

Introduction of the uniform passport in Spain and Portugal

The Representatives of the Governments of the Member States, meeting within the Council, adopted a Resolution supplementary to the Resolutions of 23 June 1981 and 30 June 1982 concerning the introduction of a passport of uniform pattern.

This Resolution stipulates that Spain and Portugal will endeavour to issue the passport by 1 January 1989 at the latest, in accordance with the uniform format. The Resolution also makes provision for the necessary linguistic adjustments to enable Spanish and Portuguese to be used along with the other official Community languages for entries in the passport.

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

8556/86 (Presse 123)

1099th meeting of the Council
- Foreign Affairs -

Brussels, 21 and 22 July 1986

President:

Sir Geoffrey HOWE,
Secretary of State for Foreign
and Commonwealth Affairs
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Leo TINDEMANS	Minister for Foreign Relations
Mr Paul DE KEERSMAEKER	State Secretary for European Affairs and Agriculture

Denmark:

Mr Knud-Erik TYGESEN	State Secretary, Ministry of Foreign Affairs
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Germany:

Mr Lutz STAVENHAGEN	Minister of State, Federal Ministry of Foreign Affairs
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Greece:

Mr Theodoros PANGALOS	Deputy Minister for Foreign Affairs
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Spain:

Mr Francisco FERNANDEZ-ORDONEZ	Minister for Foreign Affairs
Mr Pedro SOLBES	State Secretary for Relations with the European Communities

France:

Mr Jean-Bernard RAIMOND	Minister for Foreign Affairs
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Ireland:

Mr Peter BARRY	Minister for Foreign Affairs
Mr George BIRMINGHAM	Minister of State for Foreign Affairs

Italy:

Mr Mario FIORET	State Secretary, Ministry of Foreign Affairs
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Luxembourg:

Mr Jacques F. POOS	Minister for Foreign Affairs
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Netherlands:

Mr H. VAN DEN BROEK Minister for Foreign Affairs

Portugal:

Mr Pedro PIRES DE MIRANDA Minister for Foreign Affairs

Mr Vítor MARTINS State Secretary for
European Integration

United Kingdom:

Sir Geoffrey HOWE Secretary of State for Foreign
and Commonwealth Affairs

Mrs Lynda CHALKER Minister of State, Foreign
and Commonwealth Office

Mr Alan CLARK Minister of State
Department of Trade and Industry

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Commission:

Mr Lorenzo NATALI Vice-President

Mr Claude CHEYSSON Member

Mr Willy DE CLERCQ Member

RELATIONS WITH THE GULF STATES

The Council heard a report by Mr CHEYSSON, Member of the Commission, on the Commission's exploratory talks with the Gulf Co-operation Council concerning the negotiation of an agreement between the EEC and the GCC.

The Council confirmed the importance it attached to the strengthening of relations with the Gulf Co-operation Council and discussed the various possible options as regards the conclusion of such an Agreement.

Lastly, it requested the Commission to submit proposals to it without delay to enable the negotiations to begin in the autumn.

MEDITERRANEAN POLICY OF THE ENLARGED COMMUNITY

At the Council's invitation, the Presidency and the Commission held discussions with the Spanish delegation as the Council meeting proceeded on all the points still preventing the Spanish delegation from approving the changes to the Directives to enable the negotiations with Mediterranean third countries to be resumed.

The Spanish delegation will submit the results of these discussions to its Government and will announce within the next few days whether its Government can accept them. If so, the Presidency will submit an overall compromise proposal to the Council with a recommendation that it be approved.

EEC-US RELATIONS - PRESIDENCY CONCLUSIONS

The Council welcomed the interim agreement reached between the European Community and the United States over the problems arising from enlargement. It emphasized the importance of bringing the Article XXIV.6 negotiations to an early conclusion, not later than the end of 1986.

The Council welcomed the agreement reached with the United States on semi-finished steel products. It noted that delay in confirming the agreement would be liable seriously to jeopardize its implementation and called on the American authorities to confirm the agreement.

The Council noted that contacts were continuing between the Commission and the American authorities over the trade measures taken by the two sides in November 1985 and that, in this context, the Commission would take note of the particular views expressed today. It reaffirmed the willingness of the Community to work for an early conclusion to these negotiations on the basis of a balanced package which takes full account of the Community's interests. In this context it emphasized the importance it attached to the Commission obtaining from the United States adequate assurances that the Community's Mediterranean Agreements would not in future be challenged by the United States and its willingness, in the context of such assurances, to seek with the United States ways of removing the measures taken by each side in November 1985. As in June, the Council noted that in the event of any further unilateral United States action to impede imports from the Community, the Community would take immediate equivalent action.

The Council finally noted the intention of the Commission to come back to the Permanent Representatives Committee when its work had reached a conclusion.

RELATIONS WITH JAPAN - PRESIDENCY CONCLUSIONS

After hearing a report from the Commission on recent consultations with Japan, the Council reaffirmed that its declaration of 10 March remains Community policy.

The Council expressed its intention to reaffirm to the new Japanese Government the demands set out in the Council declaration of 10 March, particularly those concerning market opening, structural change and the need to follow appropriate macro-economic and exchange rate policies.

Having taken note that the President of the Commission intends to write on these lines to the new Japanese Government, the Presidency announced its intention to do the same, noting in particular:

- the Community's readiness to work with the Japanese Government to improve the balance in trade and economic relations, e.g. through the Action Programme and as recommended by the MAEKAWA Commission Report;
- the concern at the lack of progress since 10 March and the worsening overall trade figures, and indications of diversion to the Community of Japanese exports from other major markets.

Consequently, the Council invited the Commission

- to press for early action to remove discriminatory barriers against imports of alcoholic drinks; the Council suggested that if this were not achieved by the autumn, the Commission should instigate Article XXIII action;
- to select other market sectors for market opening initiatives, on the same basis;
- to review Japanese export practices with a view to obtaining redress where they operate in violation of GATT obligations;

- to ensure that arrangements for joint EEC/Japan monitoring of the implementation of Japanese measures work as effectively as possible;
- to present a full report to enable the Council to review progress in the autumn.

PREPARATION FOR THE 5th MEETING OF THE EEC-YUGOSLAVIA CO-OPERATION COUNCIL

The Council drew up the position to be adopted by the Community at the 5th meeting of the EEC-Yugoslavia Co-operation Council at ministerial level to be held during the course of this meeting (on the morning of Tuesday 22 July).

HUNGER IN THE WORLD

The Council noted that the Commission proposal for a Regulation to release the appropriations entered in the 1986 budget to combat hunger in the world was unlikely to obtain the unanimous agreement required. It called upon the Permanent Representatives Committee to lose no time in finding ways of using these appropriations to combat hunger in the world by means of transfers.

IMPORTS OF NEW ZEALAND BUTTER INTO THE UNITED KINGDOM

The Council adopted the Regulation relating to the continuing of the import of New Zealand butter into the United Kingdom on special terms.

The following quantities may be imported over the next two years:

- 76 500 tonnes in 1987,
- 74 500 tonnes in 1988.

It is understood that if the situation on the butter market requires changes to be made to the terms of intervention, these changes must be reflected in the price of New Zealand butter marketed in the Community.

The Council acknowledged that major difficulties exist on the Community butter market, particularly in the United Kingdom, which result from changing production and consumption factors over the past decade. It agreed that special access arrangements for New Zealand butter after 1988 would be examined in the light of these factors.

The Commission, for its part, declared that it would submit to the Council for an early decision a proposal to amend the system of buying up of quotas (Regulations No 857/84 and No 1336/86) which would allow Member States the facility of introducing under national legislation a system of purchase and re-sale of quotas within the collection area of individual purchasing dairies.

POSSIBILITY OF FISHING IN THE NAFO REGULATORY AREA

The Council adopted by a qualified majority a Regulation fixing for 1986 catch quotas for certain fish stocks and groups of fish stocks (Community TACs for cod, squid, capelin) in the Regulatory Area as defined in the NAFO Convention (North-West Atlantic).

RENEWAL OF THE ECONOMIC AND SOCIAL COMMITTEE

The Council raised the matter of the renewal of membership of the Economic and Social Committee and noted that all the Governments of the Member States would submit their list of candidates in good time to enable the new members of the Economic and Social Committee to be appointed by 20 September, the date on which the term of office of the current Committee members expires.

MISCELLANEOUS DECISIONS

Agriculture

The Council adopted in the official languages of the Communities Regulations

- amending Regulation (EEC) No 3626/82 on the implementation in the Community of the Convention on international trade in endangered species of wild fauna and flora
- amending Regulation (EEC) No 569/86 laying down general rules for the application of the supplementary mechanism applicable to trade (see press release 8354/86 (Presse 118) from the Council meeting on agriculture on 14 and 15 July 1986)
- amending Regulation (EEC) No 866/84 laying down special measures concerning the exclusion of milk products from inward processing arrangements and from certain usual forms of handling (exclusion of whey from the suspension of inward processing arrangements in the milk sector until 31 December 1986) (see press release 8354/86 (Presse 118) from the Council meeting on agriculture on 14 and 15 July 1986)
- amending Regulation (EEC) No 857/84 adopting general rules for the application of the levy referred to in Article 5c of Regulation (EEC) No 804/68 in the milk and milk products sector (adjustments for Spain).

The Council also adopted in the official languages of the Communities Directives

- amending Directive 79/117/EEC prohibiting the placing on the market and use of plant protection products containing certain active substances.

The purpose of this Directive is to add ethylene oxide to the list of active substances prohibited under the above Directive while providing for a derogation authorizing the Member States to continue using this product temporarily on their territory to fumigate certain products (see press release 7110/86 (Presse 74) from the Council meeting on agriculture on 26 and 27 May 1986).

- amending Directive 74/83/EEC on the fixing of maximum permitted levels for undesirable substances and products in feedingstuffs, Directive 77/101/EEC on the marketing of straight feedingstuffs and Directive 79/373/EEC on the marketing of compound feedingstuffs.

The purpose of this Directive is to incorporate into the Directive on undesirable substances and products provisions governing the presence of aflatoxin in the raw materials used to manufacture feedingstuffs since this substance, which forms naturally on these raw materials particularly in hot and humid climatic conditions, is harmful to human and animal health.

It is also intended to make certain technical amendments to the Directive on straight feedingstuffs and to amend the provisions governing labelling in the Directive on compound feedingstuffs in order to provide better information to farmers on the characteristics of the products marketed (see press release 7827/86 (Presse 102) from the Council meeting on Agriculture on 24 and 25 June 1986).

Fisheries

The Council adopted in the official languages of the Communities Regulations:

- amending Regulation (EEC) No 2245/85 laying down certain technical measures for the conservation of fish stocks in the Antarctic. The purpose of this Regulation is to ban fishing of the "Notothenia rossii" variety in the waters round South Georgia and to thus make the Community rules comply with the Commission recommendation for the conservation of Antarctic marine living resources which has become binding on the Contracting Parties to the Antarctic Convention of 19 May 1986
- amending Annex VI to Regulation (EEC) No 3796/81 on the common organization of the market in fishery products.

Taxation

The Council adopted in the official languages of the Communities a Decision authorizing the United Kingdom to apply a special measure in respect of the non-deductible value added tax charged on fuel used in company cars.

Relations with the ACP States and the OCT

The Council adopted in the official languages of the Communities
Decisions:

- adopting the Rules of Procedure of the European Development Fund Committee
- adopting the Rules of Procedure of the Committee set up under the auspices of the European Investment Bank, referred to as the Article 22 Committee.

ECSC

The Council granted consultation on a draft Commission Decision (ECSC) implementing Decision No 2064/86/ECSC on Community rules for aids to the coal industry.

The Council also granted its assent

- pursuant to Article 55(2)(c) of the ECSC Treaty to the granting of financial aid for the implementation of a programme of pilot and demonstration projects in the iron and steel industry
- pursuant to the second paragraph of Article 54 of the ECSC Treaty to the 2nd instalment (1986-1988) of the 10th ECSC low-cost housing programme.

Social Affairs

The Council adopted in the official languages of the Communities the conclusions on procedures for informing and consulting the employees of undertakings with complex structures (see press release 7350/86 (Presse 83) from the Council meeting on labour and social affairs on 5 June 1986).

New Council building

In accordance with the contract of 26 February 1985 between the Belgian State and the Council which lays down that the Council will take a decision on the different stages in the completion of its new building, the Council took a decision on the proposals which the Belgian State submitted to it on 30 April 1986 concerning the Drawings stage. This will enable the Belgian authorities to begin work on the orientation and development of designs for the preliminary scheme stage on the basis of the Council's recommendations.



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

8557/86 (Presse 124)

1100th meeting of the Council

- Budget -

Brussels, 21 and 22 July 1986

President: Mr Peter BROOKE

Minister of State at the Treasury
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows :

Belgium:

Mr Guy VERHOFSTADT Minister for the Budget

Denmark:

Mr Knud-Erik TYGESEN State Secretary,
Ministry of Foreign Affairs

Germany:

Mr Hans TIETMEYER State Secretary,
Federal Ministry of Finance

Greece:

Mr Yannis PAPANTONIOU State Secretary for Economic
Affairs

Spain:

Mr José BORRELL State Secretary for Finance

France:

Mr Alain JUPPE Minister attached to the Minister
for Economic Affairs, Finance and
Privatization, with responsibility
for the Budget

Ireland:

Mr Jim O'KEEFFE Minister of State at the Department
of Public Service

Italy:

Mr Carlo FRACANZANI State Secretary,
Ministry of the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for the Budget

Netherlands:

Mr R. van der LINDEN

State Secretary,
Ministry of Foreign Affairs

Portugal:

Mr Rui ALVAREZ CARP

State Secretary for the Budget

United Kingdom:

Mr Peter BROOKE

Minister of State, Treasury

Mr Ian STEWART

Economic Secretary to the Treasury

Commission:

Mr Henning CHRISTOPHERSEN

Vice-President

1987 BUDGETARY PROCEDURE

Before beginning its examination of the draft general budget for 1987, the Council met with a delegation from the European Parliament in order to allow each arm of the budgetary authority to give its views as to the procedures to be followed and the priorities to be established. The delegation of the European Parliament was led by Mr PFLIMLIN, President, and was composed as follows : Mr COT, President of the Committee on Budgets, Sir James SCOTT HOPKINS, 2nd Vice-President of the Committee on Budgets, Mr CURRY, Rapporteur for the 1987 budget, Mr AIGNER, Chairman of the Committee on Budgetary Control, Mrs SCRIVENER, Mr FICH, Mr BONDE, Mr CHRISTODOULOU and Mr TOMLINSON, Members of the Committee on Budgets.

Both the Council and the delegation of the European Parliament expressed the hope that the positive atmosphere which enabled the Community to adopt the 1986 budgetary procedure would continue during the 1987 procedure.

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The Council then proceeded in the course of 21/22 July to the detailed examination of the draft general budget of the European Communities for the financial year 1987. In spite of the considerable effort deployed to find a solution which would command a qualified majority of delegations, the Presidency was led to conclude that such a solution was not attainable at this stage.

In order to allow further time for reflection it was agreed to resume discussions of the 1987 budgetary procedure on 29 September 1986.



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

8908/86 (Presse 127)

Continuation of the 1100th meeting of the Council

- Budget -

Brussels, 8 and 9 September 1986

Chairman: Mr Peter BROOKE
Minister of State, Treasury,
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Guy VERHOFSTADT Minister for the Budget

Denmark:

Mr Knud-Erik TYGESEN State Secretary,
Ministry of Foreign Affairs

Germany:

Mr Hans TIETMEYER State Secretary,
Federal Ministry of Finance

Greece:

Mr Yannis PAPANTONIOU State Secretary for the
National Economy

Spain:

Mr José BORRELL State Secretary for Finance

France:

Mr Alain JUPPE Minister attached to the
Minister for Economic Affairs,
Finance and Privatization,
with responsibility for the Budget

Ireland:

Mr Jim O'KEEFFE Minister of State at the
Department of Public Service

Italy:

Mr Carlo FRACANZANI State Secretary,
Ministry of the Treasury

Luxembourg:

Mr Jean FEYDER Deputy Permanent Representative

Netherlands:

Mr R. van der LINDEN

State Secretary,
Ministry of Foreign Affairs

Portugal:

Mr Rui ALVAREZ CARP

State Secretary for the Budget

United Kingdom:

Mr Peter BROOKE

Minister of State, Treasury

Mr Ian STEWART

Economic Secretary to the Treasury

Commission:

Mr Henning CHRISTOPHERSEN

Vice-President

ESTABLISHMENT OF THE 1987 DRAFT BUDGET AND PROBLEMS CONCERNING
THE 1986 BUDGET

The Council established the 1987 draft budget of the European Communities and discussed a number of problems arising from the 1986 budget.

The 1987 draft budget which is to be forwarded to the European Parliament and will be the subject of a statement by the President of the Council to the European Parliament on 10 September provides for overall amounts of 36.944,8 MECU in commitment appropriations and 35.945,6 MECU in payment appropriations.

For compulsory expenditure the amounts are 27.090,1 MECU in c/a and 27.064,2 in p/a and the amounts for non-compulsory expenditure are 9.854,7 MECU in c/a and 8.881,4 MECU in p/a.

The budget appropriations in respect of both compulsory and non-compulsory expenditure are in line with the framework of reference adopted by the Council for the financial year 1987, which means that the appropriations proposed by the Commission for the EAGGF - Guarantee Section have been adopted and that non-compulsory expenditure has increased by 3,73% in c/a and 4,05% in p/a over the 1986 budget.

The draft budget includes the following amounts in particular:

		<u>MECU</u>
	c/a	p/a
EAGGF Guarantee	22.960,8	22.960,8
Guidance	915	884
ERDF	3.280	2.422
Social Fund	2.561	2.499
Other NCE:	3.098,7	3.076,4
Research	836	725
Other CE	4.129,3	4.103,4

In addition, the Council set up a reserve of 100 MECU in c/a and p/a in respect of compulsory expenditure so as to enable the Commission to propose the necessary measures to help bolster the refund payments to Spain and Portugal as agreed in the accession negotiations.

It should also be noted that the Council entered amounts of 15 MECU in c/a and 13 MECU in p/a in the 1987 draft budget to cover positive measures in respect of South Africa in accordance with the conclusions of the European Council in The Hague in June 1986.

As regards the 1986 budget the Council took note of the serious situation revealed by the Commission's communications and preliminary draft amending budget, whereby there was likely to be a revenue shortfall in the 1986 budget which could have serious implications for the resources available in 1987.

In view of these problems, the Council, in its capacity as one branch of the budget authority, urges the Commission to take all possible measures in the execution of the 1986 budget to ensure that expenditure is reduced in an equitable way so that a balanced budget is maintained while taking account of the Community's obligations and avoiding the slippage of expenditure to 1987.

The Council invited the other branch of the budget authority to join in this request.

The Council noted that the the Commission would provide more precise data on revenue and expenditure to the budget authority later in 1986.

MISCELLANEOUS DECISIONS

Fisheries

The Council adopted, in the official languages of the Communities, the Decision on the conclusion of an Agreement in the form of an exchange of letters concerning the provisional application, as from 16 June 1986, of the Agreement amending for the second time the Agreement between the European Economic Community and the Government of the Republic of Guinea Bissau on fishing off the coast of Guinea Bissau.

Customs Union

The Council adopted in the official languages of the Communities the Regulation opening, allocating and providing for the administration of a Community tariff quota for herring, fresh or chilled, falling within subheading 03.01 B I a) 2 aa) of the Common Customs Tariff, originating in Sweden (20 000 tonnes for the period 15 September 1986 to 14 February 1987).



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

8665/86 (Presse 126)

1101st meeting of the Council

- Internal Market -

Brussels, 24 July 1986

President: Mr Alan CLARK,
Minister for Trade
of the United Kingdom

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Marc LEPOIVRE Deputy Permanent Representative

Denmark

Mr Nils WILHJELM Minister for Industry

Germany

Mr Otto SCHLECHT State Secretary,
Federal Ministry of Economic
Affairs

Greece

Mr Elias LYMBEROPOULOS Deputy Permanent Representative

Spain

Mr Pedro SOLBES MIRA State Secretary for relations
with the European Communities

France

Mr Claude MARTIN Deputy Permanent Representative

Ireland:

Mr Michael NOONAN Minister for Industry and Commerce

Italy

Mr Paolo GALLI Deputy Permanent Representative

Luxembourg

Mr Jean FREYDER Deputy Permanent Representative

Netherlands:

Mr R. van der LINDEN

State Secretary for
Foreign Affairs

Portugal:

Mr Victor MARTINS

State Secretary for
European Affairs

United Kingdom:

Mr Alan CLARK

Minister for Trade

Mr John BUTCHER

Parliamentary Under-Secretary
of State, Department of Trade
and Industry

Commission:

Lord COCKFIELD

Vice-President

PRESIDENCY'S PROGRAMME FOR PROCEEDINGS ON THE INTERNAL MARKET

The Council took note of the Presidency's intentions concerning proceedings on the internal market. The Presidency laid particular stress on the importance it attached to the first "new approach" Directives (pressure vessels, toy safety), to the mutual recognition of type approval, to information technology, to public contracts and to the right of establishment.

PHARMACEUTICAL PRODUCTS

The Council continued its examination of the proposals in the sphere of pharmaceutical products.

Following a detailed discussion the Council, after noting that certain technical aspects of the dossier had yet to be clarified, asked the Permanent Representatives Committee, together with the Commission and its panel of experts, to try to find as a matter of urgency the basis for a solution to the problem of high-technology pharmaceutical products.

AIRBORNE NOISE EMITTED BY DOMESTIC APPLIANCES

The Council continued examining the proposal for a Directive on airborne noise emitted by domestic appliances. It took note of the important progress made with regard to this proposal and made headway with the two main questions outstanding, concerning the Committee procedure and the acceptance of national technical rules at the same time as national standards.

RULES OF ORIGIN FOR TRADE BETWEEN SPAIN AND PORTUGAL IN THE PERIOD
DURING WHICH THE TRANSITIONAL MEASURES ARE APPLIED

The Council adopted by a qualified majority the Regulation amending Regulation (EEC) No 846/86 on the rules of origin for trade between Spain and Portugal in the period during which the transitional measures are applied.

Specific training in general medical practice

The Council adopted a Directive introducing in the countries of the Community specific training in general medical practice.

This Directive complements the two 1975 Directives on the free movement of doctors (¹) which established mutual recognition of medical qualifications for doctors and specialists and laid down the minimum conditions for their training.

Since then there has been a trend in the majority of Member States towards offering additional specialist training to general medical practitioners, with more emphasis on practical work, in addition to the basic training common to all doctors.

The main underlying causes of this trend are:

- the need for improved training for the specific function of general medical practitioner; there is increasing criticism of traditional

(¹) Directives 75/362/EEC and 75/363/EEC of 16 June 1975.

medical training, which is considered insufficient because there is more emphasis on theory than on practice; it has also been found that important aspects of general medical practice can no longer be taught in a satisfactory fashion within the traditional context of basic medical training;

- a desire to curb expenditure on health care; it has been recognized that improved training for the specific function of general medical practitioner would contribute to an improvement in health care, particularly by developing a more selective approach to the consultation of specialists, use of laboratories and other highly specialized establishments and equipment;
- the need to improve the standing of the family doctor, an activity which has become less attractive to young doctors;
- the need to develop a new approach to general medical practice, stressing the health problems of individuals taken as a whole, focussing on prevention and not solely on patients' complaints.

The Council is aware of the need for systematic development of this trend to obviate any adverse effects that might ensue, particularly as regards the free movement of doctors, if the situation in one or other of the Member States were to move too far out of line.

The main characteristics of the specific training in general medical practice provided for in the Directive are as follows:

- it is specific to general medical practice, i.e. geared to the exercise of this branch of medicine;
- it is additional to the basic training provided for in Directive 75/363/EEC;
- it will be compulsory for all doctors practising as general medical practitioners within the social security system.

The Council is aware of the repercussions of such a reform, which, to an extent that will vary from one Member State to another, will break with the established organization of medical studies and health care structures. It has therefore provided for gradual implementation by stages:

- stage 1: by 1 January 1990 at the latest, Member States are required to issue the first diplomas for completion of the specific training in general medical practice;
- stage 2: from 1 January 1995, and subject to any acquired rights, all doctors practising as general medical practitioners under a social security system will be required to hold a diploma attesting to such specific training in general medical practice.

In addition, by 1 January 1997 at the latest, the Commission will submit a report to the Council on the development of the situation and, if necessary, appropriate proposals aimed at ensuring appropriate training for all general practitioners which meets the specific requirements of general medical practice.

The new training will last for two years and will be given partly in a hospital or clinic and partly in an approved general medical practice or in an approved centre where doctors provide primary care. As from 1995, a minimum of six months in each will be required.

Member States which, at the time of notification of the Directive, provide part of the training in general medical practice by means of experience acquired by the medical practitioner in his own surgery under the supervision of an authorized training supervisor will be permitted to retain this type of training on an experimental basis on condition that its duration is doubled and that the two periods of training in a hospital or clinic and in an approved medical practice are also provided as from 1995.

All the proposals on the structure of the training will be re-examined in 1996 on the basis of a report and appropriate proposals to be submitted by the Commission with a view to achieving further harmonization of the training of general medical practitioners.

MISCELLANEOUS DECISIONS

Telecommunications

The Council adopted in the official languages of the Communities a Directive concerning the first phase of mutual recognition of the results of conformity tests on mass-produced telecommunications terminal equipment (see Industry Council press release 7480/86 (Presse 87) of 9 June 1986).

EEC-Malta Association

The Council adopted in the official languages of the Communities a Council Regulation amending Regulations (EEC) Nos 3555/80, 3394/85 and No 3668/85 as regards imports into Greece of certain products originating in Malta (adjustment of the Regulations in question as a result of Greek accession).

Trade policy

The Council adopted in the official languages of the Communities:

- the Regulation on anti-dumping duties applicable to imports into Spain and Portugal from third countries;
- the Decision authorizing extension or tacit renewal of certain trade agreements concluded by the Portuguese Republic with third countries.

Outward processing and standard exchange system

The Council adopted the Regulation on outward processing relief arrangements and the standard exchange system.

This Regulation, which replaces Directives 76/119/EEC (outward processing) and 78/1018/EEC (standard exchange arrangements), constitutes an important new step towards consolidation in the form of regulations of the existing customs legislation and, in conjunction with Regulation No 1999/85 adopted in July 1985 on outward processing relief arrangements and Regulation No 2763/83 of September 1983 on processing under customs control, completes the set of Regulations on customs arrangements with regard to processing.

Customs union

The Council adopted in the official languages of the Communities the Regulations:

- opening, allocating and providing for the administration of a Community tariff quota for certain polyethylene terephthalate sheets falling within subheading ex 39.01 C III a) of the Common Customs Tariff;
- opening, allocating and providing for the administration of a Community tariff quota for frozen peas, falling within subheading ex 07.02 B of the Common Customs Tariff, originating in Sweden;
- opening and providing for the administration of a Community tariff quota for unroasted malt falling within subheading 11.07 A II b) of the Common Customs Tariff originating in and coming from Finland.

Agriculture

The Council adopted in the official languages of the Communities the Directives:

- on the fixing of maximum levels for pesticide residues in and on cereals;
- on the fixing of maximum levels for pesticide residues in and on foodstuffs of animal origin;

(see Agriculture Council press release - 7110/86 (Presse 74) of 26 and 27 May 1986).

The Council also adopted in the official languages of the Communities the Regulations:

- establishing a Community vineyard register (see Agriculture Council press release - 8354/86 (Presse 118) of 14 and 15 July 1986;
- amending Regulation (EEC) No 1465/86 fixing for the 1986/1987 marketing year the monthly increases in the activating threshold price, the guide price and the minimum price for peas and field beans. This amendment raises the number of monthly increases from 6 to 8;
- laying down, in respect of hops, the amount of aid to producers for the 1986 harvest. This aid is fixed as follows:

(Amounts in ECU/hectare)

Variety group	Community of Ten
Aromatic	275
Bitter	350
Other	350

- amending Regulation (EEC) No 1678/85 fixing the conversion rates to be applied in agriculture. This amendment, which supplements Annexes IV and X to Regulation No 1333/86 amending the above Regulation, relates to the conversion rates to be applied to products not covered by Annex II of the Treaty for Spain and Portugal.

Fisheries

The Council adopted in the official languages of the Communities, the Decision authorizing the Commission to negotiate fisheries agreements with the Comoros, Kenya, Somalia and Tanzania.

The Council adopted in the official languages of the Communities the Regulations:

- amending for the fourth time Regulation (EEC) No 3721/85 fixing, for certain fish stocks and groups of fish stocks, the total allowable catches for 1986 and certain conditions under which they may be fished. This Regulation fixes the Community share of the TAC for herring in the Skagerrak/Kattegat at 63 915 tonnes for 1986 and the resulting quotas for Denmark (62 415 t) and Germany (1 000 t);
- amending Regulation (EEC) No 3783/85 allocating, for 1986, Community catch quotas in Greenland waters. This Regulation increases from 20 000 t to 30 000 t the quota of capelin available to the Community in Greenland waters and the allocation of the entire quota to Denmark;
- opening, allocating and providing for the administration of Community tariff quotas for certain fishery products originating in Sweden.

Road haulage

The Council adopted, in the official languages of the Communities, the Directives:

- amending Directive 85/3/EEC on the weights, dimensions and certain other technical characteristics of certain road vehicles (see Transport Council press release 7883/86 (Presse 104) of 30.6.86);
- relating to proof of compliance of vehicles with Directive 85/3/EEC on the weights, dimensions and certain other technical characteristics of certain road vehicles (see Transport Council press release 7882/86 (Presse 98) of 13/10.6.1986).

Technical barriers

The Council adopted in the official languages of the Communities the Directive on the installation, location, operation and identification of the controls of wheeled agricultural or forestry tractors.

Social Affairs

The Council adopted in the official languages of the Communities:

- the Decision adopting the programme on co-operation between universities and enterprises regarding training in the field of technology (COMETT) (see Education Council press release 7481/86 (Presse 88) of 9 June 1986);
- the recommendation on the employment of disabled people in the Community (see Labour and Social Affairs Council press release 7350/86 (Presse 83) of 5 June 1986);
- the second Resolution on the promotion of equal opportunities for women (see Labour and Social Affairs Council press release 7350/86 (Presse 83) of 5 June 1986).

ECSC appointments

The Council adopted the Decision appointing the Spanish and Portuguese members and an additional Italian member of the Consultative Committee of the European Coal and Steel Community for the period ending 17 February 1987 as follows:

1. PRODUCTION CATEGORY

Coal sector

Steel sector

SPAIN

Mr Manuel ARROYO QUINONES

Mr Luis GUERECA TOSANTOS
Mr Vicente CARRETERO GARCIA

PORTUGAL

Mr José de ALMEIDA SERRA

2. Workers' category

SPAIN

Mr Manuel NEVADO MADRID
Mr José Antonio SAAVEDRA RODRIGUEZ
Mr Luis Maria CONTRERAS PUENTE

PORTUGAL

Mr José SIMOES

3. Consumers' and dealers' category

SPAIN

Mr Ignacio INDA ARANA
Mr Enrique KAIBEL MURCIANO

PORTUGAL

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ITALY

Mr Giancarlo LONGHI

The Council will appoint the person who is to take the seat allotted to Portugal in the consumers' and dealers' category at a later date.