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## EC SUMMIT FOCUSES ON ECONOMIC, SOCIAL SITUATION

Heads of State and Government of the 10-nation European Community, meeting in Copenhagen on December 3 and 4, agreed on a work program aimed at finding solutions for economic difficulties facing the Community, particularly the problem of unemployment. The Community's economic and social situation was the focus of the European Council meeting, the results of which Council President Poul Schluter, Prime Minister of Denmark, called "exceptionally good and positive".

The Council released the following communique detailing the European Council's accomplishments at last week's meeting and conclusions relating to the economic situation, the enlargement of the EC to include Spain and Portugal and current topics in Community and international relations:

### "The Economic and Social Situation

The European Council welcomes the report from the General Affairs Council on the implementation, so far, of the economic strategy that it had itself laid down in March and June. In particular, it reaffirms the detailed conclusions from the joint Council of 16 November 1982 and the Council (Economic and Financial Affairs) of 15 November 1982.

The European Council fully endorses the need for a comprehensive strategy for achieving a marked improvement in the employment situation through the creation of durable new jobs. The implementation of this strategy must be continued comprising a broad range of interlinked and mutually supportive economic and social policies both at Community and national level.

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To this end the European Council agrees on the following priority goals:

- reestablishing economic stability
- taking into account the degree of stability achieved, encouraging productive activity, and contributing to economic recovery and structural improvement, particularly through continued reduction of interest rates and through support for productive investments, especially in innovative sectors
- creating more employment opportunities and professional training possibilities for young people to permit a fulfillment of their justified aspirations. In this connection it is important that they are given a chance to take advantage of the opportunities of tomorrow's high technology industries
- exploring carefully the possibilities for greater flexibility offered by the reorganisation of working time and mobility of labour
- strengthening the common market and intensifying action to eliminate practices and measures which restrict trade and distort competition
- pursuing a vigorous energy policy with a view to saving energy and diversifying supply
- strengthening the European Monetary System, increasing international co-operation and concertation in the field of monetary and financial policy and trade policy.

The European Council agrees that a time-scale for specific actions at Community level should be established to complement the parallel efforts being undertaken nationally by each member state. It therefore instructs the Council:

- to decide, before the end of March 1983, on the priority measures proposed by the Commission to reinforce the internal market
- to speed up the adoption of the Commission's current and forthcoming proposals in the field of research, innovation and energy
- to agree rapidly and before the next European Council on the Commission's proposal to expand the NCI by a further 3 billion ECU
- to give urgent consideration at the next Council (Social Affairs) to the Commission's proposals for ways and means to ensure young people professional training or a first work experience, and on the reorganisation of working time.

The Council (General Affairs) will report to the European Council in March on the implementation of this work-programme.

### Enlargement

The European Council reaffirms its political commitment to the enlargement of the Community with Spain and Portugal. The European Council asks the Council (General Affairs) to press ahead with the negotiations with both countries as rapidly as possible. The European Council welcomes the inventory presented by the Commission which in its views constitutes a new impulse to the enlargement process.

The European Council stresses the importance of rapid progress within the Community on a number of important issues in order to facilitate a harmonious enlargement of the Community. In particular, the European Council asks the Council (Agriculture) to complete urgently and before March 1983 the revision of existing rules for certain Mediterranean agricultural products on the basis of Commission proposals.

The European Council invites the Commission to explore with the two candidate countries the introduction of certain measures in these countries before accession in order to prepare their economy for accession in particularly sensitive sectors.

The European Council asks the Council (General Affairs) to examine the issues set out in the Commission's inventory with a view to balanced decisions.

A report on progress will be submitted for its next session.

### Relations with Third Countries

The European Council stresses that the overriding priority for the Community's economic and commercial relations with other industrialised countries will be a strengthening of international co-operation in all major areas to counteract recession, with particular emphasis on a return to a stable monetary, financial and trade situation.

The European Council states the readiness of member states to work for a substantial increase of IMF quotas and their determination to contribute to an early decision to this effect.

The European Council welcomes the outcome of the GATT ministerial meeting and confirms the Community's readiness to take part constructively in the continuing work within the GATT.

The European Council recalls its conclusion of June that a genuine and effective dialogue should take place between the United States and the Community in areas of possible dispute.

The European Community is determined to pursue a constructive dialogue in the appropriate fora with a view to ensuring solid and confident relations between the Community and the United States.

It notes with satisfaction the EC/US arrangement on steel and the lifting of United States sanctions related to the Siberian pipeline.

With regard to relations with Japan the European Council was informed on the work already done by the Commission, and it expects the Council (General Affairs) at its session in December to take decisions on the various ways and means of improving commercial relations between Japan and the Community.

The Community has successfully remained united in the face of difficult problems over recent months. The European Council is convinced that unified and coherent Community positions are more than ever indispensable to achieving the objectives set out above.

The European Council welcomes the work undertaken within the Council on the recent important Commission initiative in the field of the Community's relations with developing countries. It stresses the importance of proceeding from this stage towards proposals to be followed up by Council decisions on priority questions such as the negotiations for the new ACP Convention.

There is agreement on the urgent need to bring about an improvement of developing countries' ability to cope with their economic and financial problems. This will be an important factor in favour of international economic recovery.

#### Common Fisheries Policy

The Council notes the progress made in the negotiations about a Common Fisheries Policy. It emphasised the need for agreement at the meeting of the Council of Fisheries Ministers on 21 December.

#### East-West Relations

The European Council reviewed recent developments in East-West relations.

Following the change of leadership in the Soviet Union, the Governments of the Ten emphasized that their relations with that country will continue to be based on the same principles of firmness and dialogue. They call upon the Soviet Union to make the necessary contributions to improve confidence in international affairs. The Ten are ready to respond positively to such efforts and to work together with the Soviet Union and the countries of Eastern Europe for a more constructive East-West relationship.

Therefore, the European Council expressed the hope that all participating states in the CSCE meeting in Madrid would take the necessary decisions to permit the meeting to arrive at an early and positive conclusion.

With this in mind, the Ten confirmed their commitment to real progress in Madrid by negotiating a substantial and balanced concluding document which will contain a precise mandate for a conference on disarmament in Europe as well as further progress within the human dimension of the Helsinki final act. In doing so they will co-operate with other allied and friendly states including the neutral and non-aligned participating states.

### Poland

The European Council discussed recent developments in Poland and noted with regret that a large number of persons remain in detention, that martial law continues, and that the free trade union, Solidarity, has been dissolved.

It also noted, however, that the recent release of some internees, including the leader of Solidarity, might constitute a step towards the fulfillment of the appeal made by the Ten on January 4, 1982.

The Ten will continue to follow developments in Poland closely and in particular study the implications of the possible lifting of martial law, including the conditions under which this will take place.

### Afghanistan

The European Council in particular expressed the view that the new Soviet leadership could make an important contribution to the improvement of international relations in general and of East-West relations in particular by reassessing its position on the question of Afghanistan. It endorsed the verdict of the international community on the situation in Afghanistan, embodied in the fourth successive vote of the General Assembly of the United Nations. The people of Afghanistan should be permitted to regain their national sovereignty and independence and the status of a non-aligned state.

It expressed its readiness to support any realistic efforts to achieve a political solution and recalled the European Council proposal of June 30, 1981, for a comprehensive settlement of the conflict.

### The Situation in the Middle East, including Lebanon

Following a report by the Presidency on recent contacts the European Council discussed events in the Middle East where two aspects in particular continue to cause deep concern.

First, as regards the Arab-Israeli conflict, the European Council expressed its disappointment at the delay in grasping the political opportunity created by the initiative contained in President Reagan's speech on September 1, 1982, and the will to peace expressed in the declaration of Arab Heads of State meeting at Fez on September 9, 1982.

It called upon each of the parties to assume its international responsibilities without further hesitations. It expects each of the parties to cease to ignore the United Nations Security Council resolutions and explicitly make known their approval of these resolutions.

Secondly, the European Council continued to view the situation in Lebanon with the greatest concern. It particularly noted that in spite of the various efforts made by the negotiators on the spot, no significant progress had yet been achieved towards the withdrawal of the Israeli, Syrian and other foreign forces.

The persistence of this situation would constitute a threat to the integrity and unity of Lebanon, carrying serious dangers for the whole region.

The withdrawal of foreign forces could be of a progressive nature, but should take place within a fixed and short period of time and under conditions which would permit the Lebanese authorities to exercise fully their rights of sovereignty over all of Lebanon.

The Ten have already demonstrated their willingness to contribute to the solution of the problems, especially by giving their support to the UN forces and UN observers established by the Security Council as well as the multinational force in Beirut to which two of their number contribute. The Ten and the Community are equally prepared to continue to contribute to the reconstruction of Lebanon."

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