

# European Community NEWS

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## TIGHTENING OF EC-US BUSINESS COOPERATION

The joint committee of American and European Community businessmen has assigned three working groups to explore problems and areas of joint cooperation on energy conservation, international trade, and mutual investment. The groups were organized following the second annual meeting of US and European industrial and banking executives, in Brussels October 30-31. The next US-EC plenary meeting is scheduled to be held in Washington during the fall of 1975.

## MEETING OF EC-CANADA PARLIAMENTARIANS HELD

Delegations of the European and the Canadian Parliaments held their first formal meeting November 12-13 in Strasbourg, France. Talks centered on the development of mutual EC-Canada interests through a contractual relationship which would stimulate trade, investment, and energy cooperation.

Canadian delegates discounted rumors of US irritation with Canada's request for a trade cooperation agreement with the Common Market. The United States and Canada, said one representative, "have lived in a constant state of mutual and healthy irritation." Canada's primary motive in seeking a rapprochement with the Community, he continued, "is to convince the Europeans that we are a different country, with different problems from the United States."

## ECSC PUBLIC LOAN ON AMERICAN MARKET

The European Coal and Steel Community (ECSC) is raising \$100 million on the American capital market to help finance vocational training and modernization of coal and steel industries. A public offering of 8.75 per cent notes priced at 99.25 per cent will be made by an underwriting group managed by Kuhn, Loeb, and Co., the First Boston Corporation, Lazard Freres and Co., and Warburg Paribas Becker Inc. This is the fifth ECSC public offering made in the United States, the first since 1962.

## PREVIEW OF EC- STATE TRADE ACCORDS

A broad outline of the contents of future trade agreements between the European Community and state-trading countries was approved by the Council of Ministers this month. Existing trade accords between the member states and state-trading countries expire at the end of this year. All future trade negotiations are to be conducted by the Community.

The outline envisages long-term nonpreferential agreements based on reciprocal arrangements granting equal advantages and obligations. Each would be tailored to the particular commercial structures of the country concerned and contain provisions for handling individual trade problems. The Community anticipates granting most favored nation treatment on tariff matters, subject to traditional exceptions. The Commission has apprised the countries of the outline and awaits their reaction.

### SIGNING OF "TWELVE" ACCORD LEGAL, COMMISSION STATES

The European Community's Treaty of Rome would not be violated if the member states signed a "Group of Twelve" agreement, the Commission said recently after consulting its legal advisors. The Twelve, who tentatively agreed to set up an oil sharing plan during crises, include eight EC member states (excluding France), the United States, Canada, Norway, and Japan.

### EC-MOROCCO TRADE TALKS MOVE AHEAD

The second round of negotiations to renegotiate the agreement between the European Community and Morocco was held in Brussels November 11-13. Moroccan officials had asked for a reexamination of proposed EC agricultural concessions and of certain financial cooperation arrangements, as well as a review of rules of origin provisions. A working text of the agreement will be drawn up in time for the next session of bilateral talks.

### EC CONSUMER PRICES MAINTAIN UPWARD MOVE

Consumer prices went up by an average of 14.7 per cent in the European Community during the 12 months

ending in September, according to a recent report by the Organization for Economic Cooperation and Development (OECD). Only three EC countries recorded below average rates of inflation -- Luxembourg (10.6 per cent), the Netherlands (10.3 per cent), and Germany (7.3 per cent). The US figure (12.1 per cent) stayed below the OECD 14.1 per cent average. Inflation was highest in Italy (23.7 per cent). Prices went up at a rate of 17.9 per cent in Ireland, 17.1 per cent in Britain, 15.9 per cent in Denmark, 15.6 per cent in Belgium, and 14.8 per cent in France.

### PROPOSED EC POLITICAL ORGAN SPARKS CONTROVERSY

The proposed creation of a political secretariat for the European Community prompted a heated debate in the European Parliament November 13. Last June, the Parliament's Progressive European Democrats party advocated creation of a "light" secretariat drawn from the embassies of the Nine, to sit in the capital of the member state holding the Council of Ministers presidency. Opponents in the Parliament and the Council see such a move as a blow to existing EC institutions and as a detrimental transfer of national sovereignty. The Council advised the Parliament that the question would be discussed at next month's EC summit meeting in Paris.

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