



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

368 th Council meeting

- Economic and Financial Questions -

Brussels, 17 November 1975

President: Mr Emilio COLOMBO,
Minister of the Treasury of
the Italian Republic

17.XI.75

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Willy CLERQ	Minister for Finance
Mr Fernand HERMAN	Minister for Economic Affairs
Mr Cécil de STRYCKER	Governor of the National Bank of Belgium

Denmark:

Mr Knud HEINESEN	Minister for Finance
Mr Per HAEKKERUP	Minister for the Economy
Mr Kurt HANSEN	State Secretary, Ministry of the Economy
Mr Erik HOFFMEYER	Governor of the National Bank

Germany:

Mr Hans FRIDERICHS	Federal Minister for the Economy
Mr Otto SCHLECHT	State Secretary, Ministry of Economic Affairs
Mr Joachim HIEHLE	State Secretary, Ministry of Finance

France:

Mr Jean-Pierre FOURCADE	Minister for the Economy and Finance
-------------------------	--------------------------------------

Ireland:

Mr Richie RYAN	Minister for Finance
Mr Charles MURRAY	Secretary-General, Ministry of Finance
Mr T.K. WHITAKER	Governor of the Central Bank

17.XI.75

Italy:

Mr Emilio COLOMBO

Minister for the Treasury

Luxembourg:

Mr Raymond VOÜEL

Minister for Finance

Netherlands:

Mr W.F. DUISENBERG

Minister for Finance

Mr J. ZIJISTRA

President of the Nederlandse
Bank

United Kingdom:

Mr Denis HEALEY

Chancellor of the Exchequer

Commission:

Mr Wilhelm HAFERKAMP

Vice-President

Mr Claude CHEYSSON

Member

o

o

o

17.XI.75

THE ECONOMIC SITUATION IN THE COMMUNITY

Pursuant to its Decision of 18 February 1974 concerning the attainment of a high degree of convergence of the economic policies of the Member States, and on the basis of the Commission proposal, the Council proceeded to examine the economic situation and concluded by approving the annual report for 1976.

The Council noted that the various aspects of this report could serve as a useful basis for the discussions on this matter at the next European Council in Rome on 1 and 2 December 1975.

In this connection the Council took note of the Commission's intention of submitting to the European Council an outline paper concerning the economic and social situation in the Community and a communication on Community policy.

*budget
correction
11-19-75*

Account was also taken of the different aspects of the 1976 annual report in the Council's preparation for the Conference to be held tomorrow, 18 November, between the Ministers for Economic Affairs and Employment, the Commission and both sides of industry.

ECSC UNIT OF ACCOUNT

The Council gave its unanimous assent to the draft Commission Decision (ECSC) on the rates for the conversion of the currencies of the Member States into the unit of account used in Decisions, Recommendation, Opinions and Communiqués for the purposes of the Treaty establishing the European Coal and Steel Community.

This Commission Decision represents the third instance of the Community applying the new European unit of account the other two instances being that of the decision on the amounts of aid granted under the Convention of Lomé and of the decision concerning EIB transactions.

PREPARATION OF COUNCIL MEETINGS

The Council held a discussion on the questions raised in the memorandum from the Netherlands Government on the preparation of Council meetings on economic and financial questions.

This discussion, which forms part of the Council's endeavours to improve its working procedures, enabled certain specific measures to be outlined.

EURATOM LOANS

The Council continued its discussions on the draft Decision on the floating of Euratom loans for the purpose of making a Community contribution to the financing of nuclear power stations. In particular, it discussed the management of these loans, and also borrowings.

The Permanent Representatives Committee was instructed to continue the examination of this proposal in the light of the Council's discussions at this meeting.

17.XI.75

OTHER DECISIONS

GENERALIZED PREFERENCES

1. The Council adopted in the official languages of the Communities a series of Regulations and Decisions concerning the application in 1976 of generalized preferences for developing countries. This decision was taken following consultation of the associated States affected and the ACP States.

Despite difficult economic circumstances, the Community has agreed to make a further effort to assist the developing countries, particularly the least favoured of them, thus confirming - in accordance with the Council Resolution of 3 March 1975 on the future development of Community generalized preferences - that generalized preferences are still a cornerstone of the Community's overall policy to assist the Third World.

2. As regards industrial products falling within Chapters 25 to 99 of the CCT (other than textiles), the Community will in 1976 grant the developing countries duty-free access to its market for goods worth a total of approximately 2.650 thousand million UA, as compared with 2.3 thousand million UA in 1975.

This represents an overall increase of 15% in the level of the ceiling for most products.

A special solution was worked out as regards the quota for plywood and blockboard, and the Council further agreed that the ceilings for certain petroleum products, previously expressed in terms of value, should henceforth be expressed in tonnages.

It also extended the arrangements applied in the textile sector in 1975 for another year, subject to an overall increase of 5%. This decision means that the market is open to goods worth 600 million UA.

Import facilities in the industrial sector therefore amount to a total of 3.25 thousand million UA.

3. As regards processed agricultural products falling within Chapters 1 to 24 of the CCT, the margin of preference has been increased by means of an additional across-the-board reduction of 10% for most of the products already covered by the GPS. It was also decided to extend preferences to certain other products.

The Council also decided to renew the quotas for soluble coffee and cocoa butter for another year.

With regard to tinned pineapple, agreement was also reached on an increase in the tariff quota of 10,000 tonnes for tinned pineapple other than sliced, and on the opening of a tariff quota for sliced tinned pineapple of 28,000 tonnes.

Finally, the Council, agreed to the opening of a new quota of 38,000 tonnes for raw "Virginia flue-cured" tobacco, under subheading ex 24.01 E (the quota opened for 1975 amounted to 30,000 tonnes).

All of these improvements (including those concerning pepper and certain tropical vegetable oils, particularly palm oil and coconut oil which were included in July 1975) should lead to an increase of the order of 200 million UA in the possibilities for preferential imports, which already amounted to 650 million UA for 1975.

o

o

o

The Council adopted, in the official languages of the Communities,

- Regulations

- on the tariff treatment of certain products intended for use in the construction, maintenance and repair of aircraft;
- on the tariff treatment applicable within the Community as originally constituted to certain products imported from the new Member States for use in the construction, maintenance and repair of certain aircraft;
- amending Regulation (EEC) No 950/68 on the Common Customs Tariff;
- on temporary total suspension of the customs duties applicable within the Community as originally constituted to a number of chemical products imported from the new Member States;
- temporarily suspending the autonomous Common Customs Tariff duties on a number of industrial products;
- on the standard amount for unrefined olive oil produced entirely in Greece and transported direct from that country into the Community;
- a directive on the approximation of the laws of the Member States concerning fruit juices and certain similar products;
- a Decision on the approval of an amendment to the statutes of the joint undertaking "Schnell-Brüter-Kernkraftwerksgesellschaft mbH (SBK)".

The Council also adopted, in the official languages of the Communities, the Regulation concluding the Agreement in the form of an exchange of letters relating to Article 3 of Protocol No 8 to the Agreement between the European Communities and the Portuguese Republic (arrangements governing imports of tomato concentrates into the Community).

o

o o

Acting on a proposal from the United Kingdom Government, the Council appointed Mr E. de B. MARSH, Director, Engineering Employers' Federation, as a full member of the Consultative Committee for Vocational Training, to replace Mr LANGRIDGE, who has resigned, until the latter's original term of office expires on 30 January 1976.

o

o o

The Governments of the Member States of the European Coal and Steel Community, meeting within the Council, adopted, in the official languages of the Communities, the Decisions

- concerning certain tariff measures for the first half of 1976;
 - on certain measures to be applied, in respect of State trading countries, to trade in iron and steel products covered by the ECSC Treaty, including pig iron, cast iron and high-carbon ferro-manganese.
-

**COMMISSION
DES
COMMUNAUTES EUROPEENNES**

GRUPE DU PORTE-PAROLE

Bruxelles, le 17 novembre 1975
WD/ab

remis au telex à 19 h 15

433

PRIORITE P - 1

Note BIO (75) 339 aux Bureaux nationaux
c.c. aux membres du Groupe et à MM. les Directeurs généraux D.G. I et X

CONSEIL ECONOMIE ET FINANCES

Le Conseil a débuté ses travaux vers 17 h, sous la présidence du ministre italien M. Colombo. Les ministres se sont immédiatement réunis en séance restreinte pour entendre le rapport de la présidence sur le déroulement des travaux de la réunion de Rambouillet.

Ensuite, le Conseil s'est réuni en séance normale pour adopter le rapport sur la situation économique et les orientations de la politique économique pour 1976.

Le Conseil a donné l'avis conforme, demandé par la Commission, sur la base du traité CECA, en vue d'introduire l'unité de compte européenne (UCE), du type "panier" pour le budget opérationnel de la CECA et le bilan CECA.

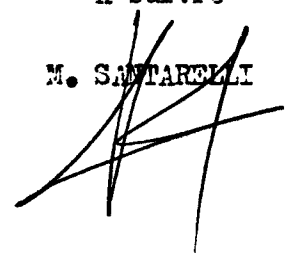
Le point actuellement en discussion au Conseil est celui de l'emprunt EURATOM.

Il est prévu que le Conseil s'achève sur une nouvelle séance restreinte, pour un premier débat d'orientation sur l'unité de compte générale à introduire dans le budget normal et pour entendre un rapport du vice-président Haferkamp sur les possibilités de recyclage des pétro-dollars par les instruments de l'emprunt communautaire.

A suivre

Amitiés

M. SANTARELLI



COMMISSION
DES
COMMUNAUTÉS EUROPÉENNES

Bruxelles le 10 novembre 1975
IND/he

~~LE PORTE-PAROLE~~

Groupe du Porte-Parole

remis au télex : 13.00h

PRIORITE P 1

Note BIO(75) 339, suite 1 et fin, aux Bureaux nationaux
cc. aux membres du Groupe et à MM. les Directeurs généraux des DG I et X

Conseil Economie et Finances

Emprunt Euratom

La proposition est renvoyée au Coreper. La délégation allemande s'oppose à ce que la compétence revienne à la Commission pour emprunter et pour distribuer les crédits pour favoriser la construction de stations électriques nucléaires. Elle propose par contre que cette compétence revienne à la BEI. Les contre-arguments de M. Haferkamp :

- Le traité Euratom 172 précise que cela incombe à la Commission.
- Le capital de la BEI devrait être augmenté, ce qui a présenté, dans le passé, des grandes difficultés.
- + Le Parlement a, unanimement, favorisé la proposition de la Commission, spécialement sous l'angle de vue de garder le droit de contrôle.
- La Commission a une expérience de 20 ans (CECA) et collabore avec la BEI et d'autres grandes banques dans chaque pays pour les affaires techniques.

néerlandaise

La délégation/a pu se rallier à la majorité concernant la compétence, mais demande d'incorporer un système de garantie, qui doit être accordé par les gouvernements nationaux dès qu'un prêt est accordé à une compagnie d'électricité dans le pays membre concerné. En conséquence, toutes les délégations, à l'exception de la délégation allemande, se sont prononcées pour la proposition de la Commission.

Préparation de la Conférence Tripartite

Le Conseil a confirmé la proposition du Président pour une très simple procédure concernant la Conférence Tripartite d'aujourd'hui, qui devrait se terminer par une synthèse par la présidence.

Préparation du Conseil Européen du 1 et 2 décembre 1975

Il a été demandé à la Commission de fournir :

- un papier sur la situation économique sur la base du rapport sur la situation économique 1975 qui vient d'être adopté par le Conseil,
- un papier sur les problèmes budgétaires et les procédures institutionnelles.

En ce qui concerne le dernier point, M. Cheysson est intervenu au Conseil se basant sur les propositions du 19 mars. Il a regretté que le fonctionnement du Conseil rende l'ensemble d'une politique budgétaire presque illusoire.

Le Conseil a adopté un Mémorandum de la délégation néerlandaise concernant l'amélioration des procédures au Conseil. Sur demande française, les mécanismes informels (déjeuner informel traditionnel seulement entre les ministres avant le Conseil) devraient rester informels, permettant aux ministres un libre échange d'idées.

Le prochain conseil a été fixé pour le 15 décembre, tard dans l'après-midi. Il sera précédé d'une conférence des ministres pour préparer la réunion du Groupe des 10 à Paris qui aura lieu le 19 décembre et la réunion du FMI à Jamaïque en janvier 1976.

Amitiés,

B. OLIVI

