

European Community NEWS

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NO. 37 OCTOBER 18, 1974

EBERLE ASSURES EC HEADS OF US GOOD FAITH

The United States remains committed to an open market approach for international economic cooperation, White House Special Representative for Trade Negotiations, William D. Eberle told EC Commission members and European leaders in presenting President Gerald R. Ford's new economic program, in Brussels October 9. During a press conference the same day, Eberle said the United States would not apply a system of export controls, but would seek voluntary cooperation agreements on certain commodities. Eberle met with Commission President Francois-Xavier Ortoli and Vice President Christopher Soames, Belgian Premier Leo Tindemans, and several member state ambassadors to the European Communities. Ortoli told the press that their meetings have led to a good understanding of the principles behind Ford's program.

HAFERKAMP CALLS FOR EC SOLIDARITY

Never has international cooperation been more necessary than today to combat world inflation and overcome the balance of payments disequilibria caused by rising oil prices, Commission Vice President Wilhelm Haferkamp told the European Parliament in Strasbourg October 15. Haferkamp explained the Commission's proposal for raising money on capital markets to attract petrodollars back to member states. The money thus raised would be relented to member states running balance-of-payments deficits.

Haferkamp also said the Commission welcomed the new White House economic program and the US government's willingness to work closely with its trading partners.

OAPEC, EC COMMISSION TO SET UP CONTACTS

The EC Commission and the Organization of Arab Petroleum Exporting Countries (OAPEC) have agreed to develop regular contacts and exchange technical information on their activities. The agreement was reached during talks between OPEC Secretary General Ali Attiga Commission Vice President Henri Simonet and Commissioner Claude Cheysson in Brussels October 7. Simonet and Cheysson are responsible for EC energy policy and development cooperation respectively.

EC FOOD AID FOR INDIA PROPOSED

The European Community should meet India's request for one million tons of cereal to head off widespread famine, the Commission urged the Council of Ministers last week. The Commission proposed sending 300,000 tons of cereal in emergency aid with the remaining 700,000 tons to be sold at a special negotiated price. Delivery costs would be paid by the Community, thereby cutting the normal cost of the entire shipment between 55 per cent and 60 per cent. Poor wheat harvests and higher priced raw materials have led to a 10 million ton shortfall of cereal in India this year.

**EC WINE SECTOR
OVER PRODUCING**

The European Community's wine market is faced with a growing imbalance between production and consumption and heavy growth in third country imports, according to the Commission's annual report on wine for the 1973-74 marketing year. The 1973 EC harvest reached a record level of 4.4 billion gallons in 1973 (3.4 billion in 1972), while total consumption was about 4 billion gallons (3.8 billion in 1972). Wine imports from non-EC countries more than doubled, from 79.2 million gallons in 1972 to 184.8 million gallons in 1973. The Nine's imports from their partners fell from 440.9 million gallons in 1972 to 374.9 million gallons during the same period. EC exports to third countries, on the other hand, grew favorably, from 39.3 million gallons in 1971 to 45.9 million in 1972.

**POTASH PRODUCERS END
COMPETITION INFRINGEMENTS**

Two European potash producers have ended discriminatory sales practices which had violated EC competition rules, in compliance with a May 11 Commission decision. The Commission had asked the German company Kali und Salz AG and the French company SARL Societe Commerciale

des Potasses et de l'Azote (SCPA) to stop selling potash products in the Netherlands and Italy through a joint distributor. SCPA was also required to stop distributing its products in Germany through a Kali und Salz controlled company. Both companies now channel production through separate and independent organizations, have ended production and distribution information exchanges, and reorganized their respective distribution channels in the rest of the Community.

**HELP FOR EC FOOTWEAR
INDUSTRY CONTEMPLATED**

Measures to help Europe's imperiled shoe industry are being considered by the Commission. Formerly, the world's largest shoe producers and exporters, the European Community's shoemakers have run into severe leather supply and price difficulties and competition from shoe manufacturing industries in countries which are traditional suppliers such as the United States and South American countries like Brazil. Self sufficient for about 60 per cent of cow hide leather, the Community must import nearly all its sheep and goatskin leather. The Commission is contemplating action to ensure adequate supply, promote technology, and enhance trade for the EC shoe industry, which employs 300,000 to 500,000 people.

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