



COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT



PRESS RELEASE

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630th Council meeting
- Economic and Financial Affairs -
Luxembourg, 21 April 1980
President: Mr Filippo PANDOLFI,
Minister for the Treasury
of the Italian Republic

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

Belgium:

Mr Gaston GEENS Minister for Finance

Denmark:

Mr Ivar NØRGAARD Minister for Economic Affairs

Germany:

Mr Gisbert POENSGEN Ambassador,
Permanent Representative

France:

Mr René MONORY Minister for Economic Affairs

Ireland:

Mr Michael O'KENNEDY Minister for Finance

Italy:

Mr Filippo PANDOLFI Minister for the Treasury

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Luxembourg:

Mr Jacques SANTER
Mr Ernest MUHLEN

Minister for Finance
State Secretary, Ministry
of Finance

Netherlands:

Mr J. H. LUBBERS

Ambassador,
Permanent Representative

United Kingdom:

Sir Geoffrey HOWE

Chancellor of the Exchequer

Commission:

Mr François-Xavier ORTOLI
Mr Christopher TUGENDHAT

Vice-President
Member

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MEETING OF THE INTERIM COMMITTEE OF THE IMF

The Council made preparations for the next meeting of the Interim Committee of the International Monetary Fund to be held in Hamburg on 25 April.

In this connection, the Council heard an introductory statement by Mr Haberer, Chairman of the Monetary Committee, on the work done by the Committee and in particular its opinion on the substitution account, one of the main topics currently occupying the Interim Committee.

Finally, the Council approved the text of the statement which the President is to make on behalf of the Community at the meeting on 25 April.

PREPARATION OF THE EUROPEAN COUNCIL

The Council prepared the ground for deliberations at the forthcoming session of the European Council in Luxembourg on 27 and 28 April on the item "Convergence and budgetary questions", paying particular attention to the figures quoted in connection with the problems involved and the methods to be used in analysing them.

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EXPORT CREDITS

The Council examined the position to be adopted by the Community as regards the adjustments to the existing OECD Arrangement on guidelines for officially supported export credits.

The Council agreed to the principle that a certain selective increase in the minimum interest rates fixed in the Arrangement was desirable and instructed the Permanent Representatives Committee to finalize the Community position in order that the Community might play a useful part in the forthcoming meeting of the parties to the Arrangement, to open in Paris on 12 May 1980.

SECOND TRANCHE OF BORROWINGS UNDER THE NEW COMMUNITY INSTRUMENT (NCI)

The Council examined the Commission proposal to authorize a second tranche of NCI borrowings for an amount of 500 MEUA (balance of the total borrowings authorized under the basic decision establishing the NCI) and extend the scope of the loan provided for in the Decision covering the first NCI tranche, by expanding the concept of infrastructure to include factories built in anticipation of need and housing).

In this connection, the Council noted that the Commission had recently submitted its first annual report on the expenditure and revenue operations resulting from the contracting of loans.

The Council instructed the Permanent Representatives Committee to continue its discussions on the matter so that a Council decision might be forthcoming at a forthcoming meeting.

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OTHER DECISIONS

Food aid

Palestine refugees

The Council adopted the instruments necessary for implementing the Community's contribution to the UNRWA's programme for Palestine refugees, one of which was the Decision concerning the conclusion of the Convention between the European Economic Community and the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) concerning aid to **refugees** in the countries of the Near East for 1979 and 1980.

This Convention, which is a follow-on to the Community's programmes of aid to Palestine refugees for 72/74 and 75/78, provides for the supply in kind and in cash to UNRWA for two years, of contributions to be used in the Basic Rations Programme and the Supplementary Feeding Programme.

Basic Rations Programme

1979

- 27,593 tonnes of wheat flour (equivalent to 36,700 tonnes of cereals),
- 3,200 tonnes of butteroil,
- 6,000 tonnes of sugar;

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1980

- 27,593 tonnes of wheat flour (equivalent to 36,700 tonnes of cereals),
- 3,735 tonnes of butteroil,
- 650 tonnes of skimmed milk powder,
- 6,000 tonnes of sugar.

The Community will be responsible for transport of the products up to the ports of unloading and will pay UNRWA the sum of 35 US dollars per tonne of each product delivered, as a contribution to costs of inland transport and distribution during 1979 and 1980.

Supplementary Feeding Programme
(for each of the 2 years 1979/1980)

- 2,150 tonnes of wheat flour (equivalent to 2,860 tonnes of cereals),
- 152 tonnes of rice (equivalent to 440 tonnes of cereals),
- 700 tonnes of skimmed milk powder for 1979 and 900 tonnes of skimmed milk powder for 1980,
- 86 tonnes of sugar,
- 165 tonnes of butteroil.

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The Community will be responsible for transport of the products up to ports of unloading. It will also pay to UNRWA for each year of this Convention the sum of 3,266,000 US dollars for 1979 and 3,600,000 US dollars for 1980 as a contribution to the costs of operating the Supplementary Feeding Programme, inter alia for the purchase of products which will be used in connection with this programme.

Emergency aid to the Sahel countries

In response to the appeal made by the Permanent Inter-State Committee for Drought Control in the Sahel (ICDCS) to deal with the effects of the drought which again in 1979 affected the Sahel countries, the Council approved an emergency aid measure in the form of cereals, involving the following quantities:

- Cape Verde	3,000 t of cereals (CIF)
- Gambia	2,600 t of cereals (CIF)
- Mauritania	4,000 t of cereals (CIF)
- Senegal	6,000 t of cereals (CIF)
- Chad	2,000 t of cereals (free at destination)

Total	17,600 t

It was agreed that provision could be made for further measures when the 1980 programme came to be drawn up.

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Emergency aid to Somalia

The Council agreed to an emergency aid measure involving a quantity of 10,000 tonnes of cereals to be delivered to Somalia for distribution in camps for refugees from Ethiopia, currently said to number more than 1.000,000 including about 450,000 in camps.

Trade policy

The Council adopted in the official languages of the Communities the Decision amending Decision 80/158/EEC as regards the quota for imports into the Federal Republic of Germany of panels of reconstituted wood falling within heading ex 44.18 of the Common Customs Tariff, originating in Romania.
