

20 Kensington Palace Gardens London W8 4Q Q ephone: 01-727 8090

March 11, 1977

WEEKLY TIMETABLE OF COMMUNITY ACTIVITIES - No 10/77

Next Council Meetings

Brussels March 14 Finance March 14 + 15 Agriculture March 22 Development March 25,26 + 27 Agriculture March 29 Energy March 29 or 31 Research

Provisional Dates Further Ahead

Joint Council of Foreign Affairs/Finance: April 5

Foreign Affairs Council: April 6, May 3, May 31, June 20

Finance Council: April 18, May 16, June 20

April 25 + 26Transport Council:

April 25+26, May 16+17, June 20+21 Agriculture Council:

European Council and Celebration of the

20th Anniversary of the Signing of the

Treaty of Rome: March 25 + 26 (Rome) June 28 + 29 (London) European Council:

Economic Summit: May 7 + 8(London

Plenary Session of the European

Parliament on Agriculture: March 23 + 24(Luxembourg)

April 18 - 22 European Parliament: 9 - 13 May

June 13 - 17

FLASHBACK

EUROPEAN PARLIAMENT: Sr Emilio Colombo, the prominent Italian Christian Democrat, was elected President of the European Parliament. A former Minister of the Italian Economy and Prime Minister, Sr Colombo is particularly well remembered by British veterans of the Community scene for his efforts to break down difficulties in the way of British membership of the Community during the Heath negotiations of 1961-63.

ECONOMIC SUMMIT: At this week's plenary of the European Parliament in Strasbourg the President of the Commission, Mr Roy Jenkins, made clear his views on a Community presence at the forthcoming Western economic summit conference to be held in London on May 7 and 8.

He said the Community should be represented by the President-in-office of the Council of Ministers and by the President of the Commission.

He added: "This view is fortified by the fact that any likely agenda will cover matters with a clear Community competence, such as the North-South dialogue, multilateral trade negotiations and energy, as well as general economic and monetary perspectives. The Commission would wish to see that, in seeking solutions to these problems, the needs and views of the Community as a whole are taken into account."

DIRECT ELECTIONS: Following the collapse of the Devolution Bill in the British Parliament, debate on British participation in direct elections to the European Parliament intensified substantially in political circles and the press. Speculation was particularly rife over the form of election (first past the post, single transferable vote, proportional representation, the list system) which the Government might choose. In Belgium, a dispute over the sharing of E.P. seats among French and Dutch speakers was complicated by the dissolution of the Belgian Parliament and the onset of new national elections.

FISH: Negotiations between the Community and the Soviet Union were temporarily broken off for reflection after two major difficulties: Soviet wishes to sign a framework agreement with all Nine Member States individually instead of with the Community as a whole under the Community's common commercial policy - recognised everywhere else in the world - (this appeared to be a step back from the Russians' opening position 10 days earlier; and a dispute over the quantity and value of fish taken in reciprocal bargaining over the waters within the Community's 200-mile limit and the Barent Sea.

BUTTER: Both the President, Mr Jenkins, and the Commissioner responsible for Agriculture, Vice-President Finn Gundelach, addressed the E.P. on the controversy over sales of butter to Eastern Europe. Mr Jenkins explained that up to February 25, the Commission had followed the promise given by the Commission not to take any political decisions or exceed budgetary provisions in this field without consulting the Parliament. On February 25 when it appeared that the budgetary limits would be exceeded the Commission had to act rapidly in order not to break its agreement with Parliament.

He said there was, unfortunately, no short term solution; it was impossible to please everyone. To meet the interests of the Community and the European Parliament the best thing was to achieve a balance in the milk market and an end to structural surpluses. To this end Mr Jenkins urged the Council to act urgently on its proposals to correct the imbalances on the milk market.

In a comprehensive address to the Parliament, Mr Gundelach made the same point, warning that failure could lead to the breakup of the farm policy. Mr Gundelach said the real problem of surplus stocks was surplus production. He urged the Parliament to exert its influence together with the Commission for a more rational policy in the milk sector.

Mr Gundelach stressed that the existing sales to butter were at the normal rate of export refunds applicable, and that no sales were made under the special conditions of sale to Russia such as occurred in 1973 and aroused much criticism.

RULES FOR THE MARKETING OF MILK: Following a statement yesterday by British food manufacturers to the effect that Commission proposals would hit traditionally-named commodities such as ice cream, cream crackers, milk arrowroot and so on, it is necessary to make clear:

- 1. The proposed draft regulation, originally dubbed the exclusive use of milk fat, has been substantially relaxed in the new agricultural proposals so that the word exclusive is no longer applicable. Manufacturers may use their own substitute ingredients, but they should not describe commodities as dairy products if they are not. This essentially agricultural proposal is in line with overall Community policy on correct labelling in order to protect the consumer and widen consumer choice.
- 2. There is no question of any overnight ban on products which traditionally, or idiomatically, are described as dairy products when they are not. Any decision in principle by the Council of Ministers would be followed by the normal procedure negotiations on application of the Regulation, including a transitional period acceptable to the Nine Member States and the management committees.
- 3. The proposed draft regulation specifically exempts exports under Article 3, paragraph 2, so there is no question of manufacturers losing export markets, as reported.

COMMON FUND: The Council of Foreign Ministers made some progress in agreeing a Community position on the question of a common fund as requested by the Group of 77 developing nations within the framework of the United Nations Conference on Trade and Development (UNCTAD).

While the Community position is still only a point of departure, and will take account of discussions in Geneva, and while it is still far from acceptance of the demands of the 77, it is undeniably an advance on the situation at Nairobi last year when the Community openly split on this issue. In any event, the question of a common fund is only one aspect of a global package which falls within the ambit of the "North-South Dialogue".

URANIUM: The Commission announced a second financial intervention in support of the Community search for uranium. It amounts to 5 million units of account (£3.25 million if it were spent in the United Kingdom, but of different value elsewhere) from the 1977 budget for use through 1979. In fact this tranche will be spent on seven prospecting schemes, three in Ireland, one in Britain (Orkney), one in Italy, one in Germany and one in Denmark (Greenland).