

PRESS RELEASE

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1722nd Council meeting

ECONOMIC AND FINANCIAL QUESTIONS

Brussels, 13 December 1993

**President: Mr Philippe MAYSTADT,
Minister for Finance
of the Kingdom of Belgium**

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

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| <u>Belgium:</u> Mr Philippe MAYSTADT | Minister for Finance |
| <u>Denmark:</u> Ms Marianne JELVED | Minister for Economic Affairs |
| <u>Germany:</u> Mr Johann EEKHOFF Mr Gert HALLER Mr Franz-Christoph ZEITLER | State Secretary for Economic Affairs State Secretary for Finance State Secretary for Finance |
| <u>Greece:</u> Mr Yiannos PAPANTONIOU | Deputy Minister for Economic Affairs |
| <u>Spain:</u> Mr Pedro SOLBES MIRA Mr Alfredo PASTOR BODMER | Minister for Economic Affairs and Finance State Secretary for Economic Affairs |
| <u>France:</u> Mr Michel TALY Mr Michel THEROND | Director for Tax Legislation, Ministry of Economic Affairs Financial Adviser, French Permanent Representation |
| <u>Ireland:</u> Mr Bertie AHERN | Minister for Finance |
| <u>Italy:</u> Mr Piero BARUCCI Mr Franco GALLO | Minister for the Treasury Minister for Finance |
| <u>Luxembourg:</u> Mr Jean-Claude JUNCKER | Minister for Finance |
| <u>Netherlands:</u> Mr Wim KÖK Mr Marius VAN AMELSVOORT | Minister for Finance State Secretary for Finance |
| <u>Portugal:</u> Mr Eduardo CATROGA Mr Vasco Jorge VALDEZ MATIAS | Minister for Finance State Secretary for Fiscal Affairs |
| <u>United Kingdom:</u> Mr Kenneth CLARKE | Chancellor of the Exchequer |
| <u>Commission:</u> Mr Henning CHRISTOPHERSEN Mrs Christiane SCRIVENER | Member Member |
| <u>The following also attended:</u> Sir Brian UNWIN Sir Nigel WICKS Mr François MONIER | President of the EIB Chairman of the Monetary Committee Chairman of the Economic Policy Committee |

TAXATION OF SAVINGS - CONCLUSIONS

The Council called upon the Commission to consider the general principles set out below, including the issue of third countries, in particular those vis-à-vis which the risks of displacement of savings are greatest, with a view to the presentation of an interim report to it by the Commission for its meeting on 21 March 1994 and the presentation of a final report by June 1994.

General principles

1. Interest received by Community residents is to be subject either to withholding tax at a minimum rate of 15% or to notification of the tax authorities of the country of residence (system of automatic declarations). "Community residents" should be taken to mean natural persons, or those treated as such, residing in the Community.
2. Where a bilateral agreement between Member States provides either for the charging of withholding tax at a rate of at least 15% or, in order to enable a preferential rate to be charged, for adequate notification of the tax authorities of the country of residence, the provisions of that agreement will continue to be applicable.
3. States which have a system of automatic declarations made by paying institutions to the tax authorities will continue to apply that system to their residents. They may also extend it to interest received by residents of other Member States. In that case, they will inform the tax authorities of the State of residence of the identity of the recipient and the amount of interest paid.
4. In the context of bilateral agreements, States may agree on exchanges of information on

interest received by their residents in another Member State. In such cases, the identity of the recipient and the amount of interest paid will be reported to the tax authorities of the State of residence in accordance with detailed arrangements to be laid down.

5. In Member States which apply a withholding tax system, it will be open to any resident of another Member State to request not to be subject to withholding tax, provided that he authorizes the institution paying the interest to report his identity and the amount of interest paid. In such cases that institution must report this information to its tax authorities, to be passed on to the tax authorities of the State in which the recipient resides.
6. The Member States referred to in paragraph 3 above may require their residents to have recourse to the declaration procedure provided for in paragraph 5 where they receive interest in other Member States.

CO2/ENERGY TAX

The Council noted that the Presidency had recently indicated a number of possible courses of action based on the present Commission proposal concerning a CO2/energy tax involving in particular the creation of environmental excise duties on a wide range of energy products, including those not currently subject to such duty (natural gas, coal, electricity).

The Council called upon the Permanent Representatives Committee to continue examining this question on the basis of the Commission proposal and in the light of the European Council's conclusions of 10 and 11 December 1993.

EXCISE DUTIES ON MINERAL OILS - DEROGATIONS FOR CERTAIN MEMBER STATES

The Council adopted the Decision authorizing certain Member States to apply or to continue to apply to certain mineral oils, when used for specific purposes, reduced rates of excise duty or exemptions from excise duty on mineral oils in the light of certain particular situations in the Member States, in accordance with the procedure provided for in Article 8(4) of Directive 92/81/EEC.

In fact, this means:

- in the case of Belgium and Luxembourg, a reduction until 31 December 1994 in the rate of duty on heavy fuel
- in the case of Greece, relief from the excise duty on fuels used to power the official vehicles of the Ministry of the Presidency, the national police force and the metropolitan bishops;
- in the case of Italy, relief until 31 December 1994 from excise duty on fuels used in the production of alumina in Sardinia;
- in the case of Portugal, relief from excise duty for LPG, natural gas and methane when used as fuel for local public transport.

COMMON FISCAL ARRANGEMENTS FOR INTEREST AND ROYALTY PAYMENTS BETWEEN PARENT COMPANIES AND SUBSIDIARIES IN THE VARIOUS MEMBER STATES

The Council summarized the problems still surrounding certain key issues in the proposal for a Directive on the withholding tax on interest and royalty payments between parent companies and subsidiaries of various Member States, viz:

- definition of the scope of the Directive;
- the treatment of beneficiaries of interest and royalties subject to tax arrangements derogating from the common duty;
- the transitional period to be granted to Greece and Portugal.

The Council heard in particular a call from Mrs Scrivener for a further Council effort to reach agreement on these questions with a view to unblocking this Directive, which was especially important in the context of the internal market. Concluding, the Council instructed the ad hoc Working Party to press actively ahead with its discussions on the subject.

LISTING PARTICULARS FOR THE ADMISSION OF SECURITIES TO STOCK-EXCHANGE LISTING

The Council summarized the progress of discussions on a further amendment to the 1980 Directive co-ordinating the requirements for the drawing up, scrutiny and distribution of the listing particulars to be published for the admission of securities to official stock-exchange listing, with regard to the obligation to publish listing particulars.

The aim of this Directive is, in particular, to simplify cross-border procedures by providing in certain cases for partial or total exemption from the obligation to publish listing particulars for issuers whose securities are already admitted to official stock-exchange listing in another Member State in the case of known companies information regarding which is distributed on

a wide front and is available throughout the Community or where an equivalent obligation to publish exists.

The Council plans to adopt a common position on this amended Directive once the European Parliament's Opinion is in its possession, and in the light of that Opinion.

INTEREST SUBSIDIES ON EIB LOANS FOR SMEs

The Council, having noted that one delegation was unable to agree to the draft Decision on the provision of Community interest subsidies on loans for SMEs extended by the EIB under its temporary lending facility, agreed to give itself time to consider whether any possibility of an agreement existed on a modified basis.

FOLLOW-UP TO THE BRUSSELS EUROPEAN COUNCIL ON 10 AND 11 DECEMBER 1993

The Council reached agreement, in the light of the discussions of the European Council on 10 and 11 December on the White Paper on "growth, competitiveness and employment", on the Recommendation setting out the broad guidelines for the economic policies of the Member States and of the Community, the text of which is in the Annex.

The Council also discussed the financial aspects of the implementation of the European Council's conclusions on trans-European networks. It agreed that preparations in this area would be discussed by the Presidency, the Commission and the EIB with a view to the discussion at the Council meeting in February or March 1994.

EVALUATION OF PROGRESS ON ECONOMIC AND MONETARY CONVERGENCE

On the basis of a report from the Commission, the Council proceeded to evaluate, in accordance with Article 109e(2)(b) of the TEU, progress with regard to economic and monetary convergence and with the implementation of Community law concerning the internal market. The outcome of the Monetary Committee's examination of the Commission report was also available to it for the purposes of the evaluation.

The section of the Commission report relating to the implementation of Community law concerning the internal market will also be discussed at the next meeting of the Internal Market Council on 16 December.

OTHER ECO/FIN DECISIONS

(adopted without discussion)

7th VAT Directive - Council conclusions

The Council adopted conclusions aimed at resolving a number of key questions concerning the special arrangements for VAT to be applied to second-hand goods, works of art, antiques and collectors' items.

These conclusions cover the following situations in particular:

- authorization for the United Kingdom to apply an effective VAT rate until 30 June 1999 to imports of works of art, antiques or collectors' items which currently benefit from exemption at importation under UK law;
- authorization for Germany to continue to apply until 30 June 1999 the normal VAT system

instead of the Margin Scheme to supplies of works of art, collectors' items and antiques;

- amendment of the criteria defining new cars, i.e. "six months" and "6 000 km" instead of "three months" and "3 000 km".

Resolving the above questions will enable the Council to adopt the 7th VAT Directive shortly, it will replace the purely national systems in force up till now by solutions aimed at eliminating rules on the distortion of competition in trade in the various Member States.

Preparation for the 2nd stage of Economic and Monetary Union

The Council, completing in the process the arrangements necessary for the entry into force of the 2nd stage of EMU on 1 January 1994 (see Press Release No 10235/93 - Ecofin Council meeting of 22.XI.1993), adopted the Regulations:

- specifying definitions for the application of the prohibition of privileged access referred to in Article 104a of the Treaty;
- specifying definitions for the application of the prohibitions referred to in Articles 104 and 104b(1) of the Treaty;
- amending Regulation (Euratom, ECSC, EEC) No 549/69 determining the categories of officials and other servants of the European Communities to whom the provisions of Article 12, the second paragraph of Article 13 and Article 14 of the Protocol on the Privileges and Immunities of the Communities apply.

Guarantee to the EIB

The Council adopted the Decision granting a Community guarantee to the EIB against losses under loans for projects in Central and Eastern European countries (Poland, Hungary, Czech Republic, Slovak Republic, Romania, Bulgaria, Estonia, Latvia, Lithuania and Albania).

COUNCIL RECOMMENDATION
on the broad guidelines of the economic
policies of the Member States and of the Community

(provisional version)

The Council of the European Union,

Having regard to the Treaty establishing the European Community, and in particular Article 103(2) thereof;

Having regard to the recommendation from the Commission;

Having regard to the conclusions of the European Council of 10 and 11 December 1993,

hereby makes the following Recommendation:

Article 103 of the Treaty on European Union provides the framework for economic policy co-ordination from the start of Stage II of the process towards Economic and Monetary Union. The economic policy guidelines adopted under that Article will constitute the reference for the conduct of the economic policies in the Community and in the Member States.

Main objectives

There are signs that the recession is bottoming out in the European Union. Output indicators and business surveys in a number of countries are showing signs of improved confidence and prospects. Long-term interest rates have declined substantially and most European central banks have lowered their leading rates. Yet, unemployment continues to increase in most Member States. Against this background, the broad guidelines for economic policies in 1994 should aim, as a priority, for the return of a sustainable and non-inflationary economic growth.

The Community should aim in the short term to turn around the unemployment trend and to cut significantly by the end of the century the number of unemployed, which today stands at the unacceptable level of 17 million. A decrease in unemployment is imperative to reduce the negative economic and social consequences arising from this wastage of human resources. Higher employment creation is also necessary to achieve a more active society where all those wishing to join in the production process are given a chance to do so and where the weight

of the factors leading to social exclusion is substantially reduced.

This employment objective should be obtained by a non-inflationary, strong and employment-creating growth, lasting over many years and respecting the environment. Higher growth is essential not only in relation to employment creation but also to enable the Community to reap the benefits of the internal market, to improve its economic and social cohesion and to meet its growing commitments in relation to the rest of the world. But growth cannot be artificially generated, it must be brought about by market forces and by the dynamism of the European internal market, open to the outside world. The conclusion of the GATT negotiations on a global, durable and balanced basis and the Community's openness to new markets has a vital role to play in this respect.

Achieving a higher growth rate also requires a strengthening of economic convergence among Member States. Convergence will set in place the conditions for stronger job-creation and will allow the Community to reap the full benefits of the internal market. It will also make possible a successful transition to EMU.

In this respect the task of economic policy-makers is to allow market forces to display their full potential by:

- (i) providing a stable and coherent macro-economic framework;
- (ii) removing the macro and micro-economic obstacles to growth.

In the present situation the challenge is a dual one. Firstly, to act decisively to improve the conditions for growth consistent with the commitment to high employment creation in the medium-term. Secondly, to create the economic and social conditions which will permit stronger, sustainable and more employment-creating growth in the medium to longer term.

The recovery process will require a restoration of confidence through a rebalancing of the current macro-economic policy mix combined with credible structural measures. The sooner current and expected pay and budgetary trends incorporate the price stability objective, the sooner interest rates can be further reduced substantially on a sound basis, for lower interest rates, achieved on this basis, represent an important element to boost short-term prospects in the Community. Given the severity of the present situation, however, and the size of the budgetary adjustment to be undertaken in many countries, the recovery process may well be modest and hesitant. Therefore, the full realization of the initiatives agreed at the European Council meetings in Edinburgh and Copenhagen is of paramount importance.

In the medium-term, policies and behaviour must remain consistent with stability. They must help to overcome rigidities and to put an end to the damaging reduction of national saving inflicted by high budget deficits thereby strengthening the investment conditions and

the growth potential of the Community so that many years of stronger and more employment-creating growth become possible.

Economic policy guidelines

In order to create the conditions to realize the Community's economic objectives, in particular the increase of employment and the reduction in unemployment, the Council hereby adopts the following broad economic policy guidelines.

Price and exchange-rate stability

The Community will aim to keep a stable macro-economic framework. A rate of inflation of no more than two to three per cent should be reached in most Member States by 1996 as a step towards price stability in the Community.

All policies and behaviours should be consistent with this objective. Those Member States who have already reached this level of inflation should ensure that policy measures are consistent with the maintenance of this performance. For the other Member States, determined action is needed to provide the basis for lower short-term and long-term interest rates, for example involving action related to budgetary consolidation, wage evolution and inflationary price developments in the services sector.

If these measures are implemented with sufficient speed, conditions would be established for both nominal and real interest rates to come down as inflation expectations are reduced. The setting up of the EMI will represent an additional factor of stability and co-operation, given its major role in strengthening Member States' monetary policy co-ordination mechanisms and in overseeing the operation of the European Monetary System.

The high degree of integration and the reaping of the benefits of the single market demand that the Community continues to aim for exchange-rate stability built on common efforts to make progress on convergence and to create sound economic fundamentals in all Member States of the Community.

The Community reaffirms its commitment to the EMU process and timetable as agreed in the Treaty on European Union. To this end it will intensify its efforts at achieving economic convergence.

Sound public finances

The restoration of confidence requires that in 1994 Member States prevent any further deterioration in their budgetary situations and carry forward the process of deficit reduction. In those Member States facing more worrying fiscal positions, confidence will benefit from an immediate strong pursuit of the consolidation process. This holds especially for Member States with very high and rising public debt ratios. The consolidation process should intensify in those Member States with high budget deficits and which are expected to face a relatively favourable economic situation in 1994. In other Member States tight control of budgets will be necessary in 1994 but the emphasis should mainly be on credible medium-term consolidation strategies with measures to be already announced now which will take effect in future years as the recovery strengthens. At the Community level, the limits on EC spending and revenue agreed at the Edinburgh Council must be respected.

In 1995, Member States should continue action to make their public finance positions sustainable again. Under the expected growth path for the years ahead, this means action towards reducing budget deficits to the reference value indicated in the Treaty on European Union (three percent of GDP). Most Member States have the potential to reach this goal by 1996, with the others needing more time. This action will contribute to meeting the criterion relating to debt stocks in the Treaty.

The measures used to consolidate public budgets will give priority to reductions in current expenditure and to improving the efficiency of the tax system, for example, by strengthening action against tax evasion. All Member States need to re-orient public expenditure to more productive uses and to increased investment in particular.

In the long term, Member States' budgetary policies will be directed towards contributing to higher national savings and investment. This will entail much lower budget deficits (perhaps close to balance by the year 2000).

Creating more employment

Member States and the Community will take resolute action to improve the functioning of their economies, aiming specifically at improving competitiveness and the Community's capacity to create jobs.

The particular institutional, legislative and contractual features of each Member State mean that Community action must focus on defining objectives, leaving the Member States to

select ways and means suited to their particular situation, within a general, jointly defined framework. To that end, the Council considers that, in order to reinforce the capacity of the European economy to create employment, Member States' action should be based on the suggestions taken from the Commission's White Paper.

Pay, investment and employment

Member States set themselves the objective of a significant increase in the share of investment in GDP. Meeting this objective is essential in order to increase the Community's potential for sustainable non-inflationary growth of the European economy in the medium and long term. Moreover, the recovery in private investment will, in the short term, help to stimulate demand.

Recovery in investment will be possible if society is prepared today to make the efforts which will bring more prosperity and more jobs tomorrow. That calls, amongst other things, for pay developments consistent with the improvement in the profitability of investment and in the competitiveness of European enterprises on world markets. That process will also contribute to promoting job-creation in the immediate term.

In the short term, the need to create new jobs will not permit real pay growth in most countries and may result in real pay reductions in certain sectors of the economy. However, pay movements should provide for an appropriate differentiation according to the situation in Member States, industrial sectors and firms, as well as vocational qualifications and work experience.

To this end, Governments and the social partners will use all instruments which national procedures provide to ensure that pay trends in their countries adapt rapidly to the objective concerning inflation.

Pay moderation in the public sector is also important, on the one hand to take the pressure off public finance and to accelerate promotion of public investment and, on the other, to set an example for the private sector.

Schemes promoting new forms of labour organization on a sound economic basis may be introduced through negotiation in a decentralized way (at sector or enterprise level).

Reducing the indirect cost of labour

Where appropriate, Member States must intensify their efforts to bring about a significant reduction in the indirect cost of labour. Such reduction would enable a better balance to be achieved between the costs of the various production factors. Failing that, the labour factor,

in particular low-skill labour, would suffer excessively.

Action to be undertaken in this field has a twofold objective:

- it should promote job-creation in services responding to new society needs, the development of which is currently discouraged by the high level of the indirect cost of labour;
- combined with pay moderation, it should also save jobs in the sector exposed to international competition by curbing the replacement of labour by capital and the relocation of activity.

In order to encourage the process in the right direction, Member States are invited to examine to what extent an adaptation of the financing mechanisms of their social protection system, along with saving measures, could further contribute to the promotion of employment. However changes in the systems should not increase Member States' indebtedness. The question will be re-examined at Community level on the basis of Member States' reports. Fiscal measures possibly relating to, inter alia, the environment could be one means of offsetting the reduction in social contributions in the general context of stabilizing all compulsory levies and reducing fiscal pressure.

Active policies towards employment

Meeting the objective will also depend on adjusting employment policies to the changing economic environment.

Member States are invited to:

- improve educational and job-training systems so that those who enter the labour market have the possibility of developing professionally and at the same time have skills that are useful to enterprises;
- help reintegrate the long-term unemployed in the labour market;
- improve the functioning of local placement services;
- remove excessive rigidities which prevent the labour market from functioning effectively.
- improve labour mobility;
- promote liberalization measures aimed at sheltered sectors, including, where appropriate,

the services industry.

Completion of the large market

The existence of a large export-oriented internal market is a major asset for the European economy which must be exploited to the full. The complete transposition of Community rules into national laws, the simplification and streamlining of rules, the creation of a fiscal, administrative and financial environment favourable to the SMES and the control of State aid are fundamental factors in the completion of the large market.

In the same context, the capital market must be made more efficient so as to encourage the inflow of savings in the direction of productive job-creating investment.

Trans-european networks are a further vital cog in the context of the effective operation of the single market and increased economic competitiveness. The Council will accordingly make swift and full use of the new opportunities offered by the Treaty (Article 129(b)).

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The economic policy guidelines laid out above will constitute the reference for all future multilateral surveillance exercises. The implementation of the guidelines will be monitored in accordance with the procedures laid down in the Treaty. The Council will also assess the implementation of those guidelines in their assessment of Member States' convergence programmes.

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STATEMENT
by the Greek delegation

The Greek delegation states that it is unable to agree to the third and fourth paragraphs of the section on "Pay, investment and employment" as it takes the view that the Community's economic recovery must be combined with a positive evolution in real pay.

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MISCELLANEOUS DECISIONS
(adopted without discussion)

Conclusion of the Agreement on the European Economic Area and of the related bilateral agricultural and fisheries agreements

The Council adopted the Decisions on the conclusion of the Agreement on the European Economic Area (EEA), the Protocol adapting the Agreement on the EEA and the Agreements, in the form of exchanges of letters, in the agricultural and fisheries fields negotiated in the context of the EEA.

The European Economic Area will therefore enter into force on 1 January 1994. Thus, a new phase is ushered in and a dynamic impetus is given to the privileged relationship between the Community and its Member States and the EFTA States which are members of the EEA, which is based on their proximity, the importance of their economic relations, their common values of democracy and a market economy and their common European identity.

The entry into force of this Agreement reflects also the desire of the contracting parties to help to create a focus of stability and prosperity in Europe and will facilitate the ongoing process of Austrian, Swedish, Finnish and Norwegian membership of the European Union.

Once the European Economic Area has come into existence, the Community and its Member States and the EFTA States will make up a large integrated economic area comprising 18 countries, enabling some 380 million citizens, through increased co-operation, to achieve greater prosperity and to assume their responsibilities even more effectively on the international scene, particularly in Europe.

The aim of the Agreement on the European Economic Area is to establish a dynamic and homogeneous integrated structure based on common rules and equal conditions of competition and equipped with the means, including judicial means, necessary for its implementation ; it is based on equality, reciprocity and an overall balance of the contracting parties' benefits, rights and obligations.

The Agreement on the EEA will make it possible to realize within the EEA the free movement of goods, persons, services and capital (the "four freedoms") on the basis of the European Community's existing legislation. Apart from the four freedoms, the EEA Agreement also provides for wide-ranging and balanced co-operation in both areas directly linked to the achievement of the four freedoms (so-called "horizontal" policies, such as social policy, consumer protection, environment, statistics and company law) and the so-called "flanking" Community policies, such as research and technological development, education and training, youth, etc.

Specific solutions have been found for agriculture and fisheries, inter alia through bilateral agreements, in order to intensify trade within the EEA.

With the aim of contributing through the application of the Agreement to the reduction in economic and social imbalances between the regions, the EFTA countries have agreed to establish, in addition to certain agriculture and fisheries arrangements already mentioned, a financial mechanism for a five-year period which will provide financial assistance for Portugal, the island of Ireland, Greece and certain regions in Spain. This assistance will take the form of soft loans totalling ECU 1 500 million and direct grants totalling ECU 500 million.

The establishment of equal conditions of competition within the EEA is a priority objective of the Agreement. This objective will be attained through the inclusion in the Agreement of rules applicable in the Community and through the introduction of an effective surveillance system under which the EFTA countries will establish a structure similar to the Community structure, namely an EFTA Surveillance Authority responsible for surveying application of the EEA rules in the EFTA countries and an EFTA Court which will be responsible for judicial control.

At the institutional level, the EEA Agreement covers:

- the EEA Council
- the EEA Joint Committee
- the EEA Joint Parliamentary Committee
- the EEA Consultative Committee.

Conclusion of the Europe Agreements with Hungary and Poland

The Council adopted the Decisions concluding the Europe Agreements between the Community and Hungary and between the Community and Poland. It adopted the Implementing Regulations relating thereto.

These Agreements will, therefore, enter into force on 1 February 1994. It should be noted that their aim is to establish very close economic and political relations between the Community and Hungary and Poland comprising, in addition to a political dialogue, a wide range of trade, economic, financial and cultural co-operation fields, and provisions on capital movements, right of establishment, movement of workers, harmonization of legislation, etc.

The trade provisions, which have applied under the Interim Agreements since 1 March 1992, are designed to establish a free trade area to be asymmetrically achieved within a maximum period of 10 years.

It should be noted in this connection that the Copenhagen European Council decided to speed up the implementation of Community trade concessions in order to encourage exports from the associated CCEs to the Community

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Grandes orientations économiques

Le Conseil s'est mis d'accord sur les grandes orientations des politiques économiques conformément à l'article 103 : le texte a été modifié suite au Conseil Européen. Selon le texte provisoire :

- la Communauté visera à maintenir un cadre macro-économique stable. Un taux d'inflation ne dépassant pas 2 ou 3 % l'an devrait être atteint dans la plupart des États membres en 1996 en tant qu'étape vers la stabilité des prix dans la Communauté.
- Si ces mesures dans les domaines d'inflation, d'assainissement budgétaire, d'évolution des salaires seront mises en œuvre rapidement, les conditions seraient réunies pour que tant les taux nominaux que les taux d'intérêts réels puissent baisser au fur et à mesure que les anticipations inflationnistes diminuent.
- La mise en place de l'IME représentera un facteur de stabilité et de coopération, vu son rôle important dans le renforcement des mécanismes de coordination de politiques monétaires des États membres, ainsi que la supervision du fonctionnement du système monétaire européen.
- La Communauté réaffirme son engagement à l'égard du processus de réalisation de l'UEM et de son calendrier.
- Le retour de la confiance exige que les États membres préviennent, en 1994, toute détérioration supplémentaire de leur situation budgétaire et se préparent à poursuivre le processus de réduction de déficits budgétaires.
- À court terme, la nécessité de créer de nouveaux emplois ne permettra pas de croissance des salaires réels dans la plupart des pays, et pourra conduire, dans certains secteurs de l'économie, à une baisse des salaires réels. Toutefois, l'évolution de salaires présentera une différenciation appropriée selon la situation des pays membres, les secteurs industriels et les entreprises ainsi que les qualifications professionnelles et l'expérience professionnelle.
- La modération salariale dans le secteur public est également importante, d'une part pour soulager les finances publiques et accélérer la promotion des investissements publics et d'autre part, pour donner l'exemple au secteur privé.
- Les États membres doivent accroître leurs efforts pour opérer une réduction significative du coût indirect du travail. À défaut d'un tel rééquilibrage, le facteur travail, en particulier le travail peu qualifié, est frappé excessivement.

- Les Etats membres sont invites a examiner dans quelle mesure une adaptation des modes de financement de leur systeme de protection sociale, en combinaison avec des mesures d'assainissement, pourrait contribuer davantage a la promotion de l'emploi. Toutefois, les modifications apportees aux systemes ne devraient pas accroitre l'endettement des Etats membres. La question sera reexaminee au niveau communautaire sur la base de rapports que les Etats membres sont invites a presenter. Des mesures fiscales pouvant, entre autres, porter sur l'environnement pourraient constituer un des moyens de compenser la baisse des cotisations sociales, dans un contexte general de stabilisation de l'ensemble des prelevements obligatoires et de reduction de la pression fiscale.

Bonifications d'interet sur les prets PME

Trois Conseils Europeens consecutifs ont invite le Conseil d'adopter un reglement sur les bonifications d'interet sur les prets d'un milliard d'ecus octroyes de la BEI aux Petites et Moyennes Entreprises PME. Neanmoins, le Conseil n'etaient pas en mesure d'adopter la proposition de la Commission dans ce sens. Une delegation n'etait pas en mesure d'accepter le projet de decision presente par la Commission. Par consequent il est convenu de se donner un delai de reflexion pour verifier si la possibilite d'un accord existait sur une base modifiee. Le commissaire Christophersen n'a pas pris l'engagement de modifier la proposition de la Commission.

Suites au Conseil Europeen

Le Conseil a eu un echange de vues sur les aspects financiers de la mise en oeuvre des conclusions du Conseil Europeen concernant les reseaux transeuropeens. Il est convenu, que la preparation en la matiere fera l'objet de contacts entre la Presidence, la Commission et la BEI en vue d'une discussion au sein du Conseil lors des sessions du mois de fevrier ou mars 1994.

Rapport sur la convergence

Sur la base du rapport de la Commission sur la convergence, le Conseil a eu une premiere evaluation. Le Conseil disposait egalement des resultats de l'examen du rapport par le Comite Monetaire. Le rapport sur la convergence a ete elabore et presente par la Commission conformement a l'article 109 e) du TUE en vu de faire le point sur des progres realise en matiere de convergence monetaire.

Aide financiere a la Moldavie

Une position, en principe positive, sera degagee entre les Ministres au sujet d'octroi d'un pret a la balance de paiement de la Moldavie de l'ordre de 45 millions d'ecus. Il est sous-entendu que cet effort fait partie d'un effort total de 300 millions de dollars et qu'un programme de stabilisation soit conclu avec le FMI et que celui-ci, ainsi que d'autres pays, octroient une assistance appropriee.

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Ref: BIO/93/309

DATE DOCUMENT : 93/12/10

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PREPARATION ECO/FIN COUNCIL OF 13/14 DECEMBER 1993 : TAXATION

Le Conseil de l'Union se reunira des lundi et devrait en principe traiter des dossiers de fiscalite des 11 heures.

Un seul point pourrait faire l'objet d'une decision ce jour, il s'agit de la proposition de 7eme directive sur la TVA dans le domaine des biens d'occasion et des oeuvres d'art.

Les dossiers de la fiscalite de l'epargne, la taxe CO2/energie, la retenue a la source sur les interets et redevances feront l'objet d'exposes sur l'etat d'avancement des travaux. Madame Scrivener soulignera d'ailleurs l'importance de maintenir un rythme soutenu de travail en ce qui concerne la fiscalite directe des entreprises pour participer a la relance de la croissance europeenne.

1. Fiscalite de l'epargne

La relance de ce dossier est l'une des priorites de la Presidence belge (sans pour autant devoir faire l'objet d'une decision avant la fin de l'annee). Monsieur Maystadt exposera les progres realises dans ce domaine sur la base des orientations du Conseil Ecofin du 25 octobre dernier qui envisageait la coexistence et la conjugaison des systemes actuels de retenue a la source et de declaration automatique des etablissements financiers.

La Presidence soumettra aux Ministres la question de l'opportunité de demander a la Commission d'etablir des contacts avec les pays tiers (AELE, OCDE) de maniere a evaluer des possibilites d'actions communes pour eviter ou minimiser les risques de delocalisation des capitaux.

2. Taxe CO2/Energie

La Presidence fera le bilan des travaux realises depuis le mois de juillet dans ce domaine ce qui donnera lieu a un echange de vues des Ministres des finances sur le sujet. Monsieur Maystadt presentera aux Ministres les resultats des premieres reflexions menees avec l'assistance des services de la Commission sur une nouvelle approche basee sur la creation dans une premiere phase d'accises environnementales. Il s'agirait d'un systeme intermediaire qui ne remet pas en cause la proposition de la Commission de 1992 mais offre peut-etre une solution temporaire en l'attente de l'adoption complete de celle-ci par le Conseil.

Cette premiere phase consisterait en la creation d'accises environnementales sur un large eventail de produits energetiques, y compris ceux qui n'y sont pas actuellement soumis (gaz naturel, charbon, electricite).

Les taux fixes au niveau communautaire seraient determines par reference

aux émissions de CO2 et a la valeur energetique mais pourraient etre modules par source d'energie selon certains imperatifs economiques ou sociaux.

Le niveau de ces taux serait modere, il equivaldrait au taux de reference de trois dollars par baril (+/- 17.75 Ecus/TEP). Il s'agirait de taux minima sans augmentation automatique.

3. 7eme directive TVA. Biens d'occasion et oeuvres d'art

La 7eme directive TVA etablit un regime commun de taxation pour les ventes de biens d'occasion et d'oeuvres d'art et pour les importations d'oeuvres d'art dans la Communauté. Elle prévoit que c'est sur la marge beneficiaire du vendeur (difference entre le prix auquel le vendeur a achete le bien et le prix auquel il le revend), et non sur la valeur totale, que seront taxees au taux normal de TVA applicable dans le pays du vendeur les ventes de biens d'occasion et d'oeuvres d'art dans l'ensemble de la Communauté.

La 7eme directive TVA confirme egalement que les ventes de biens d'occasion de particulier a particulier ne sont pas soumises a la TVA et qu'elles peuvent donc circuler totalement librement dans le marche interieur.

La directive prévoit par ailleurs des modalites communes de taxation des importations d'oeuvres d'art dans la Communauté. Les Etats membres auront ainsi la possibilite d'appliquer a ces importations, au lieu du taux normal de TVA, un taux reduit egal a au moins 5 % ou une base d'imposition reduite de facon telle que la taxe soit au moins egale a 5 %. Pour tenir compte de la situation particuliere qui a prevalu jusqu'a present au Royaume-Uni, a savoir l'exoneration totale des importations d'oeuvres d'art anciennes (datant d'avant 1973), cet Etat membre demande une derogation lui permettant d'appliquer jusqu'au 31 decembre 1999 au plus tard, un taux effectif de TVA de 2,5 % a ces importations d'oeuvres d'art.

Une extension du regime douanier special pour les oeuvres d'art destinees a etre reexportees est egalement prevue. Ce sera desormais pendant deux ans, et non plus six mois, que ces oeuvres d'art pourront circuler sur le territoire de l'ensemble de la Communauté sans que les droits de douane ou taxes soient totalement acquittes.

4. Fiscalite directe des entreprises

La Commission fera le bilan des travaux intensifs qui ont precede ce Conseil et permis d'identifier les principaux points a regler dans le cadre de la proposition de directive relative a la suppression des retenues a la source sur les paiements des interets et redevances effectues entre entreprises d'un meme groupe.

Trois sujets seront abordes : le champ d'application de la directive, bon nombre d'Etats membres souhaiteraient le voir elargi a tous les types de societes; la question de la reserve de l'Irlande en raison du regime fiscale de certains services financiers (taux de 10 % seulement)

cautionne par la Communauté jusqu'en 2005, enfin la durée de la dérogation temporaire dont pourraient bénéficier la Grèce et le Portugal qui, une fois mise en œuvre la suppression de la retenue à la source, devraient enregistrer certaines pertes de recettes fiscales.

Le débat au niveau ministériel devrait faire ressortir les solutions envisageables qui devraient pouvoir être finalisées lors du Conseil Ecofin de février.

Rappel :

Cette proposition de directive concerne la suppression des retenues à la source sur les paiements des intérêts et redevances effectués entre entreprises d'un même groupe. Ce texte est directement complémentaire de la directive adoptée en juillet 1990, la directive 'mère-filiale' qui interdit à compter du 1er janvier 1992 les retenues à la source sur les dividendes distribués par les sociétés filiales aux sociétés mères.

Cette directive est destinée à faciliter les activités transfrontalières des entreprises en évitant les doubles impositions qu'elles subissent encore à l'heure actuelle. Les entreprises qui travaillent à cheval sur plusieurs territoires sont en effet imposées par chacune des administrations fiscales de ces États.

La proposition de directive prévoit, dans une première étape, de supprimer dans les rapports société mère-filiale (participation minimum de 25%) toute retenue à la source sur ces paiements. Elle est en effet particulièrement pénalisante dans le cadre de relations entre sociétés d'un même groupe.

Cette mesure pourra être étendue ultérieurement à d'autres types de relations entre entreprises dans le cadre de l'approfondissement du marché intérieur.

Une période de transition de 7 ans a été prévue en faveur d'États membres importateurs nets de technologies et de capitaux, le Portugal et la Grèce, et prévoit des modalités de suppression progressive de la retenue à la source (moins de 10% pendant 5 ans, moins de 5% pendant 2 ans).

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ECO/FIN COUNCIL OF 13 DECEMBER 1993 : TAXATION AND FINANCIAL SERVICES

Le Conseil a en effet adopté un compromis final sur la 7eme directive TVA relative aux biens d'occasion, aux objets d'art, de collection ou d'antiquite.

L'adoption formelle se fera en point A lors d'un prochain conseil et le texte entrera en vigueur le 1er juillet 1994.

Madame Scrivener s'est felicitee de cette adoption qui marque la fin de quinze annees d'apres negociations et 'permet aux citoyens europeens de jouir d'une liberte supplementaire d'achat et de vente dans le cadre du marche interieur, sans craindre de payer deux fois la TVA. (voir note IP(93)1122 du 13.12.93)

Rappel des principes de cette directive :

Regime des biens d'occasion a l'interieur de la Communaute :

- taux normal de TVA sur la marge lorsqu'il s'agit d'un bien vendu par un professionnel,
- pas de TVA lorsque le bien est vendu par un particulier.

Regime des oeuvres d'art

1. A l'interieur de la Communaute

- a. taux normal de TVA sur la marge lorsque l'oeuvre d'art est vendue par un professionnel,
- b. taux reduit de TVA de 5 % ou plus sur le prix de vente, lorsqu'il s'agit de la premiere vente d'une oeuvre d'art,
- c. pas de TVA lorsque l'oeuvre d'art est vendue par un particulier.

2. Cas particulier des oeuvres d'art vendues dans la Communaute, mais importees en provenance d'un pays tiers :

possibilite de taux reduit de 5 % ou plus sur le prix de vente, avec une derogation pour le Royaume-Uni qui pourra taxer a 2.5 % jusqu'au 31.12.1999.

3. Les oeuvres d'art importees d'un pays tiers et destinees a etre re-exportees hors Communaute ont la possibilite de rester deux annees avec une exoneration totale des droits de TVA a l'importation.

4. Regime particulier pour les Commissaires priseurs et les ventes aux encheres :

- taxation au taux normal de TVA sur la seule 'commission du

Commissaire priseur',

- pas de TVA sur le prix de l'oeuvre d'art elle-meme lors de la vente aux encheres.

En ce qui concerne la fiscalite directe des entreprises, le Conseil s'est fixe l'objectif de trouver des solutions concretes aux trois questions identifiees par les travaux preparatoires sur la proposition relative a la suppression des retenues a la source sur les interets et redevance (voir note BIO(93)309 du 10 decembre) lors du prochain conseil Ecofin qui traitera de la fiscalite c'est-a-dire en fevrier. 'Il s'agit d'une veritable impulsion pour une mesure qui fait partie des propositions necessaires au bon fonctionnement du marche interieur et figure comme priorite dans les conclusions du rapport Ruding' a souligne Madame Scrivener.

Le dossier de la taxe CO2/energie a fait l'objet d'une decision de procedure. Le Conseil a invite le groupe de travail ad-hoc a poursuivre ses travaux sur la base de la proposition de la Commission et a la lumiere des conclusions du Conseil europeen sur le Livre blanc.

Madame Scrivener a rappele a cette occasion que cette taxe fait partie d'une strategie globale visant a reduire les emissions de CO2 ainsi que son attachement au principe de neutralite et de conditionnalite de la taxe.

En ce qui concerne la fiscalite de l'epargne, le Conseil, a l'initiative de la Presidence belge, a invite la Commission a poursuivre ses travaux sur les principes generaux degages depuis le Conseil du 25 octobre 93 (combinaison des systemes de retenues a la source et de declaration administrative selon les Etats membres et suppression de la notion de non-resident communautaire exempt d'imposition) et a prendre des contacts exploratoires avec des pays tiers pour evaluer les risques de delocalisation de l'epargne hors de l'Union europeenne et les possibilites de solutions communes en matiere de fiscalite.

Cette poursuite des travaux ne prejuge pas de l'opposition de certaines delegations aux principes generaux enonces dans la note de la Presidence.

La Commission presentera un rapport interimaire a ce sujet lors du Conseil Ecofin du 21 mars et un rapport complet pour le mois de juin 1994.

Le Conseil Ecofin a adopte une position commune sur la proposition de directive modifiant la directive 80/390/CEE en ce qui concerne le prospectus a publier pour l'admission des valeurs mobilieres a la Bourse. Le Parlement devrait examiner cette proposition en deuxieme lecture le 15 decembre. Cette proposition vise les objectifs suivants :

- simplifier les conditions de la cotation transfrontiere des valeurs mobilieres, principalement celles des societes de qualite, de grande taille et de reputation internationale qui sont cotees dans la Communaute depuis au moins trois ans et qui s'acquittent

scrupuleusement des obligations prévues par les directives communautaires concernant l'admission à la cote officielle;

- faciliter la cotation officielle des sociétés présentes sur un second marché, lorsque celles-ci sont soumises à des exigences en matière de publicité équivalentes sur le fond à celles qui sont imposées aux sociétés cotées sur le marché officiel, étant entendu que ces deux marchés sont situés dans le même Etat membre.

La simplification des exigences en matière de cotation transfrontière facilitera le lancement du projet EUROLIST (projet de la Fédération des Bourses de la Communauté qui vise à offrir des marchés plus actifs et plus liquides aux sociétés communautaires de qualité, de grande taille et de réputation internationale par la cotation simultanée de leurs actions dans au moins six Etats membres).

Le Commissaire Vanni d'Archirafi a présenté cette proposition comme étant un instrument important pour renforcer l'interpénétration des marchés des valeurs mobilières dans la Communauté et pour promouvoir la création d'un véritable marché européen des capitaux. 'Elle représente aussi' a ajouté le Commissaire, 'la réponse la plus appropriée aux suggestions présentées par le secteur financier plus particulièrement par la Fédération des Bourses qui veut lancer son projet EUROLIST au printemps prochain'.

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