

COUNCIL OF THE EUROPEAN COMMUNITIES

PRESS RELEASES

PRESIDENCY: UNITED KINGDOM

JULY-DECEMBER 1992

Meetings and press releases September 1992

Meeting number	Subject	Date
1602 nd	Agriculture	21-22 September 1992
1603 rd	Internal Market	22 September 1992
1604 th	Economics/Finance	28 September 1992

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

8634/92 (Presse 160)

1602nd Council meeting

- AGRICULTURE -

Brussels, 21 and 22 September 1992

President: Mr John GUMMER

Minister of 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 André BOURGEOIS Minister for Agriculture

Denmark:

Mr Laurits TOERNAES Minister for Agriculture

Mr Nils BERNSTEIN State Secretary for Agriculture

Germany:

Mr Ignaz KIECHLE Federal Minister for Food,
Agriculture and Forestry

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

Greece:

Mr Sotirios HATZIGAKIS Minister for Agriculture

Spain:

Mr Pedro SOLBES MIRA Minister for Agriculture

France:

Mr Louis MERMAZ Minister for Agriculture

Ireland:

Mr Joe WALSH Minister for Agriculture

Italy:

Mr Giovanni FONTANA Minister for Agriculture

Luxembourg:

Mr René STEICHEN Minister for Agriculture and
Viticulture

Netherlands:

Mr Piet BUKMAN Minister for Agriculture, Nature
Conservation and Fisheries

Portugal:

Mr Arlindo CUNHA Minister for Agriculture

United Kingdom:

Mr John GUMMER Minister for Agriculture, Fisheries
and Food

Mr David CURRY Minister of State, Ministry of
Agriculture, Fisheries and Food

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Commission:

Mr Ray MAC SHARRY Member

IDENTIFICATION AND REGISTRATION OF ANIMALS

Pending receipt of the European Parliament's Opinion, the Council made an initial examination of the proposal for a Regulation concerning the identification and registration of animals. The need for an identification system of this type, enabling animals involved in international trade to be traced back to their farm of origin, was highlighted when the Council adopted Directive 90/425/EEC, which abolishes veterinary checks at Member States' borders.

This proposal goes beyond that initial aim in that, in conjunction with the proposal on integrated control, it provides for the system to be extended to all movements of animals, for the purposes of the system for monitoring premiums for cattle, sheep and goats.

The Council's clarification debate focussed mainly on the following three questions:

- procedures for keeping registers;
- the age at which animals have to be marked;
- the dates for bringing in the new identification and registration system.

The Council instructed the Permanent Representatives Committee to continue its discussions on the matter, on the basis of the guidelines worked out that day, so that the issue could be brought to a swift conclusion.

INTEGRATED ADMINISTRATION AND CONTROL SYSTEM FOR CERTAIN COMMUNITY
AID SCHEMES

Pending receipt of the European Parliament's Opinion, the Council continued its examination of the Commission proposal for establishing an integrated administration and control system for certain Community aid schemes in each Member State, in order to adapt the machinery to the CAP reform, and increase its effectiveness.

To enable the Special Committee on Agriculture to continue its discussions, the Council looked at the following questions in particular:

- the annual statement
- the division of responsibility for laying down implementing rules.

At the close of its deliberations, the Council worked out certain guidelines for the Special Committee on Agriculture's future discussions on the matter.

ADJUSTMENT OF THE AGRI-MONETARY SYSTEM

Pending receipt of the European Parliament's Opinion, the Council held a preliminary exchange of views on the Commission proposal for adapting the agri-monetary system following the abolition of border controls from 1.1.1993, in the run-up to the single market.

Delegations were able to give their views on the whole of the proposal during the discussion, but the Council turned its attention particularly to the basic principles of the proposed new agri-monetary system.

In conclusion, the Council instructed the Special Committee on Agriculture to continue examining the issue, in the light of the guidelines worked out that day, and report back at its October meeting.

APPLICATION OF THE MILK QUOTA SYSTEM IN ITALY

The Council took stock of discussions so far. In particular, it heard details from the Italian Minister, Mr FONTANA, of the procedure for parliamentary approval of the bill his Government had put before the Italian Parliament for measures to cope with the problem of applying the milk quota system in Italy.

The Council agreed to return to the question at its next meeting, when it would be in possession of a full report from the Special Committee on Agriculture.

URUGUAY ROUND - AGRICULTURAL ASPECTS

SOYA PANEL

The Council heard a report from Mr MAC SHARRY on developments in the agricultural aspects of the Uruguay Round that had occurred since July. While re-emphasizing the importance he attached to the success of the negotiations, he expressed keen regret at the United States decision to subsidize its cereals exports.

Mr MAC SHARRY briefed the Council on the latest developments regarding the soya panel, in particular the offers which the Community had made in August in respect of compensation. The Council urged the need to work out an even-handed solution that would be acceptable to the parties involved and reiterated its support for the Commission on that basis.

IMPLEMENTATION OF CAP REFORM

This item was put on the Council agenda at the express request of one delegation. The Council's exchange of views enabled Ministers to brood various questions relating to implementation of the CAP reform and gave the Commission an opportunity to provide the necessary background information, with details of the implementing measures taken or still to be taken, and to give notice of proposals that were to be submitted to the Council in certain areas.

OTHER AGRICULTURAL DECISIONS

1. Aid for the people of the former Yugoslavia

Following the conclusions of the Lisbon European Council on 26 and 27 June 1992 and the discussions in the General Affairs Council on 20 July 1992 on a programme of emergency aid for the former Yugoslavia, the Council adopted a Regulation on urgent action for the supply of foodstuffs for the victims of the conflict in what was formerly Yugoslavia. Expenditure on the action amounts to ECU 37,5 million, with foodstuffs being taken from intervention stocks or bought on the market.

An initial Regulation for urgent action of this type was already adopted by the Budget Council on 23 July 1992 (See Press release 8132/92 Presse 145).

2. Imports of Hungarian wine

The Council also adopted a Regulation amending Regulation No 3677/89 in regard to the total alcoholic strength by volume of certain quality wines imported from Hungary.

The purpose of the amendment is to put back by a year, until 31 August 1993, the expiry date of the derogation for certain quality wines originating in Hungary in regard to their total alcoholic strength by volume, which exceeds the 15% normally allowed under Community rules. This extension should make it possible to conclude the overall agreement on wine currently under discussion between the Community and Hungary.

MISCELLANEOUS DECISIONS

Financial perspective for 1992 and draft supplementary and amending budget No 3/92 - former Yugoslavia

The Council agreed to the proposal for a Decision concerning the financial perspective for the third stage (1992) of humanitarian assistance to refugees and displaced persons in the former Yugoslavia, amounting to ECU 120 millions.

It also decided not to amend draft supplementary and amending budget No 3/92, as amended by the European Parliament, allowing, amongst other things, the implementation of humanitarian assistance to the former Yugoslavia.

Relations with the EFTA countries

The Council adopted Regulations extending the validity of

- Regulation No 4279/88 concerning the safeguard measure laid down in Article 2 of Decision No 5/88 of the EEC-Iceland Joint Committee amending Protocol 3 (simplified cumulation rules);
- Regulation No 4281/88 concerning the safeguard clause laid down in Article 2 of Decision No 5/88 of the EEC-Sweden Joint Committee amending Protocol 3 (simplified cumulation rules).

The Council went on to approve the draft Decisions of the EEC-EFTA Joint Committees amending Protocol 3 concerning the definition of the concept of "originating products" and methods of administrative co-operation (articles of apparel, clothing accessories and other articles of furskin).

Relations with Japan

The Council adopted a Regulation abolishing certain quantitative restrictions and amending Annex I to Regulation No 288/82 on common rules for imports.

The Regulation concerns the abolition of certain residual national quantitative restrictions applied by Italy with regard to Japan, following an arrangement reached between the Commission and Japan.

Antidumping

The Council adopted a Regulation extending the provisional anti-dumping duty on imports of ferrosilicon originating in Poland and Egypt for a period of two months, to enable the examination of the facts of the case to be concluded.

Mutual recognition

The Council adopted a Decision concerning the negotiation of agreements between the European Economic Council and certain third countries on mutual recognition in the area of conformity evaluation.

Environment

1. Following the agreement reached at the Environment Council meeting on 26 and 27 May 1992 and after finalization of the texts, the Council adopted a Directive on air pollution by ozone.

The aim of the Directive is to establish a harmonized procedure for monitoring, for the exchange of information, and for informing and warning the population with regard to air pollution by ozone, in order to enable the competent authorities of the Member States and the Commission to obtain wider knowledge of this form of air pollution in the Community, optimize the action needed to reduce ozone formation and guarantee a minimum amount of public information where concentration thresholds for ozone in the air are exceeded.

2. The Council also decided that the Community should sign the Convention on the protection of the marine environment of the North-East Atlantic, should the Community Member States which are currently Contracting Parties to the Paris and Oslo Conventions ⁽¹⁾ be able to approve or sign the new Convention.

The instrument is designed to adapt the Paris and Oslo Conventions, which entered into force in 1978 and 1974 respectively, in the light of recent developments in the field of marine protection; it contains Annexes on:

- the prevention and elimination of pollution from land-based sources;
- the prevention of pollution from dumping or incineration;
- the prevention and elimination of offshore pollution;
- the assessment of marine environmental quality.

The Convention will be opened for signing in Paris from 22 September 1992 to 30 June 1993.

(1) Belgium, Denmark, Germany, Spain, France, Ireland, Netherlands, Portugal, United Kingdom.

Fisheries

1. The Council adopted a Decision on the conclusion of the Agreement in the form of an Exchange of Letters concerning the provisional application of the Protocol defining, for the period 21 May 1992 to 20 May 1995, the fishing opportunities and the financial contribution provided for by the Fisheries Agreement between the Community and Madagascar.

The new Protocol, initialled on 14 May 1992, remains limited to tuna fishing in Malagasy waters, with a reference volume of 12.000 t.

The Community's financial participation is set at a flat-rate of at least ECU 1 350 000 for the duration of the Protocol.

2. The Council also adopted an amendment to Regulation No 4028/86 on Community measures to improve and adapt structures in the fisheries and aquaculture sector. The amendment increases the rate of Community aid in the five new Länder of Unified Germany and in Ceuta and Melilla.

PRESS RELEASE

8635/92 (Presse 161)

1603rd Council meeting

- INTERNAL MARKET -

Brussels, 22 September 1992

President: Mr Richard NEEDHAM

Minister for Trade and
Industry of the
United Kingdom

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

Belgium

Mr Robert URBAIN: Minister for Foreign Trade and European Affairs

Denmark:

Mr Bo BRAMSEN State Secretary for Industry

Germany:

Mr Johann EEKHOF State Secretary,
Federal Ministry of Economic Affairs

Greece:

Mrs Anna PSAROUDA-BENAKI Minister for Culture

Mr Georges THEOFANOUS Secretary-General, Ministry of Trade

Spain:

Mr Carlos WESTENDORP State Secretary for Relations with the European Communities

France:

Mr Pierre SELLAL Deputy Permanent Representative

Ireland:

Mr Desmond O'MALLEY Minister for Industry and Commerce

Italy:

Mr Raffaele COSTA Minister for Community Policies

Mr Alberto RONCHEY Minister for Culture

Luxembourg:

Mr Georges WOHLFART

State Secretary for Foreign
Affairs and Foreign Trade

Netherlands:

Mr Piet DANKERT

State Secretary for Foreign
Affairs

Portugal:

Mr Vitor MARTINS

State Secretary for European
Integration

United Kingdom:

Mr Richard NEEDHAM

Minister for Trade and
Industry

Mr Neil HAMILTON

Parliamentary Under-Secretary
of State for Trade and
Industry

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Commission:

Mr Martin BANGEMANN

Vice-President

Mr Jean DONDELINGER

Member

FUTURE SYSTEM FOR THE FREE MOVEMENT OF MEDICINAL PRODUCTS

The Council reached broad agreement on the principles of the future system for the free movement of medicinal products as drawn up by the Permanent Representatives Committee on the basis of the political guidelines laid down by the Internal Market Council on 18 June 1992.

The main aspects of the system are as follows:

- the creation of a new, centralized Community procedure for the most innovatory medicinal products, leading to a Community authorization valid in all Member States. The Community is, moreover, responsible for monitoring the medicinal product authorized in accordance with that procedure and for the technical updating of the authorization;
- a decentralized procedure, based on the principle of mutual recognition of national authorizations and allowing the extension of marketing authorizations from one Member State to other Member States.

The above procedure, which is based on experience with the multi-State procedure introduced in this sector in 1983, should enable a company which has obtained an authorization in one Member State to ask one or more Member States to accept that authorization, with binding arbitration at Community level in the event of non-acceptance by one of the Member States concerned.

The Commission proposes that, following an initial 3-year period during which the decentralized procedure would remain optional, the procedure should become compulsory each time the request for

authorization concerns more than one Member State, so as to ensure uniform decisions throughout the internal market;

- the establishment of a European Agency for the Evaluation of Medicinal Products, providing appropriate logistical support for the proper functioning of the two procedures. The new Agency will encompass in particular the current Committee for Proprietary Medicinal Products and the Committee for Veterinary Medicinal Products, which will be at the head of its scientific structures;
- co-operation is also envisaged and, where appropriate, co-ordination with regard to pharmacovigilance (monitoring of the secondary effects of medicinal products).

The Permanent Representatives Committee was called upon to finalize the texts with a view to their formal adoption in the near future.

REGULATION ON THE COMMUNITY TRADE MARK

With a view to adopting the Regulation on the Community trade mark at its next meeting, or in December at the latest, the Council conducted a policy debate on certain basic issues still outstanding. The Council discussed the following questions in particular:

- form of the act to be adopted (Community Regulation or international convention);
- powers of the Court of First Instance (CFI) with regard to disputes;
- number and possible selection of working languages;
- level and means of protection of earlier Community and national marks;
- budgetary provisions (financial independence of the Office or inclusion in the Community budget);
- power to appoint the senior officials of the Office.

At the end of the discussion the Council recorded broad agreement on a number of options and points; as the details thereof remained to be defined, they were passed on to the Permanent Representatives Committee with a view to reaching an overall compromise proposal, possibly for submission to the meeting on 10 November.

UNFAIR TERMS IN CONSUMER CONTRACTS

The Council adopted a common position on the Directive on unfair terms in consumer contracts, further to the agreement reached at the Consumer Council on 29 June 1992 (see press release, 7459/92 presse 131).

The text in question should contribute to the completion of the Single Market, as it constitutes an important step towards improving consumer protection by approximating, by 31 December 1994 at the latest, the laws, regulations and administrative provisions of the Member States relating to non-negotiated unfair terms in contracts concluded between a consumer and a seller or supplier acting for purposes relating to his public or private trade, business or profession.

LABELLING OF HOUSEHOLD APPLIANCES

Following the procedure for co-operation with the European Parliament and consultation of the Economic and Social Committee, the Council adopted the Directive on the indication by labelling and standard product information of the consumption of energy and other resources by household appliances.

The Directive, the text of which is in line with the common position adopted by the Council on 21 May 1992, should enable consumers to choose appliances with a better energy yield.

It represents an important aspect of the Community strategy to improve energy efficiency, in particular with a view to the completion of the internal market on 1 January 1993.

AFTER 1992

On the basis of a Presidency note, the Council held a policy discussion on the means required to ensure the proper functioning of the Single Market after the end of 1992.

Pending the report which the Sutherland Committee is to submit to the Commission in October, the Council decided to resume its examination of the issue at its meeting scheduled for 10 November 1992.

ABOLITION OF BORDER CONTROLS ON GOODS, CAPITAL AND SERVICES

The Council took note of an oral statement by Vice-President BANGEMANN on two Commission communications concerning:

- the abolition of border controls on goods, capital and services;
- progress towards completing the internal market.

CULTURAL GOODS

The Council continued the discussion on the proposal for a Regulation on the export of cultural goods and the proposal for a Directive on the return of cultural objects unlawfully removed from the territory of a Member State.

At the end of the discussion the Council instructed the Permanent Representatives Committee to continue proceedings with a view to adoption of the Regulation and of a common position on the Directive at its meeting on 10 November 1992.

OTHER DECISIONS IN THE FIELD OF THE INTERNAL MARKET

Medicinal products

Following completion of the procedure for co-operation with the European Parliament, the Council adopted:

- the Directive widening the scope of Directives 65/65/EEC and 75/319/EEC on the approximation of the laws, regulations and administrative provisions of the Member States on medicinal products and laying down additional provisions on homeopathic medicinal products;

- the Directive widening the scope of Directive 81/851/EEC on the approximation of the laws, regulations and administrative provisions of the Member States on veterinary medicinal products and laying down additional provisions on homeopathic veterinary medicinal products.

The purpose of these two Directives is to extend Community pharmaceutical legislation to homeopathic medicinal products for human and veterinary uses.

Foodstuffs

= Contaminants in food

The Council adopted a common position on the Regulation aimed at laying down harmonized Community procedures for the determination of the possible toxicity of contaminants in food.

The main objective of the Directive is to prohibit the placing on the market of food containing a contaminant in an amount which is unacceptable in public health and toxicological terms.

It should be noted that the Directive states that "contaminant" means any substance not intentionally added to food as a result of production, manufacture, processing, preparation, treatment, packing, packaging, transport or holding, or as a result of environmental contamination.

= Co-operation in the scientific examination of questions relating to food

The Council adopted a common position on the Directive aimed at providing the Scientific Committee for Food with the necessary resources for carrying out the various scientific and pre-legislative tasks required by the programme on the internal market and by the implementation of existing legislation on food.

More specifically, the Directive stipulates that the Member States' competent authorities and bodies shall co-operate with the Commission and lend it the assistance it needs in the scientific examination of questions of public interest in the field of public health, through disciplines such as those associated with medicine, nutrition, toxicology, biology, hygiene, food technology, biotechnology, novel foods and processes, risk assessment techniques, physics and chemistry.

Action plan for the exchange of national officials who are engaged in the implementation of Community legislation required to achieve the internal market

Further to completion of the procedure for co-operation with the European Parliament, the Council adopted the Decision on the adoption of an action plan for the exchange, between Member State administrations, of national officials who are engaged in the implementation of Community legislation required to achieve the internal market.

It should be noted that the action plan uses as a model the "Matthaeus" programme, extending it to the internal market field as a whole. The objective of the exchanges is to allow a more homogeneous approach to the implementation of Community legislation, in particular by making national officials aware of the European dimension of their work and by building mutual confidence between Member State administrations. Exchanges between Member State administrations are in principle for a minimum of two months.

The action plan is spread over five years. The Community financial resources estimated as necessary for its implementation amount to ECU 17,3 million, corresponding to an overall figure of 1 900 participants. The financing of the programme is shared between the Community and its Member States.

MISCELLANEOUS DECISION

Appointment

The Council replaced an alternate member of the Advisory Committee on Vocational Training.

PRESS RELEASE

8854/92 (Presse 165)

1604th Council meeting

ECONOMIC AND FINANCIAL QUESTIONS

Brussels, 28 September 1992

President: Mr Norman LAMONT
Chancellor of the Exchequer,
United Kingdom

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

Belgium:

Mr Philippe MAYSTADT Minister for Finance

Denmark:

Mr Anders FOGH RASMUSSEN Minister for Economic Affairs

Germany:

Mr Horst KÖHLER State Secretary for Finance

Greece:

Mr Stefano MANOS Minister for Economic Affairs

Spain:

Mr Carlos SOLCHAGA Minister for Economic Affairs
and Finance

France:

Mr Michel SAPIN Minister for Economic and
Financial Affairs

Ireland:

Mr Bertie AHERN Minister for Finance

Italy:

Mr Piero BARUCCI Minister for the Treasury

Luxembourg:

Mr Jean-Claude JUNCKER Minister for Finance

Netherlands:

Mr Wim KOK Minister for Finance

Portugal:

Mr Jorge BRAGA DE MACEDO Minister for Finance

Mr José BRAZ State Secretary

United Kingdom:

Mr Norman LAMONT Chancellor of the Exchequer

Sir John COPE Paymaster General

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Commission:

Mr Jacques DELORS President

Mr Henning CHRISTOPHERSEN Vice-President

Mr Peter SCHMIDHUBER Member

The following also participated:

Mr Erik HOFFMEYER Chairman of the Committee of
Governors of the Central Banks
Mr Jean-Claude TRICHET Chairman of the Monetary
Committee
Mr José Juan RUIZ Chairman of the Economic
Policy Committee

EUROPEAN MONETARY SYSTEM - COUNCIL CONCLUSIONS

1. Ministers welcomed the return of calm to the financial markets within the European Monetary System following the joint action of France and Germany.
2. A useful discussion took place which enabled the Presidency to take soundings in preparation for the Special European Council to be held in Birmingham on 16 October. In that context, ministers noted the Presidency's intention that the European Council should discuss the Maastricht ratification process and they recalled the declaration of the General Affairs Council in New York on 21 September which attached high priority to a speedy and successful conclusion of the process, without reopening the present text, on the date laid down in Article R of the Treaty. Everyone present emphasized their opposition to the concept of a two-speed Europe and reiterated that the object of the Community was to proceed together, in accordance with the fulfilment of the convergence criteria as formulated in the Maastricht Treaty.
3. There was agreement that recent financial turbulence calls for reflection and analysis in the light of developments in capital markets and in the European and World Monetary Systems. The Birmingham Council provides an occasion for indicating how this work might be carried forward.
4. There was general agreement too that the key to economic and financial stability in the Member States is to reinforce the convergence process among the European economies through strict adherence to convergence programmes, on which good progress is already being made. They reiterated their commitment to the European Monetary System as a key factor of economic stability and prosperity in Europe.

DELORS II PACKAGE

The Council held a detailed discussion on the basis of a Presidency note setting out the main questions arising from Coreper's examination of the Delors II Package and of a more comprehensive report on those proceedings.

The discussion enabled delegations to indicate those aspects of the package to which they attached the greatest importance and to state their positions on the priorities for Community expenditure and on the various aspects of the future structure of own resources.

The Council noted that the Delors II Package is also to be discussed by the General Affairs Council on 5 and 6 October.

The Presidency stated that it would take the necessary steps to ensure adequate preparation of this dossier for the Edinburgh European Council.

FRAUD AGAINST THE COMMUNITY BUDGET

The Council reaffirmed the importance of combating irregularity and fraud against the Community budget and recalled the requirement for Member States to take the same measures to counter fraud affecting the financial interests of the Community as they take to counter fraud affecting their own financial interests.

In support of that assertion the Council adopted two sets of conclusions, set out in the Annex hereto, one being a general text

on the fight against fraud, and the other based on the annual report on fraud submitted by the Commission.

The Council also decided that an ad hoc high-level Working Party should be set up to study a number of specific issues and to report to it at its November meeting.

FINANCIAL ASSISTANCE FOR BULGARIA

The Council reached broad agreement on granting additional medium-term financial assistance to Bulgaria. However, before final adoption the Council instructed Coreper to examine one specific aspect associated with the implementation of such financial aid.

TAX ON CO2 EMISSIONS AND ENERGY - PROGRESS REPORT

The Council took note of a Presidency note taking stock of the ad hoc Working Party's progress regarding the introduction of a tax on CO2 emissions and on energy.

It instructed the Permanent Representatives Committee and the ad hoc Working Party to continue that work with a view to a more substantive discussion scheduled for the meeting on 14 December 1992.

ANNEX I

Council conclusions on the
fight against fraud

1. The Council reaffirms the importance of the fight against irregularity and fraud against the Community budget and recalls the requirement for Member States to take the same measures to counter fraud affecting the financial interests of the Community as they take to counter fraud affecting their own financial interests. The Council considers that effective action against irregularity and fraud requires:
 - co-operation among Member States and between Member States and the Commission;
 - effective co-ordination by the Commission in the light of its responsibilities for implementing the budget and ensuring that Community legislation is properly applied;
 - and adequate provisions in Community and, where appropriate, national measures, to safeguard Community expenditures and revenue.
2. The Council considered the progress which has been made in the fight against fraud, as described in the Commission's third annual report. The Council's conclusions are set out in Annex II.
3. The Council considers it essential that provisions should be in place for all Community activities with budgetary implications to ensure effective control against irregularity, including fraud, and asks the Commission to take this into account when bringing

forward proposals for new legislation. It notes the progress which has been made in this respect in the agricultural sector, including the Commission's proposals for an integrated administration and control system and would like to see comparable progress in other sectors.

4. The Council considers that the Court of Auditors interim report on export refunds raises important issues and notes that the Court will be producing further relevant reports. The Council notes that there will be further detailed consideration of the main issues especially those of a more general nature, raised in this report. It considers that such an examination should include whether a new unit should be set up, as proposed by the Court, or whether the problems identified in auditing multinational companies should be addressed by improved mutual assistance and co-operation between Member States and the Commission, or by some other means.
5. The Council notes that there is also a series of actions which are being undertaken, including within the framework of established intergovernmental co-operation, which will contribute to the protection of the Community budget. The Council welcomes the progress which is being made, including in setting up a new customs information system which will play an important part in the fight against fraud against the Community budget.
6. The Council considers that the fight against irregularity and fraud is of central importance in ensuring the sound financial management of the Community budget. It agrees that an ad hoc high-level Working Party should be established and, in order to inform discussion of fraud and financial management at the Council's November session, should report back on the following issues:

- the steps needed in order to comply with the requirements on anti-fraud action embodied in the new Treaty;
 - the scope for improving levels of identification, reporting and recovery by Member States including the question of motivation;
 - further consideration of the Court of Auditors interim report on export refunds, including examination of the Court's recommendation for a new unit and of possible alternatives to such a unit;
 - appropriate arrangements for contacts between Council, Commission and European Parliament to establish the Community's priorities for the annual work programme on fraud;
 - action needed on other priorities identified in the Council's conclusions on the Commission's annual report, including effective ways of ensuring equivalent level of control throughout the Community.
7. The Council also asks the Commission to bring forward, within the same timetable, an assessment of organization of its anti-fraud activities.

ANNEX II

Council Conclusions
on the annual report on fraud

The Council takes note of the Commission's report on the fight against fraud in 1991 and welcomes the evidence it provides of continuing efforts with regard to investigations and financial audits carried out and progress achieved in the work programme.

It has also noted with satisfaction the progress achieved in investigations and financial audits and the results thereof. It offers every support for the continuation of the Commission's efforts in this area, particularly in co-operation with the Member States.

In the light of the 1991 objectives set out in the Council statement of 8 July 1991, the Council notes with satisfaction the progress achieved towards the simplification of agricultural legislation, the continuance of co-operation efforts with the Member States and with third countries, and the first steps with regard to the inclusion in the statements attached to legislative proposals of information on the prevention of fraud. The Council also welcomes the establishment of a common position on the customs code, dated 14 May 1992, and anticipates its rapid adoption.

As priorities for future action, it believes that:

- renewed efforts are necessary in order to simplify the nomenclature with regard to export refunds;
- discussion on simplification of agricultural legislation - up to now conducted by the Lachaux Group - should be pursued on the

basis of a global action programme to study the key CAP arrangements;

- the ex ante examination of the anti-fraud aspects of legislative proposals should be improved. It welcomes the Commission's intention of circulating internal directives on the drawing up of financial statements on the prevention of fraud so as to improve their quality and standardize them, establishing internal procedures for such ex ante examination, and ensuring that these directives are properly implemented;
- the principle of targeting on the basis of risk should be extended. Before the end of 1993, the Commission should take appropriate steps for the introduction of the principle of targeting on the basis of risk in all control sectors taking account of the costs, and should study together with the Member States the best means of implementing this principle;
- the possibility should be considered of holding seminars on fraud, relating in particular to the possibilities opened up by new technologies, and organizing exchanges for national intervention agents and persons responsible for the internal administration of the CAP, on the model of the programmes in other sectors;
- the Commission, in co-operation with the Member States, should study the question of incentives in the context of the fight against fraud;
- a Regulation providing for notification of cases of fraud in the area of the Structural Funds should replace the code of conduct. It notes with satisfaction the Commission's intention to submit a proposal along these lines as soon as possible.

Noting the indirect link between the procedure of clearing of accounts and the fight against irregularities and fraud, the Council welcomes the initiatives taken by the Commission with a view to

improving this procedure and anticipates a rapid information on the results of this initiative. The Council considers that this should be examined as quickly as possible, with a view to rationalizing the procedure and in particular reducing the examination period for national accounts.

The Council also welcomes the fact that the Commission is intending to revise the present structure of the report to make it easier to identify progress achieved in the priority sectors during the previous year, while laying emphasis on the Commission's objectives, priorities and strategy, providing up-to-date information on progress achieved, the powers and responsibilities of UCLAF and the work programme, and endeavouring to draw lessons from past experience for future action.

The 45-point work programme is the basic document available to the Community for assessing progress made against fraud. The Council welcomes the Commission's commitment to giving high priority to developing the programme, which will include the setting of precise goals and target dates, and will become a rolling action programme.

The programme will be revised and updated annually and published together with the annual report at the latest on 31 March of each year with a view to its being examined by the Council by the end of June. The report will also be sent to the Court of Auditors for any comments it may have.

The Council joins in the conclusion reached by the Commission that much remains to be done to further improve the effectiveness of the fight against fraud; it exhorts the Commission to pursue its task with diligence and in close co-operation with the Member States. It will carefully examine the work accomplished in this area and will weigh progress achieved against the goals set.

MISCELLANEOUS DECISIONS

Financial assistance to the Baltic States - Council conclusions

The Council gave favourable consideration to the Baltic States' request for balance of payment assistance in support of IMF programmes.

It called upon the Monetary Committee to examine as a matter of urgency the Commission proposal on the granting of a loan of ECU 220 million to those countries. The Council will take a decision once the European Parliament has issued its Opinion, and it called upon the latter to do so as soon as possible.

Financial assistance for Albania

The Council adopted the Decision providing financial assistance to Albania to a maximum of ECU 70 million in the form of a grant in order to help support the balance of payments and strengthen that country's reserves.

The assistance in question will be made available to Albania in two instalments, and the first instalment of 35 million will be released as soon as a "stand-by arrangement" has been concluded between Albania and the IMF. The second instalment will be paid in the second half of 1993 at the earliest.

Relations with the Republic of Slovenia

The Council adopted the Decision authorizing the Commission to open negotiations on a Financial Protocol between the Republic of Slovenia and the European Economic Community.

Fisheries

The Council adopted a Regulation relating to the conclusion of the Protocol setting out the fishing opportunities and financial contribution provided for in the fisheries Agreement between the Community and the Islamic Federal Republic of the Comoros for the period from 20 July 1991 to 19 July 1994.

The Protocol provides in particular for the granting of licences authorizing simultaneous fishing in Comorian waters by forty-two Community freezer tuna vessels.

The Community's financial contribution for the duration of the Protocol is set at ECU 900 000, covering an annual catch of 6 000 tonnes.

Anti-dumping

The Council adopted the Council Regulations:

- extending, for a period not exceeding two months, the provisional anti-dumping duty on imports into the Community of large electrolytic capacitors originating in Japan;
- modifying the definitive anti-dumping duty on imports of ball bearings with a greatest external diameter exceeding 30 mm originating in Japan imposed by Regulation (EEC) No 1739/85.

The modified anti-dumping duty is set at 13,7% except for the products of the following companies: Inoue Jikiike Kogyo Co. Ltd, Osaka (6,5%), Nachi Fujikoshi Corp., Tokyo (7,7%),

Nippon Seiko Co. Ltd, Tokyo (6,5%), NTN Corporation Osaka
(formerly NTN Tokyo Bearing Co. Ltd) (11,6%).

There is no anti-dumping duty on ball bearings manufactured by:
Fujino Iron Works Co. Ltd, Osaka, Izumoto Seiko Co. Ltd, Osaka,
Matsuo Bearing Co. Ltd, Osaka, Nankai Seiko Co. Ltd, Osaka,
Sapporo Precision Inc., Sapporo, Wada Seiko Co. Ltd, Osaka.

Relations with the ACP States

The Council approved, for the Community's part, the draft Decision of the ACP-EEC Council of Ministers laying down the Staff Regulations of the Centre for the Development of Industry under the Fourth ACP-EEC Convention.
