

# ACP - EEC CONSULTATIVE ASSEMBLY

SECOND ANNUAL MEETING

SUMMARY REPORT  
OF THE PROCEEDINGS  
OF 8, 9 and 10 JUNE 1977

European Centre  
LUXEMBOURG

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SITTING OF WEDNESDAY 8 JUNE 1977

IN THE CHAIR: MR YACE

President

CONSTITUENT MEETING

(The constituent meeting opened at 9:05 a.m. in the Chamber of the Schuman Building in Luxembourg).

1. Opening of the second annual meeting

The President declared the second annual meeting of the ACP-EEC Consultative Assembly open.

2. Membership of the Assembly

The President announced that a list of the representatives appointed to the Assembly pursuant to Article 1 (1) of the Rules of Procedure would be appended to the minutes of proceedings.

He also stated that representatives of the Cape Verde Islands, Papua New Guinea and Sao Tomé and Príncipe would be attending as observers.

3. Election of the Bureau

Pursuant to Article 6 (1) of the Rules of Procedure, the Assembly elected its Bureau, which would consist of the following twelve Members:

Presidents: Mr Yace and Mr Colombo

<u>Vice-Presidents:</u>	Mr Muna	Mr Spénale
	Mrs Mathe	Miss Flesch
	Mr Adriko	Mr de la Malène
	Mr Wijntuin	Lord Reay
	Mr Philipps	Mr Sandri

4. Order of business

On a proposal from the Joint Committee, the Assembly adopted the following order of business:

Wednesday, 10.30 a.m.:

- Formal opening sitting

Wednesday, 11.45 a.m.:

- Statement by the Chairman of the Joint Committee on the action taken on the resolution adopted by the Assembly on 2 June 1976
- Presentation and consideration of the report by Lord REAY on the Annual Report of the ACP-EEC Council of Ministers

Wednesday, 3.30 p.m.:

- Continuation of the debate on the report by Lord REAY on the Annual Report of the ACP-EEC Council of Ministers

Thursday, 9 June 1977

9.30 a.m.:

- Continuation of the debate on the report by Lord REAY on the Annual Report of the ACP-EEC Council of Ministers

Friday, 10 June 1977

10.00 a.m.:

- Continuation and conclusion of the debate on the report by Lord REAY on the Annual Report of the ACP-EEC Council of Ministers
- Vote on the motion for a resolution contained in Lord REAY's report
- Any other business

(The proceedings were adjourned at 9.15 a.m. and resumed at 10.30 a.m.)

FORMAL OPENING SITTING

IN THE CHAIR: MR COLOMBO and MR YACE

Presidents

On behalf of the Assembly, President COLOMBO welcomed all those participating in the meeting.

Mr HAMILIUS, Minister of Agriculture and Viticulture, Minister of Construction, representing the President of the Luxembourg Government said that his country was proud to be playing host once again to the Assembly and felt that he would be justified in claiming that, since Yaounde, the Grand-Duchy of Luxembourg had been unsparing in its efforts to establish between developed and developing countries a relationship founded on justice, equality and cooperation.

The Convention of Lome had now been in force for more than a year but had lost none of its originality. The latest ACP-EEC Council of Ministers meeting had once again shown that the spirit of Lome - this 'extra dimension' inherent in the Convention - was the moving force in this undertaking and distinguished it from other multilateral agreements.

Despite the difficult economic situation the Convention had undeniably been a success so far. The time had now come to reflect on the achievements of the past and the tasks to be carried out in the future. He hoped that this would be done in the spirit of frank cooperation which had so satisfactorily marked developments to date.

He also expressed the hope that the meeting of the Assembly would receive extensive coverage in the European press; the European Members of Parliament could play their part in ensuring that the ideals on which the Assembly's work was based were adequately publicised.

(Loud Applause)

Mr YACÉ, President of the National Assembly of the Republic of the Ivory Coast, and Co-President of the ACP-EEC Consultative Assembly thanked their Royal Highnesses, the Grand Duke and Grand Duchess of Luxembourg. He expressed his gratitude to President Spénale, and congratulated President Colombo. He then thanked the Luxembourg authorities for their hospitality.

The delegates were gathered to take stock of their first year of cooperation and to ascertain whether the hopes and expectations aroused by the Convention of Lomé in the ACP countries had in fact materialized.

The Convention of Lomé had often been cited as a model of cooperation between the industrialized and developing countries. But a treaty could be no more than a framework and those responsible for giving it meaning had to engage in open and frank dialogue. The Council meeting in 1976 might have given rise to certain doubts, but the outcome of the last meeting in the Fiji Islands was generally considered satisfactory. But that did not mean that the ACP countries had no further criticisms or wishes to put forward. In this connection he referred in particular to the generalized preferences scheme.

The spirit of the Convention was first and foremost an undertaking for mutual aid which was moreover based on an economic reality, since Europe, more than any other area, was dependent on imports from the developing countries for its supplies of primary commodities. The Community should therefore spare no effort to consolidate its relations with the developing countries.

Against that background the Convention of Lomé was a precious asset both to the ACP countries and to the Community.

Turning to the North-South dialogue, he stated that while it had ended in relative failure, it had nevertheless led to an increasing awareness in the rich countries of the need for a minimum of justice in the distribution of the fruits of growth. This change of heart in the rich countries was due primarily to Europe which, by entering into contractual undertakings under the Convention of Lomé, must set the example, thus giving a keen spur to the efforts of the other industrialized countries.

Through a constantly reaffirmed determination, the Convention of Lomé could become a testimony of still greater effective solidarity, held out as a model to the world. As President Houphouët-Boigny had said, there was on both sides 'a complementarity of reason and of the heart which naturally leads us to mutual solidarity.'

(Loud applause)

Mr COLOMBO, President of the European Parliament and Co-President of the ACP-EEC Consultative Assembly, took stock of the first year of full application of the Convention of Lomé. There had been improvements in trade cooperation and in financial and technical ties and institutional cooperation. The STABEX system had operated satisfactorily, the protocol on sugar and the increase in the number of partner countries were indications that progress was being made.

The Convention of Lomé was a model of cooperation between the developing and industrialized countries; the Community was nevertheless aware of the improvements and progress that had to be made in the light of experience hitherto.

With regard to the forthcoming negotiations on a new Convention, he stressed the importance of the existing institutional links. He hoped that there would be closer ties at the level of political cooperation, while each country would be free to search independently for ways and means of achieving this in the interests of strengthening world peace.

He appealed to all who would be taking part to see to it that a new Convention did in fact enter into force on 1 April 1980 and that economic interests and the social partners were associated with the negotiations. The serious problems of inflation and unemployment facing the industrialized countries should not be allowed to retard cooperation with the developing countries or to obscure the fundamental interdependence of North and South, as the London Summit had shown.

Turning to the North-South dialogue which had just closed, he pointed out that it had been partially successful (the 'common fund' and the 'special action') and expressed the hope that the disagreement as regards consultation on energy and the indebtedness of the developing countries would be resolved in the near future.

The governments must now show that they were politically determined to establish a new international economic order with a more equitable basis offering equal prospects and opportunities to all countries. This would be a slow process but it was in accordance with the requirements of the international community and the conditions for the survival of our civilisation.

(Loud applause)



Mr SCHAUS, Vice-President of the Chamber of Deputies of the Grand Duchy of Luxembourg, pointed out that this was the third time that the Presidency of the Chamber of Deputies of the Grand Duchy of Luxembourg had had the honour to be represented at the ACP-EEC Consultative Assembly. A great deal of progress had been made since 1975, notably with regard to customs duties, cooperation and the stabilisation of export revenue.

However, there were still a number of problems to be dealt with. The Consultative Assembly had an important part to play in this connection; it should enable the objectives of the Convention to be implemented to the full and on the basis of the Convention it should be possible to promote the establishment of a new world economic order.

Mr Schaus concluded by calling on all the delegates to make every possible effort to promote human solidarity.

(Loud applause)

Miss Flesch, Mayor of the City of Luxembourg, welcomed the delegates to Luxembourg on behalf of the people of the capital. She expressed the hope that the ground that had been covered so far would contribute towards peace and human solidarity.

In her capacity as chairman of the Committee on Development and Cooperation, Miss Flesch expressed satisfaction that the meeting was being held immediately following the conclusion of the North-South Dialogue. The latter, she thought, had not been fruitless, at least from the point of view of development cooperation. As evidence of this was the agreement by the industrialized countries to start negotiations in the near future on setting up a common Fund for the financing of primary commodity buffer stocks.

In the absence of a firm political will, for which this Fund should provide the catalyst, the happiness and prosperity of all would be jeopardized. If they were determined to find suitable solutions, Miss Flesch said, those in authority should be aware that they could count on the support of the peoples, although it was vital that the latter should be informed fully of the issues involved.

The meeting being held this week in Luxembourg provided the opportunity for assessing the performance of the Lomé Convention - an audacious and courageous venture in international solidarity - during its first year, and for drawing practical conclusions for the future.

All who were present here today, the speaker stressed, had faith in the cooperation between the Community and the ACP countries. It was our duty to press on with the task on which we had embarked, correcting and improving it in the interests and for the prosperity of our peoples.

In conclusion Miss Flesch expressed the hope that these meetings would make a valuable contribution to cooperation between the Community and the ACP states.

(Loud applause)

President COLOMBO declared the formal opening sitting of the ACP-EEC Constituent Assembly closed.

(The proceedings were suspended at 11.25 a.m. and resumed at 11.40 a.m.).

IN THE CHAIR : MR YACE and MR COLOMBO

Presidents

5. Election of the members of the Joint Committee

On a proposal from the Bureau, the Assembly elected the members of the Joint Committee pursuant to Article 21 of the Rules of Procedure. The list of members is appended to the minutes of the sitting.

6. Election of the chairmen of the Joint Committee

The Assembly elected Mr KASONGO and Mr BERSANI chairmen of the Joint Committee.

7. Documents received

Mr Yace announced that he had received the following documents:

- from the ACP-EEC Council of Ministers
  - the report of the activities from the Interim Committee covering the period 28 February 1975 to 31 March 1976 (Doc. 4/76)
  - the Annual Report (1 April 1976 - 31 March 1977) containing
    - . the resolution of the ACP-EEC Council of Ministers on financial and technical cooperation
    - . the Commission report to the ACP-EEC Council of Ministers on the administration of financial and technical aid in 1976 (Doc. 5/77)
- from Lord Reay, on behalf of the Joint Committee, the Annual Report of the ACP-EEC Council of Ministers and on current problems connected with the Lome Convention (Doc. 6/77).

8. Time-limit for tabling amendments

On a proposal from President Yace, the Assembly decided to set the end of that day's sitting as the deadline for tabling amendments to Lord Reay's report on the annual report of the ACP-EEC Council of Ministers.

9. Statement by the Chairman of the Joint Committee on the Consultative Assembly's resolution of 2 June 1976

Mr KASONGO, President of the Joint Committee, informed the Assembly of the conclusions reached by the Joint Committee, which had been instructed by the Assembly to submit proposals for the consultation of the bodies representing economic and social circles, at the end of its discussions on this question in Lome on 3 December 1976. These were as follows:

- a day should be set aside for this consultation
- the members of the Joint Committee and members from each associated country and each EEC Member State should participate in the consultations
- only two representatives from each country should be invited as spokesmen for the two sides of industry. Members of the Economic and Social Committee would represent economic and social circles in the Community
- the choice of ACP representatives should be left to the ACP States themselves
- it should be possible to express a wide range of views in the consultations.

These proposals were endorsed by Mr Yace and Mr Colombo.

The Committee had made every effort to see that an initial meeting of this kind was held in 1977. Since, mainly for financial reasons, it would be convenient to arrange a meeting in conjunction with the ILO meeting in Geneva, the date proposed was 9 June 1977.

Although the organization of this meeting entails certain problems the reaction to the proposed meeting, which would undoubtedly be extremely valuable, has been favourable.

(Applause)

## 10. Annual Report of the ACP-EEC Council of Ministers

Mr MATOKA, Zambian Minister for Economic and Technical Cooperation, President-in-Office of the ACP-EEC Council of Ministers, began by expressing Zambia's appreciation at being elected to the Presidency of the ACP-EEC Council of Ministers and pledged that his country would try to uphold the dignity of that office. His presence at the ACP-EEC Consultative Assembly was his first official act as President of the ACP-EEC Council of Ministers.

Mr MATOKA said that the Convention of Lomé was internationally applauded and that the international community was anxious to see how it could devise an international or world STABEX system. Most agreements between developed and developing countries now sought to include specific provisions on industrial cooperation. This placed on the members of the Convention a very serious responsibility, which made it all the more important for them to ensure effective implementation of that Convention.

For this reason the ACP States had recently been very concerned at the apparent growing indifference of the Community to the broader objectives of the Lomé Convention. However, the second ACP-EEC Council meeting in Fiji in April had served to revive interest. The achievements of this meeting were deeply appreciated.

Mutual regard was all important since it engendered an appreciation of the positions of the partners on various very important issues. The problems facing the ACP States were of very different dimensions and it was essential to ensure full implementation of the Convention if any contribution were to be made to the solution of these problems.

With this in mind Mr MATOKA now drew attention to a number of difficulties involved in the implementation of the Lomé Convention.

The ACP States, he said, were faced with very serious problems, and could not afford to spend time on theoretical arguments. The Convention was intended to confer on ACP exports terms and conditions more favourable than those granted to other countries. The ACP States had misgivings about the Community's thinking on this matter. These misgivings were exacerbated by the fact that the ACP States occasionally received information to the effect that the Community had signed preferential agreements with other countries without first notifying the ACP States. There was also concern at the Community's extension of its generalized preferences scheme without adequate safeguarding of the ACP's trade benefits under the Lomé Convention. It was important that the ACP States should receive clarification on these matters.

More specifically, Mr MATOKA drew attention to the fact that ACP beef exporters were anxiously awaiting the discussions on the conditions to govern their exports to the Community after 1 January 1978. They would not, he said, be able to face the full competition of the world's major beef exporters, who now had renewed access to the Community's markets. It was to be hoped that the special measures applied under the Lome Convention would be maintained.

The speaker expressed satisfaction at the progress made in Fiji as regards the STABEX system. However, it had to be recognised that the gravity of the ACP's problems required further progress as a matter of urgency. The ACP States looked to the Assembly for support in bringing such products as phosphates, manganese and rubber under the STABEX system.

Recognising the importance, but also the inadequacies, of certain institutions, the ACP countries asked the Community to lend its support to the creation of a centre for the promotion of agricultural products.

The banana exporting states hoped that Protocol 6 would now be fully implemented. Prompt action would be needed if the conditions of the countries concerned were to be improved.

The most difficult area of the Convention was still the sugar Protocol. The sugar sector continued to face serious difficulties within the Community, and bitterness had arisen between the ACP States and the Community on such matters as price negotiations and quotas. For the sake of the effective implementation of the Convention, these problems had to be solved without delay.

Referring now to the situation in Southern Africa, Mr MATOKA pointed out that Africa's contribution to the ACP-EEC effort would always fall short of the mark until the situation in Southern Africa improved. The major obstacles to the unity of the African continent were, he said, the regimes in Rhodesia, South Africa and Namibia.

The ACP States had made great sacrifices in the cause of peace in Southern Africa. He hoped that Europe would also make a contribution. Paradoxically, Europeans had been the most decisive motive force behind the perpetuation of racism in Southern Africa. Europe had the capacity to end the liberation war in Southern Africa but was not using it. With western supplies of arms and oil, Rhodesian forces had invaded and occupied part of Mozambique. This action the ACP States condemned in the strongest terms.

Unity and cooperation between all men of good will was required to build a non-racial society in Southern Africa. Action should be taken without delay.

In conclusion Mr MATOKA said that the delicate issues at hand had to be carefully attended to so that the Convention could make a historic contribution to the development of mankind.

(Applause)

Mr TOMLINSON, President-in-Office of the Council of the European Communities, drew attention to the significance of the time at which the Consultative Assembly was holding its session; it would be able to assess the first effects of the Convention on the economic development of the ACP States and on their relations with the Community, while also looking to relations beyond Lomé I. He proposed to outline to the Assembly the results of the recent ACP-EEC Council meeting in Fiji, with particular reference to three main points.

Firstly, the extent of the cooperation achieved under the Lomé Convention. This was reflected in the large membership of the Convention, the almost free access granted for ACP products to the Community market, the sums committed by the European Development Fund and the European Investment Bank, the transfers paid for the stabilization of export earnings, the guaranteed disposal of 1,300,000 tonnes of sugar at a price considerably higher than the world market price, and lastly industrial cooperation which was bound to have a beneficial effect. Moreover, this cooperation was only a beginning.

Secondly, the extent to which the Lomé Convention introduced sufficiently diversified methods to meet most of the economic difficulties of the recipient States whose structures still differ greatly. The Lomé Convention made it possible to give each ACP State the form of intervention best suited to its needs and in accordance with its own development priorities.

Thirdly, and perhaps most important of all, the Convention was a prototype for worldwide development aid in that it facilitated the progressive harmonization of living and working conditions in the developed countries and in the third world. The Lomé Convention stood out as a model to all by its scale, diversity and comprehensiveness. That model was being followed by others.

Mr Tomlinson went on to inform the Assembly of the views of the Council of the European Communities, with particular reference to the achievements of the Fiji meeting. Two decisions had been taken on the stabilization of export earnings. The Community agreed to extend the STABEX system to additional countries and to seven new products. In the case of other products the Council had been unable to agree to their inclusion under the system but did adopt a resolution on the attainment of common objectives for commodity exports, stating that account must be taken of mutual ACP-EEC interests at international level, particularly through consultations covering important commodities: rubber, copper and phosphates. Satisfactory implementation of the resolution would help to resolve the difficulties encountered by ACP States exporting those products.



The Council also adopted three decisions on industrial cooperation which were favourable to the ACP, and further important decisions on financial and technical cooperation. In the latter area implementation of the proposals would do much to further improve this fundamental, but technically delicate, aspect of the Lomé Convention.

The Council also discussed certain aspects of trade cooperation, including the problems of the impact on ACP exports of the generalized preferences granted by the Community to developing countries. Extension of these preferences, considered essential by the Group of 77 and by the industrialized countries, might erode the comparative benefits accruing to the ACP States from the Lomé Convention. The problems of the ACP would be taken into account and it had been agreed in Fiji to set up a joint working party to assess the effects of the Community's generalized scheme of preferences on ACP exports.

The specific problem of bananas would shortly be examined by the Permanent Group. On sugar, the Community had made a substantial concession. It was agreed to restore the original export quotas for the ACP States which had been unable to take up their quotas in the 1975-76 delivery period. This was an important political gesture by the Community which took into account the difficulties encountered by the ACP States in applying the provisions of the sugar protocol. But this concession could not be taken as a precedent. Since this decision, the ACP and the Community had reached agreement on the guaranteed prices of sugar for the next delivery period.

In conclusion, Mr Tomlinson stated that the Convention was an undoubted success at a time when successes were few and far between in the field of development. 'Politics' he said 'is a difficult and thankless profession, but when the house is based on solid foundations, and is kept in good repair, it is able to weather the storm without difficulty'.

(Loud applause)

Mr CHEYSSON, Member of the Commission of the European Communities, pointed out that scarcely a week ago the developing countries and the industrialized countries had met in Paris, at the Conference on International Economic Cooperation, to work out solutions to certain problems. Now they were meeting in Luxembourg in the ACP-EEC Consultative Assembly.

However, the meeting in Paris had not been entirely unsuccessful; the results achieved at this meeting, although incomplete, would never have been achieved without the North-South dialogue.

He went on to compare these results with the results achieved under the Lomé Convention.

Although in Paris the countries concerned had made a joint assessment of the energy situation it had proved difficult to pursue the discussion on a world-wide basis; in the context of the Lomé Convention, however, it had been possible to continue the dialogue although admittedly the subjects discussed were not of such crucial importance.

It was true that in Paris agreement had been reached on a common fund for raw materials but the Lomé Convention members had made even greater progress in certain fields. He drew attention particularly to the STABEX system under which the arrangements were geared to each individual product; this system was at the moment the only one of its kind in the world.

In Paris, it had been decided to take further steps in opening up the markets. There was no further scope for preferential agreements under the Convention of Lomé at the moment; however, it was appreciated that the extension of the generalized preferences system would have the effect of eroding the advantages enjoyed by the ACP States. The Lomé Convention's policy was original in that it represented a first step towards contractual agreements in the commercial field.

The major countries had committed themselves in Paris to stepping up their development aid but when the Lomé Convention was concluded the Community had quadrupled its development aid without shouting it from the roof tops.

In Paris a recommendation on food and agriculture was adopted. We, on the other hand, were already at the stage of practical measures in this field.

The Paris meeting had declared the intention of developing infrastructures, particularly in Africa. We were already well on the way to achieving this objective.

In Paris a certain amount of progress was made as regards the conditions for the promotion of foreign investment in the developing countries. We were already taking practical steps in this direction.

No agreement was reached in Paris on structural problems, in particular the problem of the international distribution of labour. We, for our part, were already taking action on this and the following day the Joint Committee would be holding a meeting with representatives of economic and social groups.

These comparisons with the Paris meeting were intended to show that cooperation with Europe was valuable because it was practical and restricted to certain specific areas. The new economic order was not a theme that could be dealt with in one particular forum. There were some topics which called for world-wide discussion and progress would inevitably be slow. In the relationship between the EEC and the ACP States there was clearly a community of interests. With the ACP States forming a single bloc it was possible to discuss on an equal footing. It was a fundamental characteristic of the relationship that the identity, the independence and the stage of development of each country were respected. Because of the specific areas dealt with it was possible to ensure continuity of action. Although, unfortunately, the Convention was of limited duration, it had still made it possible to progress from a system of unilateral decision-making to a contractual system. STABEX, for example, was important because it provided for compensatory payments.

The operation of this system was facilitated by the cooperation between the two sides, of which the Assembly was a striking example.

However, the mutual respect of the parties concerned must be given practical expression and called for a common position when one of the parties was faced with fundamental problems. Referring to the comments by Mr Matoca on the situation in Southern Africa, he reaffirmed the commitment of the Lomé signatories to the common struggle of the African peoples for their independence, deplored all forms of racialism and asserted the right of all nations to self-determination.

The achievements of the past and the prospects for the future all depended on a community of interest and mutual sympathy.

(Applause)

(The sitting was suspended at 1.05 p.m. and resumed at 3.30 p.m.)

IN THE CHAIR:

Mr YACE and Mr COLOMBO, Presidents

11. Annual report of the ACP-EEC Council of Ministers (continued)

Lord REAY, rapporteur, said that his report aimed at being both comprehensive and informative. Comprehensive because a great many issues were involved, and although some of them might be of only marginal interest, they were of fundamental importance to those directly concerned. Informative because there was still a need to explain the functioning of a variety of aspects of the Convention.

Drawing up the report had involved a number of difficulties. The first draft had been discussed last December at the Joint Committee meeting in Lome and improvements and additions had been made. However, the final draft had had to wait until after the ACP Council of Ministers meeting in Fiji on 13 and 14 April, and only then could it be translated, printed and distributed. The advantage was that the report was very up to date. But the tight timetable had also resulted in a number of errors of fact, and the rapporteur suggested that the corrections made by the ACP Secretariat should be annexed to the final version.

If the report was factual, Lord Reay said, the resolution was more political. He singled out five main points:

- (1) There had been strong feelings amongst ACP countries about the Community's generalized preferences scheme which, it was felt, tended to erode the ACP's trade advantages. This applied particularly to the regulations for 1977. These misgivings were expressed in paragraph 15.
- (2) There was concern and dissatisfaction over the sugar negotiations. Not only were the agreed prices too low, but there was a feeling that the provisions of the Protocol on sugar had not been taken fully into account.
- (3) Some members of the Joint Committee had wanted the resolution to list additional products for inclusion under the STABEX scheme. Others felt that minerals should be treated differently from agricultural products, and that the funds available for the scheme were inadequate, particularly if a commodity like copper were to be added. In the event the resolution made no mention of specific additional products, but several were listed in paragraph 59 of the report itself.
- (4) There was considerable concern about the situation in Southern Africa, which had major implications internationally and represented a threat to peace. It was, Lord Reay said, a matter with which the Community must concern itself.
- (5) There had been proposals to include a reference to human rights in the resolution, but although this issue was widely discussed no actual

amendment to the draft resolution had been tabled. The speaker hoped, however, that a future resolution might include such a reference: this would certainly have a positive political effect on relations between the EEC and the ACP countries.

In general, Lord Reay concluded, the first year of the Lomé Convention had been a success. The second distribution under STABEK had been made, two-thirds of regional project allocations disbursed, and the various trade concessions had been fully operational since the Convention entered into force. The Lomé Convention might not be a solution to everything, but it was not true to say that it could not do anything. The Community and the ACP countries were mutually dependent, and this realization was centred to their relations.

(Loud applause)

Mrs MATHE, Ambassador of Botswana to the European Communities, welcomed the statements made this morning by previous speakers on the satisfactory functioning of the Lomé Convention. She thanked Lord Reay on behalf of the ACP Committee of Ambassadors for presenting his report and explained why the Committee had found it necessary to submit a corrigendum. The purpose of this was to make the report as balanced and complete as possible so that it could be used in working towards a definitive solution on outstanding problems such as those affecting sugar, bananas and rum. These matters would have to be dealt with in the negotiations on the renewal of the Lomé Convention. The amendments submitted by the ACP Secretariat and the Committee of Ambassadors had been necessary because of the limited time available for drawing up Lord Reay's report in the Joint Committee. She felt that both the ACP and the EEC now understood each other's respective positions better and hoped that the shortcomings of the existing agreement would be made good in the new Lomé Convention. Political agreement must be reached, but political aims must not then be rendered impossible to attain through purely technical obstacles. The second Lomé Convention must be beneficial to all the partners, and in particular contribute to a solution of the ACP countries' development problems.

(Applause)

Mr SPICER said that he had read with great interest the detailed and excellent report prepared by Lord Reay. He had been particularly impressed by Mr MATOKA's statement this morning that for some ACP countries the issue was not now one of development but of their very survival. He then turned to one area not dealt with in Lord Reay's report, that of infrastructures in the ACP countries, with particular reference to transport facilities. These were vital to trade and the EEC had a fundamental stake in the free flow of African primary commodities. Communications were a particular problem for the landlocked African countries, especially in Southern Africa. He cited the examples of the Benguela railway which had been closed for some time and of the congested port facilities in East Africa. In his view the whole topic of communications would be an appropriate subject for consideration by a working party of the Joint Committee. Joint action by the ACP countries must be encouraged in an attempt to solve the present transport difficulties. A solution to these problems was vitally important.

(Applause)

Mr ABUBAKAR ALHAJI, speaking for Nigeria, congratulated Lord Reay on his report which, he said, reflected his commitment to the Lomé Convention. The speaker's delegation fully supported any resolution based on this report, subject of course to any amendments that might be made.

As regards financial and technical cooperation under the Lomé Convention, Mr Abubakar Alhaji stressed that need was the main consideration in granting assistance. Special provision had therefore been made for the least developed countries.

However, while supporting the principle of need, he felt that this concept should be fully defined. A country's need should be seen in terms both of revenue and of responsibilities. Thus, some countries were better endowed with natural resources than others but their special responsibilities had to be taken into account in assessing their needs.

If the main purpose of the Lomé Convention was to assist developing countries, then States falling within this category, especially those with large populations and low per capita incomes, should receive adequate consideration. The speaker therefore hoped that the approach to granting assistance to the ACP countries would be revised in the near future.

(Applause)



IN THE CHAIR :

Mr SPENALE, Vice-President

Mr LAGORCE recalled the successful operation of the STABEX system, stressed the importance of cooperation in the agricultural sector and of the considerable increase in the number of partners to the Convention of Lomé and referred in particular to some aspects of industrial cooperation.

This was based on the activity of two bodies, the Committee on Industrial Cooperation and the Centre for Industrial Development which had been set up to bring industry to the ACP countries. The choice of industry should depend on the available outlets on the Community market, as well as on the internal needs of the countries, in order to avoid competition with industries in the Community that now had to face a growing threat of unemployment. It was also necessary to reduce the excessive power of multinational undertakings by drawing up a restrictive code of conduct in order to avoid giving a false impression of the process of industrialization in the ACP countries.

While the outcome of the North-South dialogue had been disappointing, the Convention of Lomé continued to ensure definite progress towards the implementation of a new world economic order.

(Applause)

In Mr LACHMON's view the rejection - albeit by a small majority - of the amendment tabled by Surinam seeking to add rice to the list of products covered by the STABEX system was due to a misunderstanding of the problem. Without going into its importance as a foodstuff, rice was, he said, the main export of Surinam after bauxite.

However, disappointment should not mean despair. The speaker expressed his profound gratitude to the Assembly and in particular to Lord Reay who, by mentioning the desired addition in his report, had paved the way for its acceptance by the Council.

(Applause)

Mr PRESCOTT, on behalf of the Socialist Group, welcomed the report by Lord Reay. Much of what had been achieved through the Convention of Lomé would help to counterbalance exploitation by the colonial powers in the past. The decisions of politicians today would be vital in determining whether, as other speakers had noted, a minimum of justice could be achieved in the future. The wealthy countries must be prepared to ensure that all countries had a fair share.

The Socialist Group, like the European Parliament as a whole, had already associated themselves with this approach through the Conference on the Law of the Sea and the UNCTAD Trade Conference.

The Convention of Lomé was evidently most concerned with economic and social cooperation. At the same time it implied a formal contractual relationship from which political factors could not be excluded. It was for this reason that he particularly welcomed paragraphs 17 and 19 of the motion for a resolution contained in Lord Reay's report which were specific political statements on the situation in Southern Africa. The EEC was under an obligation to take a firm line on the political crisis there. This was in accordance with the obligations of the Member States in the United Nations, where they had been asked to condemn South Africa and had repeatedly done so.

But as well as the particular problem of Southern Africa, there was also the question of fundamental human rights in general. Certain basic individual rights and freedoms had to be respected in all countries. This requirement could not apply to Southern Africa alone, Britain, for example, had been rightly condemned for violations of human rights in Northern Ireland. Violations of human rights should be condemned in all countries where they occurred.

There were reliable reports from international organizations of barbaric happenings in some of the Member countries of the ACP-EEC Assembly. It was the duty of the Assembly to condemn these also. It would be unacceptable to discriminate between countries in this connection. While it was true that the colonial powers had been guilty of introducing barbarism to Africa and other parts of the world, that could not justify a refusal to condemn it when practised in the newly independent countries.

He recalled President Carter's worldwide initiative on human rights, the position taken by the EEC on human rights at the Helsinki Conference and the refusal of the EEC to consider applications for membership of the Community by third countries in which human rights were not respected.

It was the strong feeling of his group that at this, the last meeting of the Assembly before the renegotiation of the Convention of 1966, the question of human rights should receive attention. Serious consideration should be given to including the obligation to respect fundamental rights and freedoms in the negotiations for the new Convention.

(Applause)

Mr. KASONGO, speaking on behalf of the Republic of Zaire, congratulated Mr Colombo and Mr Yace on their appointment as Presidents of the Consultative Assembly; he also congratulated Mr Spedale and Mr Deschamps. He went on to thank the Luxembourg Government for playing host to the meeting and welcomed the countries that had only recently signed the Convention of Lomé. Thanks were also due to the rapporteur, Lord Reay.

In his report, Lord Reay had not tried to gloss over the areas in which progress had been slow or difficulties had arisen. Nevertheless, taking the provisions of the Convention all in all, it would be fair to say that a great deal had been accomplished.

Considerable progress had been made in implementing the Lomé Convention. It was true that there had been hold-ups in certain areas but negotiations were in progress and this in itself was encouraging. Even if in some fields solutions had not been found as quickly as had been hoped, work was still going on and the attempt to arrive at a solution was still a matter for concern; this also was encouraging.

The Zaire delegation considered it particularly regrettable that copper was not covered by the STABEX system and that no other possibilities had been proposed for the two countries, namely Zaire and Zambia, which were heavily dependent on copper exports. He made a heartfelt appeal to the bodies concerned to try and find a solution to this problem.

It was gratifying to see that financial cooperation and the funds allocated under the STABEX system had produced satisfactory results.

He thanked the Community Member States and all the other sympathetic countries represented at the meeting who had helped Zaire to cope with its recent difficulties.

Very little had been achieved in the field of industrial cooperation so far but this was hardly surprising in that it was a new aspect of cooperation in the context of the Lomé Convention. He drew attention to the risks that the ACP States could incur as a result of collaboration between the governments of the industrialized countries and the commercial sector.

The signature of the Lomé Convention was a political act of wide-ranging significance to which Zaire attached considerable importance.

(Applause)

Sir Geoffrey de FREITAS, referring to the question of generalized preferences (GSP), said there was a need to balance the interests of the ACP States with those of other developing countries. The ACP, indeed, recognized that the Community had an obligation to help the poorest of the world's developing countries.

However, there was a danger that certain ACP products could be damaged by GSP provisions, and he therefore welcomed the Fiji decision to set up a Working Group to monitor ACP exports and to consult the ACP before finalizing the GSP for 1978.

Sir Geoffrey agreed that it was vital that both sides remained flexible in their relations. And he believed that efforts should be made to get other wealthy industrialized countries - in both West and East - to do more to help the third world.

If the idea of the brotherhood of man meant anything, it meant helping the developing countries through trade and aid. Sir Geoffrey closed his remarks with the following quotation:

'On a steep and stony path I met a little girl who was carrying on her back her young brother. 'My child', I said to her, 'you are carrying a heavy burden!' She looked at me and said: 'It is not a burden, sir, it's my brother!'

(Applause)

IN THE CHAIR: MRS MATHE

Vice-President

Mr ADJIBADE congratulated Lord Reay on his courageous and careful report and expressed satisfaction at the promising start made by the second Consultative Assembly, in which the European parliamentarians had shown their determination to do everything possible to reduce the gap that separated the industrialized countries from the third world and thus facilitate the achievement of a new world economic order. He hoped that the Member governments of the Community shared this determination.

Expressing satisfaction at the understanding shown by the European Parliament for the situation in southern Africa, Mr Adjibadé said he hoped this understanding was shared by the European governments and that they would take action against South Africa and Rhodesia to deprive them of the means to sustain their racist regimes. In line with the interventions by the Zambian minister and Mr Cheysson, the speaker proposed an amendment to the motion for a resolution contained in Lord Reay's report adding, in the third line of paragraph 17, the words 'and against racism' after the words 'for independence'.

Mr Adjibadé concluded by stating on behalf of his delegation that his country was willing to deal with the problem of human rights in any framework on condition that the Lomé Convention did not become an institution able to interfere in the domestic affairs of its Member States.

(Applause)

Mr. LÜCKER, expressing the point of view of the Christian-Democratic Group, endorsed the objectives of the Lome Convention which were well on the way to being achieved, notwithstanding certain problems. He pointed out that the Christian Democrats had recently announced in Brussels their basic programme founded on peaceful cooperation between nations, inspired by the Lome Convention.

However, the Convention could and should be extended and implemented to the full and three principles must be observed: world peace, to which it was everyone's duty to contribute; the fight against racial discrimination and the safeguarding of human rights and freedoms; a genuine international social justice as a basis for solidarity between nations.

Although relations between Africa and Europe had considerably improved as a result of the Dakar Conference there was scope for further progress in the context of the Lome Convention.

He referred to the North-South dialogue and the Paris Conference which had failed to live up to expectations because the participants had not made a systematic attempt to offer their partners maximum concessions and because of the failure to put forward constructive proposals in good time for the establishment of a more equitable social system.

(Applause)

Dr KANU wished to raise two issues which had already been discussed during the proceedings. He referred first to the problems of the mineral-exporting ACPT countries, quoting the example of Zambia whose representative had told the meeting that the cost of producing copper in his country exceeded the world market price for the commodity. Zambia was mining copper simply to earn foreign exchange. Mr Cheysson had said that it was difficult for the Community to give extensive coverage for ACP minerals under the STABEX scheme because of the enormous cost that would entail and the risk of price manipulation by the multinationals. Dr KANU conceded that the cost to STABEX would be high but said it must be seen against the pittance earned by the ACP countries from their finite resources: there was a need to restore justice in ACP-EEC relations. He cited the example of bauxite for which the producers earned only 5 to 10 dollars per tonne while in the EEC transporters carrying the product from ports to factories charged more than that per tonne. The interests of the mineral-producing countries must receive closer attention.

He then turned to the question of human rights raised by various European speakers, including Lord Reay, and urged caution on this sensitive and divisive issue. The purpose of the Consultative Assembly was to promote unity, and it was an affront to come here and compare so-called 'barbaric' regimes in the ACP with the situation in South Africa. That was both insulting and misleading. Most of the ACP countries in fact respected human rights but at some time in its history every country in the world had seen victims of political or religious beliefs. The subject of human rights might be discussed at an appropriate time, but he pointed out that some countries in Europe seemed to find it convenient to trade with South Africa, overlooking the apartheid in that country which was an insult to the whole human race. The discussion of such matters was out of place in this Assembly.

(Applause)



Mr RIVIEREZ congratulated Lord Reay on his report and welcomed the extraordinary success of the Lomé Convention, thanks to the considerable efforts of both the ACP countries and the EEC Member States, insofar as after only a few months all the structures provided for had already been established.

It was true that there were still certain problems: for instance, the problems connected with rum and bananas - which the speaker, as an African Member of Parliament at the French National Assembly, was very familiar with - and the desire of certain ACP States for the scope of the STABEX system to be extended. Undoubtedly some of the ACP States' requests would be satisfied. But the chief merit of the Convention was that it had established a system based on the law and founded on respect for the dignity of one's fellow man.

Industrial development was a problem. Europe itself was seeking alternative solutions and should not be regarded as a universal model. The ACP States should resist the temptation of growth which could be detrimental to their natural resources, their common sense approach and their sense of solidarity. One of the basic factors in the spirit of Lomé was that it left it to the ACP States themselves to decide how they should develop. Europe merely helped them to achieve their objectives.

Mr Cheysson had reassured those who saw generalized preferences as a threat to the advantages enjoyed by the ACP countries; funds and resources were limited but obviously those who had the best claim would be given priority.

The Lomé Convention, with its unique system for guaranteeing resources, was an example that would in the future be copied in other parts of the world. Its signatories would be pioneers in establishing a new kind of relationship. It was a solid foundation for future development.

Invited by the President to reply to a question raised by Lord Reay on the economic and social sectors of the Member States and the ACP States, Mr MATOKA, President of the ACP-EEC Council of Ministers, said that the Council had examined this matter at its meeting in Fiji in the light of the Consultative Assembly's resolution of June 1976. The Council of Ministers had instructed the Committee of Ambassadors to continue with this examination.

This would make it possible to take account of the results of the meeting that week between the Assembly and the economic and social sectors. It would also involve the institution of a contact group proposed by the Community in the context of industrial cooperation. These contacts, the principle of which was generally accepted and was contained in the Convention of Lomé, had to be organized with caution and care. They also had to take account of the particular situation of each of the partners of the Convention and ensure that the solutions adopted would assist flexibly and efficiently the implementation of the Convention.

#### 12. Change in agenda

On a proposal from the President, the Assembly decided that the sitting of Thursday, 9 June 1977 should commence at 10.30 a.m. instead of 9.30 a.m.

#### 13. Agenda for next sitting

The President announced that the agenda for the next sitting to be held on Thursday, 9 June 1977 at 10.30 a.m. would consist of the continuation of the debate on the report by Lord Reay on the Annual Report of the ACP-EEC Council of Ministers.

The President declared the sitting closed.

(The sitting closed at 5.55 p.m.)

1. The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that proper record-keeping is essential for the integrity of the financial system and for the ability to detect and prevent fraud.

2. The second part of the document outlines the various methods used to collect and analyze data. It describes the use of statistical techniques to identify trends and anomalies in the data, and the importance of using reliable sources of information.

3. The third part of the document discusses the role of the auditor in the financial reporting process. It highlights the need for auditors to exercise independent judgment and to maintain objectivity throughout the audit process.

4. The fourth part of the document addresses the issue of the reliability of financial statements. It discusses the factors that can affect the reliability of financial statements, such as the quality of the underlying data and the accuracy of the accounting records.

5. The fifth part of the document discusses the importance of transparency in financial reporting. It emphasizes that providing clear and concise information about the company's financial performance is essential for building trust with investors and other stakeholders.

6. The sixth part of the document discusses the role of the regulatory body in the financial reporting process. It highlights the need for the regulatory body to establish and enforce standards that ensure the reliability and transparency of financial reporting.

7. The seventh part of the document discusses the importance of ongoing monitoring and evaluation of the financial reporting process. It emphasizes that the financial reporting process is not a one-time event, but rather a continuous process that requires ongoing attention and improvement.

SITTING OF THURSDAY, 9 JUNE 1977

IN THE CHAIR: MR COLOMBO and MR YACE

Presidents

The sitting was opened at 10.40 a.m.

1. Tribute

President Colombo paid tribute to the late Abbe Laudrin who had for many years made an important contribution to the work of first the Conference and then the Assembly.

2. Annual report of the ACP-EEC Council of Ministers (continued)

After paying tribute to the memory of Mr Laudrin and Mr Sissoko, Mr DESCHAMPS pointed out that the Consultative Assembly, by definition, was not empowered to take binding decisions. Its task was to pave the way for such decisions by means of clear and realistic resolutions in the context of the policy whose objective was to set up a new international economic order to the foundations of which we could make our contribution without necessarily knowing what its final form would be.

There were various aspects to the 'spirit of Lomé':

- the need to ensure a more equal distribution of research
- a realistic approach in the choice of essential sectors and appropriate methods
- a sense of proportion, in other words the need to make progress in all the various forums of discussion.

There were several lessons to be learned from our experiences:

- it was important to show solidarity between the various groups represented; thus in order for the Convention to be successful, Europe must continue to prosper.
- it must be said quite frankly that the three objectives laid down in Paris - the creation of a permanent energy consultation body, the stimulation of investments and the continuity of access to raw materials - were in no way egotistical.
- no sector, even a sector as minor as clove production, could be regarded as negligible if it was important to one of the partners.

The Assembly was a kind of 'think-tank' but it was also a place in which friendships could develop. He hoped that it would be possible to progress from a realistic solidarity to a genuine brotherhood.

(Applause)

Mr ADRIKO paid tribute to Lord Reay and to the work of the Joint Committee in drafting the motion for a resolution; he hoped that the proceedings of the Assembly would have an effective impact on the institutions of the Lomé Convention.

He went on to speak of the ACP's difficulties in transporting their products to Europe and the rest of the world because of their weak transport infrastructures and the high rates charged by shipping lines often controlled by multinational companies. This problem was particularly acute for the landlocked and island countries, and should, in his view, be examined in the context of the Lomé Convention. He hoped too that practical measures could be taken in the North-South dialogue where work on the new economic order was proceeding in a difficult period of inflation and serious currency fluctuations. Nevertheless a start must now be made on bridging the gap between the rich and poor countries.

Turning to a matter of principle concerning the work of the Consultative Assembly, Mr Adriko felt that sensitive issues such as human rights should not be raised in the context of the Lomé Convention or of negotiations on its renewal. The problem of human rights was complicated by political interpretation and sometimes biased newspaper reporting, and had now become a weapon in the cold war between the USA and the USSR. The EEC must on no account draw the ACP into a similar conflict otherwise the benefits of Lomé would be jeopardized. The ACP countries respected the principle of non-interference in each other's internal affairs. They had no joint forum like the European Parliament to prepare a common position; they were justly proud of their national sovereignty and would on no account sacrifice it to considerations of tied aid or trade.

The South African problem was of a different nature. Condemnation of apartheid was general and in his view the EEC should look for ways of providing material, financial and moral support to the liberation movements in Africa. Mr Adriko felt that paragraphs 17 and 19 of the motion for a resolution should be amended to that effect.

(Applause)

Mr PISONI began by stressing the novel character of the cooperation model established by the Lomé Convention. The latter was not based on vague sentiments of brotherhood or, indeed, paternalism, nor on relationships of force and domination, but on reciprocity of advantage and the recognition of the interdependency of industrialized and developing countries.

The absence of major differences of opinion between the Community and the ACP, together with the general feeling of satisfaction which had been expressed during the debates yesterday and today, clearly demonstrated the value of the system.

Turning to the question of human rights, the speaker agreed that this issue should not become a source of division between the Lomé Convention partner states. However, he felt that respect for human rights should remain a prime objective which was, moreover, in line with the spirit of Lomé. The participation of trade union organizations in the implementation of the Convention was yet another proof of the fundamental importance of the human rights issue.

The results achieved so far boded well for the future. The new Lomé Convention would be aiming at, amongst other things, revitalising cooperation in the industrial sector. It would certainly stimulate relations between the Community and the ACP countries.

(Applause)

Mr SAMBHAT joined with the previous speakers in congratulating Lord Reay on his excellent report and the manner in which he had presented it.

The purpose of this meeting was to consider the state of implementation of the Convention of Lomé. Cooperation was progressing satisfactorily despite certain problems which were mainly the result of the current economic situation.

Despite the difficulty of the sugar negotiations agreement had been reached on the prices guaranteed to the ACP States. However, there was still a great deal of work to be done in regard to other products.

Gabon was anxious to cooperate with the other ACP States in combating under-development; like all the other participants it had a sincere belief in the Lomé policy, and indeed, that was why they were here.

(Applause)



Mr OSBORN welcomed the opportunity of attending the Conference and congratulated Lord REAY on his report. One of his main concerns was to consider possibilities for the creation of wealth which in turn could provide the means of enhancing the quality of life. This was a long-standing tradition in the Community countries that could be applied to development cooperation.

Reference had been made to the growing gap between the rich and poor countries. A useful contribution the Assembly could make in this connection would be to prepare and analyse comparative statistics based on the time worked in different countries in order to buy essential goods.

With regard to Mr PRESCOTT's statement on political troubles in African countries he felt that the main concern of the industrialized countries should be with the economic aspects. It was essential to encourage economic activity that would guarantee a fair share of resources and prosperity in all countries.

Wealth creating activity would be necessary if the developing countries were to purchase the Community's agricultural surpluses. Relations should be stabilized through commodity agreements. The developing countries had to be provided with industrial and technological know-how. It was essential to expand the introduction of intermediate technology to these countries, which must be enabled to help themselves if their serious unemployment and balance of payments problems were to be checked. At the same time, the industries introduced to developing countries should be geared to local conditions and needs.

There was an unfortunate tendency to be suspicious of firms making a profit and of multinational undertakings. It should be remembered that the multinationals in particular were capable of providing a strong and independent investment. Companies would not invest unless they expected to make profits and their investment was secure.

It was natural for developing countries to look to Europe to provide investment and know-how. But they must understand that unemployment in Europe would reduce its ability to provide finance. There was a one-to-one relationship between economic performance in Europe and in the developing countries. The natural resources of many developing countries were a source of great potential wealth which could be realized through cooperation with European undertakings on mutually beneficial joint operations.

(Applause)

IN THE CHAIR: MR PHILIPPS

Vice-President

Mr MAGA LE, Minister of State of the Central African Empire, said that regional and inter-regional cooperation was important in that it ensured the diversification of the economies of the ACP States, reduced their economic dependence, opened up wide markets and enabled the resources of each state to be used to the full. The Lome negotiations had the particular advantage that they provided for special arrangements for industrial promotion and also for transport and communications and provided the necessary financial resources to guarantee development in these sectors.

The Central African Empire delegation welcomed the establishment of the first outline programme and proposed, in an amendment to paragraph 11 of the motion for a resolution, that a second programme should be drawn up, relating in particular to the most under-developed countries. The speaker also welcomed the setting up of the ACP-EEC sub-committee to study specific problems of development affecting the landlocked countries and islands.

Mr Maga Le expressed the hope, on behalf of his delegation, that the Committee of Ambassadors would consider the suggestion included in the recommendations of the ACP Council meeting in Fiji that an agricultural development centre should be set up for the ACP States to help those countries whose economies depended mainly on agriculture.

Finally, the Central African delegation endorsed the views of the ACP representatives who had protested against the minority racist regimes in southern Africa. The right of self determination was sacred. However, he did not feel that the Lome Convention should be a platform for political and moral discussions on such matters; its purpose was primarily economic.

(Applause)

Mr SANDRI stressed that the EEC-ACP Consultative Assembly was a political assembly which ought not to restrict itself to merely making fine speeches; on the contrary, it ought also to concern itself with practical problems and provide answers to technical questions. It was these considerations that led the speaker to regard Lord Reay's report, which covered all aspects of what had been achieved at Lomé as well as the progress made since then, so highly.

It was said with some justification that the Lomé Convention represented a new approach to relations between the developing and industrialized countries. It had, and would continue to have, international repercussions: it had already provided the inspiration for the agreements with the Maghreb and Mashrek countries. It had also had an effect on the intellectual level. It was thus that the STABEX system had in a way been taken as a point of reference in the North-South Dialogue.

The Convention, which was the work of man, certainly had its faults; but it was nevertheless a reality, especially in comparison with the North-South Dialogue. In the absence of other international forums, efforts were made to refer everything to the Lomé Convention. There was a danger in this because, to take STABEX as an example, it was altogether impossible to extend this scheme to every product; a better solution would be to seek to increase the funds allocated under this system so as to make aids granted by the Community more effective. Nevertheless, the problem of stabilizing the prices of primary commodities should be dealt with at world level and not solely in the framework of the Lomé Convention.

The ACP countries should call on the Community to display the political will that it had not shown in the North-South Dialogue. Account should be taken of the fact that Africa was going through an unsettled period which might well bode a more serious upheaval. There was a real risk that the major political and military powers would become involved in Africa. Was Europe in a position to prevent this? The speaker thought that it was, although he stressed that, to do so, the Community would have to provide the countries of Africa with:

- (1) total support in the struggle for independence
- (2) total support in the struggle for racial equality and
- (3) effective help which respected both the options and identities of these countries.

(Applause)

IN THE CHAIR: MR WIJNTUIN

Vice-President

Mr RAZAFIMBAHINY, after referring briefly to the position on the land-locked countries, the use of ilang-ilang, the importance of infrastructures and aid for the development of lines of communication, went on to discuss four fundamental questions: Lomé or the continuation of Yaoundé, the generalized preferences system, human rights and relations between Lomé and the North-South Conference.

In regard to the first of these points, he drew attention to the concern expressed by the ACP States after the Fiji Council meeting: certain countries had been granted more advantageous terms for the import of some products to the European market. In view of the fact that Lomé was a continuation of Yaoundé, the associated states should have the 'right of primogeniture'. He felt that these countries should be granted more favourable terms under Lomé II.

As regards preferences, the ACP States were members of the Group of 77, which, in all its resolutions, included a clause upholding the benefits conferred under the Lomé Convention. The EEC's preferential system included such powerful developing countries as Brazil which carried much more weight than the weaker countries. The Common Market, which was a 'polygamous' organization, must look after the interests of the ACP States which stood in the same position as a 'lawful wife' rather than favouring more recently acquired 'concubines'.

On the question of human rights, the Malagasy delegation endorsed the view expressed by most of the ACP delegates and felt that some of the requests that had been made could have an explosive effect. The Convention's objectives were primarily economic and should not be jeopardized by introducing subjective considerations; it was better to let well alone.

Although the North-South dialogue and the UNCTAD Conference had had disappointing results they had nevertheless been stimulating. It was now an appropriate time to remove the obstacles to general development and peace. Efforts were needed at worldwide, regional and national level and in all cases mankind must emerge as the victor.

(Applause)

3. Change in the agenda

On a proposal from the President, the Assembly decided that the sitting of Friday 10 June 1977 should commence at 9.30 a.m. and not 10.00 a.m. as originally planned.

4. Agenda for next sitting

The President announced that the agenda for the sitting of Friday, 10 June would be as follows:

9.30 a.m.

- Continuation and conclusion of the debate on Lord Reay's report,
- Vote on the motion for a resolution contained in the report,
- Any other business.

The sitting closed at 1.10 p.m.

SITTING OF FRIDAY, 10 JUNE 1977

IN THE CHAIR: MR YACE

President

The sitting was opened at 9.45 a.m.

1. Annual report of the ACP-EEC Council of Ministers (continued)

Mr MULWA began by stressing the value of micro projects which, he said, had a more immediate impact, especially in rural areas, than major long-term projects. But there was a need to simplify procedures to enable such micro projects to be implemented rapidly and flexibly.

The speaker noted that some European parliamentarians had expressed concern about the possible repercussions of the transfer of technology to ACP countries. It might be better, he felt, to talk of 'sharing technology' rather than 'transferring technology'. However, there was a problem, and one could not realistically argue for 'limited industrialization' in the ACP with a view to preventing unemployment in Community countries. After all, unemployment in the ACP was a far greater problem than in Europe and development of the agricultural sector could not replace industrialization as a source of jobs.

Turning to the question of human rights, Mr Mulwa said he thought that a distinction should be drawn between violations of human rights in South Africa and Rhodesia and alleged violations elsewhere: apartheid, as the UN had agreed, could not be described as an 'internal matter' but was of international concern. The same applied to Rhodesia, whose regime, under international law, did not even exist.

The Kenyan delegation was not opposed to discussing the issue, but who, in the framework of the Lomé Convention, was to be the judge of violations, and who was going to prosecute? It would be better to leave the question of human rights to the United Nations, where the relevant machinery already existed.

The results of the Consultative Assembly's discussions had been, the speaker concluded, both practical and fruitful, and had helped lay the groundwork for the later negotiations on Lomé II. Whilst recognizing the extent of their other commitments, he hoped that more members of the European Parliament would find it possible to attend the next meeting of the Consultative Assembly.

(Applause)

After paying tribute to the work of the leading figures in the Consultative Assembly and Joint Committee, particularly Mr Yace, and having thanked the Luxembourg authorities for their kind hospitality, Mr HIEN expressed his satisfaction at the results achieved under the Convention. This new spirit, embodied in an agreement which met fundamental needs on both sides, would have a significant impact on future developments.

The outline existed and it remained to fill in the details. Great achievements were within our grasp provided that mankind remained the focus of our attention.

(Applause)



Lord REAY expressed his appreciation for the favourable comments that almost every speaker had made about his report. It was impossible to reply adequately to all the ideas and suggestions that had been put forward and he would therefore concentrate on certain main points.

With regard to generalized preferences he agreed that the benefits granted to a first group of countries should not be diluted by subsequently extending the scheme. A distinction should be made between trade preferences and financial or food aid in this connection. As a general rule beneficiary countries should have an idea in advance of the subsequent trade policy of their partners.

He still felt that it had been right not to include proposals for additional products to be covered by the STABEX scheme at the present stage. Lack of time and information had prevented him from considering the inclusion of mineral products, but he agreed that the European Parliament should study this further.

He then turned to the question of southern Africa and human rights. He hoped that the ACP delegates would not leave the Conference feeling that the EEC was trying to interfere in the internal affairs of their countries. He agreed that there was a fundamental difference between the oppressive regimes in southern Africa that were based on the institutionalized philosophy of apartheid and the denial of human rights by a regime that depended on the life of one person.

At the same time he felt that a provision or regulation on human rights should be considered carefully at some time in the future. This could strengthen the Convention, in particular vis-à-vis outside critics, by underlining its common political philosophy and the common standards to which all its members adhered in principle. This was however a delicate matter which could not be rushed.

The general rapporteur at the following year's Conference would be a delegate of an ACP state. Lord REAY felt that the Conference procedure would be improved if information relating to the meeting of the Council of Ministers were made available immediately to the rapporteur and the rapporteur invited to attend the meeting of the Council.

He felt that considerable progress had been made at this year's Assembly compared with that of last year. Since the oil crisis of 1973 there had been constant international consultations at all levels and the Conference had succeeded in establishing valuable contacts and trust between delegates on both sides.

(Applause)

Mr ADJIBADE tabled an oral amendment to paragraph 17 of the motion for a resolution seeking to insert the words 'and against racialism' after the word 'independence'.

The rapporteur said that he could accept this amendment.

On a proposal from the President, the Assembly decided to take the amendment into consideration.

The Assembly now voted on the motion for a resolution and first adopted Mr Adjibade's amendment.

It then adopted the motion for a resolution, accordingly modified.

## 2. Document received

The President announced that he had received from Mr Bersani and Mr Kasongo, chairmen, on behalf of the Joint Committee, a motion for a resolution on

cooperation with the representatives of the economic and social groups of the ACP States and the EEC (Doc. 7/77).

The Assembly decided to consider this document immediately.

### 3. Cooperation with representatives of economic and social groups

Mr BERSANI, in his capacity as co-chairman of the Joint Committee, presented a motion on cooperation with representatives of economic and social interests in the ACP and EEC States.

After expressing his satisfaction at the results achieved at the meeting held on the previous day, he pointed out that the participants had unanimously advocated the organization of an annual dialogue of this kind in order to promote participation of the various social groups in the implementation of the Convention of Lome.

However, opinions differed on the best way of implementing such a project. Some people felt that the provisions of Article 80(5) of the Convention provided the necessary framework for the Consultative Assembly and its bodies, while others maintained that participation of economic and social interests should also be encouraged in other agencies, such as the Centre for Industrial Development and the Joint Centre for Agricultural Development perhaps on the basis of Article 74 of the Convention. Finally some delegates wanted an institutional framework to be provided rapidly for this dialogue while others preferred to await the outcome of the studies and initiatives of the other institutions established under the Convention.

In view of the complex nature of the problem and the diversity of the positions adopted, the Joint Committee requested the Consultative Assembly for authorisation to continue its consideration of procedures for closer cooperation with representatives of economic and social interests in the ACP and EEC States; it would report back later.

(Applause)

The assembly then voted on the motion for a resolution contained in document 7/77. The motion was adopted.

### 4. Closure of the second annual meeting

After thanking the participants, the President declared the second annual meeting of the ACP-EEC Consultative Assembly closed.

The sitting was closed at 10.40 a.m.