



Venice I EC—Middle East

Declaration at Venice Summit

At the end of the second two-day summit meeting of the EC European Council of 1980, in Venice, the following declaration was issued on the Middle East:

“The Heads of State and Government and the Ministers of Foreign Affairs held a comprehensive exchange of views on all aspects of the present situation in the Middle East, including the state of negotiations resulting from the agreements signed between Egypt and Israel in March 1979. They agreed that:

1. Growing tensions affecting this region constitute a serious danger and render a comprehensive solution to the Israeli-Arab conflict more necessary and pressing than ever
2. The Nine Member States of the European Community consider that the traditional ties and common interests which link Europe to the Middle East oblige them to play a special role and now require them to work in a more concrete way towards peace
3. In this regard, the Nine countries of the Community base themselves on Security Council resolutions 242 and 338 and the positions which they have expressed on several occasions, notably in their Declarations of 29 June, 1977; 19 September, 1978, 26 March and 18 June, 1979; as well as in the speech made on their behalf on 25 September, 1979 by the Irish Minister of Foreign Affairs at the 34th U.N. General Assembly
4. On the bases thus set out, the time has come to promote the recognition and implementation of the two principles universally accepted by the international community: The right to existence and to security of all the states in the region, including Israel, and justice for all the peoples, which implies the recognition of the legitimate rights of the Palestinian people.
5. All of the countries in the area are entitled to live in peace within secure, recognized and guaranteed borders. The necessary guarantees for a peace settlement should be provided by the U.N. by a decision of the Security Council and, if necessary, on the basis of other mutually agreed procedures. The Nine declare that they are prepared to participate within the framework of a comprehensive settlement in a system of concrete and binding international guarantees, including guarantees on the ground.
6. A just solution must finally be found to the Palestinian problem, which is not simply one of refugees. The Palestinian people, which is conscious of existing as such, must be placed in a position, by an appropriate process defined within the framework of the comprehensive peace settlement, to exercise fully its right to self-determination.
7. The achievement of these objectives requires the involvement and support of all the parties concerned in the peace settlement which the Nine are endeavoring to promote in keeping with the principles formulated in the declaration referred to above. These principles apply to all the parties concerned, and thus to the Palestinian people, and to the PLO, which will have to be associated with the negotiations.
8. The Nine recognize the special importance of the role played by the question of Jerusalem for all the parties concerned. The Nine stress that they will not accept any unilateral initiative designed to change the status of Jerusalem and that any agreement on the city's status should guarantee freedom of access for everyone to the Holy Place.
9. The Nine stress the need for Israel to put an end to the territorial occupation which it has maintained since the conflict of 1967, as it has done for part of Sinai. They are deep-

ly convinced that the Israeli settlements constitute a serious obstacle to the peace process in the Middle East. The Nine consider that these settlements, as well as modifications in population and property in the occupied Arab territories, are illegal under international law.

10. Concerned as they are to put an end to violence, the Nine consider that only the renunciation of force or the threatened use of force by all the parties can create a climate of confidence in the area, and constitute a basic element for a comprehensive settlement of the conflict in the Middle East.
11. The Nine have decided to make the necessary contacts with all the parties concerned. The objective of these contacts would be to ascertain the position of the various parties with respect to the principles set out in this declaration and in the light of the results of this consultation process to determine the form which such an initiative on their part could take."

The Council went on to issue statements of view on Lebanon and Afghanistan

Lebanon

"The Nine reiterate once again their total solidarity with Lebanon, a friendly country whose equilibrium is seriously jeopardized by the clashes in the region and renews its urgent appeal to all the countries and parties concerned to put an end to all acts liable to affect Lebanon's independence, sovereignty and territorial integrity as well as the authority of its government. The Nine will support any action or initiative likely to guarantee the return of peace and stability in Lebanon, a factor which constitutes an essential element in the equilibrium of the region.

The Nine stress the importance of the role which should be played by the United Nations Interim Force in Lebanon (UNIFIL) in Southern Lebanon. The Nine recall the Declaration which they made in Luxembourg on 22 April 1980 and stress that it is essential for all the parties concerned to allow the UNIFIL to imple-

ment to the full the mandate assigned to it, including that of taking control of the territory up to the internationally recognized boundaries

Afghanistan

The European Council has noted with deep concern the intensification of the military operations conducted by the Soviet troops in Afghanistan

These dramatic developments increase still further the sufferings of the Afghan people. They emphasize the genuinely national nature of the resistance offered by an entire people. They threaten to jeopardize the climate of international relations for a long time to come.

In these circumstances, the European Council wishes to reaffirm its conviction that it is necessary to find without delay the means of reaching a solution which, in keeping with the resolution of the United Nations General Assembly, would ensure the withdrawal of Soviet troops and the free exercise by the Afghan people of the right to determine their own future. It reiterated its view that a solution could be found in an arrangement which allowed Afghanistan to remain outside the competition among the powers and to return to its traditional position as a neutral and non-aligned State.

It recalls that it proposed in Luxembourg, on 28th April, that the great powers and the neighboring States should undertake the necessary commitment to this end: in particular, they should agree to respect the sovereignty and integrity of Afghanistan, to refrain from any interference in its internal affairs and renounce any stationing of troops on its soil or any form of military association with it.

The European Council shares the concern expressed and the conclusions drawn by the 11th Conference of Foreign Ministers of Islamic States on the continued Soviet military presence in Afghanistan and has noted with great interest the creation by this Conference of a Committee to seek ways and means for a comprehensive solution of this grave crisis in respect to Afghanistan.

The Council repeated its readiness to support any meaningful initiative designed to promote a solution of the Afghan crisis.

Summary of Council

At the end of the Council meeting, the EC President-in-Office, Prime Minister Cossiga, of Italy, summed up the proceedings

"1. The conclusions reached on 29 and 30 May by the Council of Ministers of the Community were noted with satisfaction. These conclusions enabled a solution to be found to the problem of the United Kingdom's contribution to the Community budget, led to an agreement on 1980/81 farm prices and on the sheepmeat problem and defined the guidelines for a comprehensive common fisheries policy. The outcome of these discussions has led, *inter alia*, to finalization of the 1980 budget, thereby normalizing the working of the Community.

A key feature of the agreements thus reached is the Community commitment to implement structural changes which, by ensuring a more balanced development of common policies, based on respect for their fundamental principles, and by preventing the recurrence of unacceptable situations, will enable each Member State to become more closely identified with Community objectives and with the deepening process of European integration

This commitment is a fundamental prerequisite, especially bearing in mind the prospect of enlargement, if the Community is to be able to meet its internal and international responsibilities authoritatively and effectively, to respond to the expectations of the citizens of Europe with ever closer solidarity between Member States in the various sectors of political, economic and social activity; to promote greater convergence and the harmonious development of their economies, help to reduce the disparities between the various regions and the ground to be made up by the less well-off; in short, to realize in full the objectives enshrined in the Treaties, in total compliance with the ideals underlying the grand design of European unification.

2. A review of the economic and social situation confirmed the judgments expressed at the European Council

meeting on 27 and 28 April 1980.

In particular, the keenest concern was expressed at the hardening inflationary pressures, which represent the gravest of threats to the stability and to the development of the Member States' economies; these pressures also pose a threat because of the varying degrees to which they are evident in the various countries of the Community.

The major short term objective must be to contain inflation. This should be done by means of appropriate monetary and fiscal policies, coupled with measures designed to sustain investment and to cope with the employment situation while keeping external imbalances within acceptable bounds.

Given the slow-down in demand which is appearing in other major economic areas, stress was laid on the importance of action to ensure that the risk of a general recession in demand is averted through appropriate international collaboration.

3. In the face of the increasingly disturbing employment situation, particularly as regards young people, there was re-affirmation of the priority need, in some of the Member States, for short-term structural measures in the context of an active employment policy

It is essential that the Community should be in a position systematically to evaluate the impact on employment of the various Community policies from the time of their inception, to ensure a better coordination of employment policies at Community level and to harmonize Community action in the field of economic policy with that taken in the social and employment fields.

The outcome of the Social Affairs Council on 9 June 1980 was noted with satisfaction, especially as regards the consultations between employers and labor. The Council is asked to continue its proceedings with a view to achieving the above objectives, on the basis of periodic reports from the Commission on the employment situation

4. In the belief that in 1980 the decline in growth rates in the various industrialized areas would be quite sharp,

among other things because of the rise in crude oil prices, the commitment to take an active part in strengthening the open and multi-lateral international trade system was renewed, in accordance with the statement by the member countries of the OECD at the ministerial meeting on 3 and 4 June 1980. In particular, the hope was expressed that all the industrialized countries would do their utmost to confront and resolve the outstanding trade problems, adopting solutions in line with the content and the spirit of the outcome of the Multilateral Trade Negotiations.

- 5. With reference to the conclusions of the European Council in Luxembourg on 27 and 28 April 1980, a further examination of the international monetary situation took place. This was seen still to be dominated by the problems of the huge balance of payments disequilibria stemming from recent oil price increases. Righting of these imbalances can only be effected in the long term by means of stabilization of the terms of trade and the necessary real adjustments to our economies.

The recycling of oil surpluses can in the short term attenuate the negative effects of these imbalances. This process, to which the private capital market has an essential contribution to make, must be backed up by development of the role of international financial institutions.

- 6. Stress was laid on the primary importance of the North-South Dialogue for the stability of international relations. It is intended that a further boost should be given to cooperation with the developing countries. This should contribute, on the basis of interdependence and mutual advantage, to creating the degree of economic expansion required, in the context of restructuring of international economic relations, to enable the developing countries to make rapid progress.

With this in view, the need remains for a political commitment to the global negotiations, to finalizing the Third International Development Strategy, to the agreements on the statutes of the Common Fund for the stabilization of raw material prices

and the continuation of the negotiations on commodities

Much is expected of the 11th Special Session of the United Nations General Assembly. The report of the Brandt Commission could, it is felt, make a particularly interesting contribution to its successful outcome.

Inevitably, concern was expressed about the effect on development policy of the continuing increases in crude oil prices and of the economic and political tensions to which these have given rise."

Venice II Western Economic Summit

Focus on Energy

Leaders of seven major industrial nations, including four EC Heads of State and of Government and the President of the EC Commission, Roy Jenkins, also met in Venice June 22-23. Afterwards they issued a declaration with important sections on inflation, energy, relations with developing countries, monetary problems and trade. This declaration and the bilateral meetings which took place alongside the summit have already been widely publicized.

The overwhelming emphasis, and nearly one-third of the declaration, was devoted to energy problems.

We reproduce here the introduction and conclusion of the declaration

"In this, our first meeting of the 1980's, the economic issues that have dominated our thoughts are the price and supply of energy and the implications for inflation and the level of economic activity in our own countries and for the world as a whole. Unless we can deal with the problems of energy, we cannot cope with other problems.

Successive large increases in the price of oil, bearing no relation to market conditions and culminating in the recent decisions by some members of the Organization of Petroleum Exporting

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Countries at Algiers, have produced the reality of even higher inflation and the imminent threat of severe recession and unemployment in the industrialized countries. At the same time they have undermined and in some cases virtually destroyed the prospects for growth in the developing countries. We believe that these consequences are increasingly coming to be appreciated by some of the oil exporting countries. The fact is that the industrialized countries of the free world, the oil-producing countries and the nonoil developing countries depend upon each other for the realization of their potential for economic development and prosperity. Each can overcome the obstacles to that development but only if all work together and with the interests of all in mind.

In this spirit we have discussed the main problems that confront us in the coming decade. We are confident in the ability of our democratic societies, based on individual freedom and social solidarity, to meet these challenges. There are no quick or easy solutions. Sustained efforts are needed to achieve a better future.

The economic message from the Venice summit is clear. The key success in resolving the major economic challenges which the world faces is to achieve and maintain a balance between energy supply and demand at reasonable levels and at tolerable prices. The stability of the world economy, on which the prosperity of every individual country relies, depends upon all of the countries concerned, recognizing their mutual needs and accepting their mutual responsibilities. Those among us whose countries are members of the European Community intend to make their efforts within this framework. We, who represent seven large industrialized countries of the free world are ready to tackle our own problems with determination and to work with others to meet the challenges of the coming decade, to our own advantage and to the benefit of the whole world."

EC—Central America

An EC Commission delegation had an exchange of views during June with a Delegation of the group of countries of the Central American isthmus on relations between the two groups. As well as agreeing on more systematic contacts between the Commission and the heads of Central American missions in Brussels it was decided to organize a special meeting of senior officials from the Central American capitals.

The exchange of views concerned mainly Community aid for nonassociated developing countries, trade promotion and the EC system of generalized preferences.

This meeting took place within the context of the joint communique published following the visit of President Corraza of Costa Rica earlier in June, with the accent particularly on the maintenance of the support by the Community for integration efforts agreed by the countries of Central America with a view to creating the basis of a more structured cooperation between the two regions.

This text envisages an eventual agreement with the countries of the region similar to that which will be negotiated with the countries of the Andean pact.

The five countries of the Central American Common Market set up in 1960 are Costa Rica, Guatemala, Honduras, El Salvador and Nicaragua. After an initial boom there was a decline of activity following economic and political difficulties; a new draft treaty is being negotiated.

EC—Environment

The EC Commission has just published the following list of international agreements on environmental questions to which the Community has acceded or which it has signed or for which its participation has been proposed:

“The Community has ratified the following international conventions:

(i) the Paris Convention for the prevention of marine pollution from land-based sources;

(ii) the Barcelona Convention for the protection of the Mediterranean against pollution and the related protocol for the prevention of pollution from the Mediterranean by dumping from ships and aircraft;

(iii) the Bonn Convention on the protection of the Rhine against chemical pollution;

(iv) the Additional Agreement to the Agreement signed at Berne on 29 April 1963 concerning the International Commission for the Protection of the Rhine against Pollution.

The Community has signed the European Convention on the Conservation of Wild Life and Natural Habitats, and the Convention on Long-Range Trans-Boundary Air Pollution. Proposals for Council decisions concluding these two conventions will be sent to the Council shortly.

Negotiations by the Community for it to accede to the Helsinki Convention for the protection of the marine environment of the Baltic Sea area are not yet complete.

The Council, however, has not yet adopted the proposals from the Commission concerning:

(i) the conclusion of the Second Protocol to the Barcelona Convention for the protection of the Mediterranean against pollution with regard to dealing with pollution by oil and other harmful substances in very serious cases;

(ii) negotiation by the EC of its accession to the Oslo Convention for the prevention of marine pollution by dumping from ships and aircraft;

(iii) negotiation by the EC of its accession to the Bonn Agreement of 9 June 1969 for cooperation in dealing with pollution of the North Sea by oil.

EC Signs Nuclear Pact

Representatives of the Commission of the European Community and its Member States have signed in Vienna the International Convention for Physical Protection of Nuclear Materials. The Commission had been authorized by the Council to sign the Convention following a proposal of Energy Commissioner Guido Brunner. The ceremony took place at the headquarters of the International Atomic Energy Agency (IAEA). This is the first time that the Community as such has been empowered to sign a multilateral international convention in this field.

European Parliament

Because of the very tense situation in South Africa the European Parliament affirmed its support of political rights for the people of South Africa. It declared its preoccupation with the recent violence and insisted that the Government of South Africa free Nelson Mandela and others of the African National Congress of South Africa, presently in jail for political reasons. The European Parliament condemned the permanent refusal by the South African Government to extend the most elementary political and human rights to the entire population of South Africa.

The Parliament severely condemned the violation by the Liberian Government of the French Embassy in Monrovia in order to arrest a refugee. The Liberian Government was urged to reestablish the status quo, and asked meanwhile, considering the cynical indifference shown by the Liberian authorities regarding fundamental human rights, that the relations between the Community and Liberia (a member of the Lome Convention) be reviewed.

EC Contribution to Southern African Development

Ways in which the EC can help plans for economic cooperation among the independent states of Southern Africa were discussed at the commission in June by a delegation from the London-based Southern African Development Coordination Committee (SADCC).

The delegation was composed of Amon Nsekela, Tanzania High Commissioner in London, who is SADCC Chairman. A.W. Kgarebe, Botswana High Commissioner in London, and David Anderson, Chairman of the Commonwealth Fund for Technical Cooperation (CFTC).

In the Commission they met senior officials of the Development Directorate General and Development Commissioner Claude Cheysson.

The SADCC was behind a meeting of ministers of "front line states" in Arusha, Tanzania in July 1979 which drafted a declaration of their strategy for a closer integration of their economies, with a view to accelerating development and reducing dependence on South Africa.

This declaration was adopted in April by a summit in Lusaka of leaders of nine countries: Zambia, Tanzania, Angola, Mozambique, Botswana (the five front line states), the newly independent Zimbabwe plus Swaziland, Lesotho and Malawi.

In the discussions in the Commission it was agreed that 100,000 EUA* from the Regional Fund of Lomé I would be allocated as a contribution to a program of studies prior to an international donors meeting in Maputo in November. The studies would relate to the following fields:

- creation of a Southern African Transport and Communications Commission
- control of foot and mouth disease

- preparation of a food security plan for the region
- establishment of a regional agricultural research center specializing in drought-prone areas
- harmonization of industrialization and energy policies
- sharing of national training facilities
- proposals for the establishment of a Southern African Development Fund.

Note A number of regional projects in these fields in Southern Africa have already been financed under Lomé I including:

- 10 M EUA, Botswana-Zambi road
- 8 M EUA, 1st phase rehabilitation of the Benguela Railway (Angola, Zaire, Zambia)
- 4.9 M EUA, improvement of Kigoma Port on Lake Tanganyika in Tanzania (Zambia, Zaire, Rwanda, Burundi)
- 35 M EUA, University of Botswana, Swaziland, campus extension
- 2 M EUA, railway training program (Botswana, Swaziland, Mozambique)
- 966,500 EUA, posts and telecommunications training (Botswana, Lesotho, Swaziland, Malawi)
- 650,000 EUA, towards combat of foot and mouth disease in Swaziland and Mozambique

(The rules of Lomé permit Mozambique to benefit from regional monies even though a member of the Convention.)

*EUA = European Unit of Account (\$1 42669 on June 9)