

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

9572/86 (Presse 148)

1110th meeting of the Council

- Research -

Luxembourg, 21 October 1986

President: Mr Geoffrey PATTIE  
Minister of State for Industry  
and Information Technology  
of the United Kingdom

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

Belgium:

Mr L. BRIL State Secretary for Science Policy

Denmark:

Mr Bertel HAARDER Minister for Education

Germany:

Mr Heinz RIESENHUBER Federal Minister for Research and Technology

Greece:

Mrs Vasso PAPANDEOU State Secretary for Industry, Energy and Technology

Spain:

Mr Juan Manuel ROJO ALAMINO State Secretary for the Universities and Research

France:

Mr Alain DEVAQUET Minister attached to the Minister for Education, with responsibility for Research and Higher Education

Ireland:

Mr John CAMPBELL Ambassador, Permanent Representative

Italy:

Mr Luigi GRANELLI Minister for Scientific Research

Luxembourg:

Mr Fernand BODEN Minister for Education

Netherlands:

Mr R.W. de KORTE Minister for Economic Affairs

Portugal:

Mr Eduardo R. de ARANTES State Secretary for Scientific  
E OLIVEIRA Research

Mr Luis Manuel PEGO TODO BOM State Secretary for Industry  
and Energy

United Kingdom:

Mr Geoffrey PATTIE Minister of State for Industry  
and Information Technology

Mr John W. FAIRCLOUGH Chief scientific adviser

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Commission:

Mr Karl-Heinz NARJES Vice-President

FRAMEWORK PROGRAMME OF COMMUNITY ACTIVITIES IN THE FIELD OF  
RESEARCH AND TECHNOLOGICAL DEVELOPMENT (1987 to 1991)

On the basis of a note from the Presidency, the Council examined in detail a number of fundamental questions which had arisen in connection with the new framework programme and on which it was necessary to obtain guidelines from the Council in order to stimulate and direct technical discussions so that preparations could be made for taking substantive decisions.

The examination confirmed that all delegations wanted a decision to be taken on the framework programme for 1987 to 1991 by the end of the year.

Moreover, discussion of scientific and technical priorities made it clear that there was already some consensus on the possible inclusion of a number of activities in the new framework programme. (However, in the case of a series of other activities there were still differing views on the degree of priority which these should be given).

Regarding the structure of the Commission's paper and the description of activities contained therein, the Council followed its discussion of this by requesting the CREST Committee and the Permanent Representatives Committee to make a more detailed examination.

The Council also dealt with treatment of the following questions in the framework programme: evaluation as part of R & D at Community level, relationship with other international R & D activities, in particular COST and EUREKA, share of resources to be devoted to direct, indirect and concerted action, definition of selection criteria, links with other Community policies, role of SMEs and varying levels of contributions and repayable advances.

In preparation for taking a final decision, the Council also embarked on discussion of the amount to be allotted to the future framework programme and the main courses of action.

Following that discussion, the Council instructed the Permanent Representatives Committee, in close collaboration with the Commission and the CREST Committee on certain aspects, to actively pursue work on all the problems arising with the framework programme in the light of the day's debate in order to prepare for the Council's examination of this important matter at its meeting on 9 December and to enable it to act on the framework programme for 1987 to 1991.

#### MACHINE TRANSLATION SYSTEM

Pending the Opinion of the European Parliament, the Council reached a position generally in favour of adoption of the second stage of an EEC R & D programme for a machine translation system of advanced design (EUROTRA). The amount to be allotted to the programme would be 4,5 MECU.

MISCELLANEOUS DECISIONS

Mediterranean policy of the enlarged Community

The Council approved the additions to the negotiating directives of 25 November 1985 intended to enable the Commission to hold the final stage of negotiations with Mediterranean third countries.

Canary Islands

The Council approved the guidelines for adaptation of the arrangements applicable to the Canary Islands (Article 25(4) of the Treaty of Accession).

Mainland Spain

The Council approved the conclusions concerning national restrictions.

Supplementary mechanism for trade

The Council and the Commission made statements on the functioning of the SMT.

### Further research decision

The Council adopted in the official languages of the Communities the Decision amending the Decision of 16 December 1980 setting up a Consultative Committee for the Fusion Programme (accession of Spain and Portugal).

### Agriculture

The Council adopted in the official languages of the Communities the Regulations (<sup>1</sup>)

- on the rules for calculating the monetary compensatory amounts applicable to eggs and poultrymeat, and amending Regulation (EEC) No 262/86
- amending Regulation (EEC) No 2773/75 laying down rules for calculating the levy and the sluice-gate price for eggs
- amending Regulation (EEC) No 2778/75 laying down rules for calculating the levy and the sluice-gate price for poultrymeat.

### Fisheries

The Council adopted in the official languages of the Communities the Decision authorizing the extension, for the period from 2 November 1986 to 2 May 1987, of the sea fisheries Agreement between the Government of the Kingdom of Spain and the Government of the People's Republic of Angola.

The Council also adopted in the official languages of the Communities the Regulation amending for the fifth time Regulation (EEC) No 3721/85 fixing, for certain fish stocks and groups of fish stocks, total allowable catches for 1986 and certain conditions under which they may be fished. This Regulation fixes a catch quota for the United Kingdom for 1986 of 3 400 tonnes of Clyde stock herring in the West Scotland area.

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(<sup>1</sup>) See Press Release (Agriculture Council) 9568/86 (Presse 144) of 13 and 14 October 1986.

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BRUSSELS, 16 OCTOBER 1986

NOTE BIO (86) 280 AUX BUREAUX NATIONAUX  
CC. AUX MEMBRES DU SERVICE DU PORTE-PAROLE

PRESS CONFERENCE BY VICE-PRESIDENT NARJES  
PREPARATION OF INDUSTRY AND RESEARCH COUNCIL 20/21 OCTOBER

REFERRING TO THE RECENT COMMISSION PROPOSAL FOR A FURTHER, MODERATE  
LIBERALIZATION OF THE STEEL QUOTA REGIME WHICH WOULD LEAVE  
ONLY 45 0/0

OF COMMUNITY STEEL PRODUCTION UNDER QUOTAS IN 1987 (MAINLY FLAT  
PRODUCTS), MR NARJES CONTINUED TO EXPLAIN THE COMMISSION'S  
PERCEPTION OF THE SITUATION FOR THE EUROPEAN STEEL INDUSTRY AS  
BEING RELATIVELY GOOD, DUE TO FALLING PRODUCTION COSTS, EXTREMELY  
LOW SCRAP PRICES ETC. HE WAS OF COURSE AWARE OF A CERTAIN LACK OF  
ENTHUSIASM BY SOME STEELMAKERS AS TO THE COMMISSION'S LINE OF  
THINKING BUT POINTED OUT THAT OTHERS WOULD LIKE TO SEE THE QUOTA  
REGIME ABANDONED ALTOGETHER.

AS FAR AS THE DEMAND FOR STEEL IS CONCERNED A LONG-TERM SHRINKING  
OF THE STEEL MARKET CAN BE REGISTERED DUE TO FALLING SPECIFIC  
CONSUMPTION AS STEELS ARE BECOMING STRONGER AND THEREFORE LIGHTER  
OR EVEN REPLACED BY OTHER MATERIALS. THE ADAPTATION OF THE  
PRODUCTION CAPACITY MUST THUS CONTINUE. IN HIS VIEW FINANCE  
MINISTERS IN THE MEMBER STATES ARE GROWING INCREASINGLY RELUCTANT  
TOWARDS CONTINUING STATE SUBSIDIES.

HE WAS GUARDEDLY OPTIMISTIC AS TO A DECISION BY MINISTERS AT THE  
COUNCIL MEETING.

REPLYING TO A QUESTION AS TO WHY THE COMMISSION DOES NOT BRING  
ANTI-DUMPING CHARGES IN CERTAIN CASES, MR NARJES SAID THAT THE  
COMMISSION IS LOOKING INTO A NUMBER OF CASES BUT THAT PROVING  
DAMAGES AS REQUIRED BY GATT RULES IS NOT ALWAYS EASY TO DO.  
CONCERNING THE POSSIBILITY OF COMPANIES GOING BEFORE THE EUROPEAN

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|------------|-----|
| H.D.       |     |
| D.H.D.     |     |
| INFO.      | 70  |
| TRADE      |     |
| AGRI.      | ALL |
| LEGAL      |     |
| FIN & DEV. |     |
| SCI & ENE. |     |
| SUP. AG.   |     |
| ADM.       |     |
| C.F.       |     |
|            |     |



COURT IN CASE OF A FAILURE BY MINISTERS TO DECIDE ON A REGIME FOR 1987, CLAIMING THAT THE MANIFEST CRISIS IN VIRTUE OF ART 58 ECSC DOES NO LONGER EXIST, HE FOUND SUCH A SITUATION LIKELY AND WOULD THINK THAT HIS REMARKS AT THIS PRESS CONFERENCE COULD BE INTERPRETED AS COMMISSION SUPPORT FOR SUCH CLAIMS.

ON THE SUBJECT OF R AND D MR NARJES FOUND THAT THE COMMISSION'S REASONS FOR PROPOSING THE FRAMEWORK PROGRAMME 1987-1991 WERE AS VALID AS EVER AND THAT AS FAR AS SCIENTIFIC AND TECHNOLOGICAL CONTENT WAS CONCERNED THIS OPINION WAS SHARED BY ALL MEMBER STATES. HE REGRETTED, HOWEVER, THAT DUE TO THE HEAVY EMPHASIS ON AGRICULTURAL EXPENDITURE IN THE COMMUNITY BUDGET A CERTAIN OPPOSITION TO INCREASED R AND D SPENDING COULD STILL BE REGISTERED. HE DOUBTED VERY MUCH THAT MINOR SAVINGS IN THE RESEARCH AREA WOULD HAVE A MARKED IMPACT ON THE PLIGHT OF EUROPEAN AGRICULTURE. HE ALSO STRESSED THE OBVIOUS SUPPORT BY INDUSTRY AND TRADE UNIONS FOR THE COMMISSION'S PROPOSAL, REFERRING TO RECENT SEMINARS ON THE ESPRIT AND RACE PROGRAMMES. WHEN AND IN WHICH FORM THE FRAMEWORK PROGRAMME IS ADOPTED HAS A

DEFINITE BEARING ON THE COMPLETION OF THE INTERNAL MARKET, GROWTH POTENTIAL OF MEMBER STATES, AND LIBERALIZATION OF PUBLIC PROCUREMENT.

HE WANTED TO MAKE IT CLEAR THAT THE EUREKA INITIATIVE DOES NOT PROVIDE THE KIND OF ACCESS FOR ALL TO NEW HIGH TECHNOLOGY AS WOULD THE NEW FRAMEWORK PROGRAMME.

HE CONFIRMED THAT THE COMMISSION INTENDS TO ADOPT A MORE AGGRESSIVE ATTITUDE IN THE FIELD OF OPENING UP OF PUBLIC PROCUREMENT.

REGARDS

H. PAEMEN  
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Brussels, 22 October 1986

NOTE BIO (86) 285 AUX BUREAUX NATIONAUX  
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RESEARCH COUNCIL, 21 OCTOBER 1986, LUXEMBOURG (P. VINTHER)

Outlook for Framework Programme bleak, but by no means hopeless

The Council debate on the second multiannual Community framework programme (FWP) for research and technological development (1987-1991) was characterized by modest progress.

The presidency had - based on the preparatory work in COREPER - drawn up a list of ten questions for consideration by ministers:

1. Scientific and technical priorities
2. Structure of FWP
3. Description of activities
4. Evaluation
5. Relationship with other international R&D
6. Financing of direct action (i.e. role of JRC)
7. Selection criteria
8. Links with other Community policies
9. Role of small and medium-sized enterprises
10. Varying levels of contributions and repayable advances

In his opening remarks VP Narjes stressed the importance of the FWP as a planning tool for the next five years and as a first application of the Single Act (although not yet ratified). He agreed to providing further information on #3 to national representatives in CREST which is meeting at the end of this month.

Discussion of #1 and #2 revealed remaining differences between member states as to which topics should have priority and as to the grouping in action lines proposed by the Commission. The inclusion of telecommunications still seems to encounter opposition from Germany, who sees it as the responsibility of the PTTs.

Mr Narjes reiterated the Commission's position that all actions proposed are of priority nature.

In a comment of principle the Danish minister pleaded that it would be a sad affair for Europe if ministers due to lack of foresight, will and money could not agree on a proposal of such a modest magnitude. This was seconded by several ministers from the smaller member states.

On #4 it was concluded that evaluation of programmes should be mentioned in the regulation adopting the FWP.

On #5 everybody could accept the inclusion of a reference to the COST cooperation in the preamble. On the subject of EUREKA positions were more varied, several member states (F, UK) arguing

for specific mention of the articulation between FWP and EUREKA in the final text. The Portuguese minister warned that COST and EUREKA by no means could replace the FWP which is essential to the smaller countries.

Mr Narjes pointed out possible conflicts between EUREKA projects and the Treaty such as state aids, monopolies, and possible discrimination. These difficulties were acknowledged by the presidency.

#6 gave rise to a discussion of the role of the JRC which was broken off by the presidency prompted by Mr Narjes' reference to the panel of industrialists due to submit a report on this subject by mid-November. Several member states, however, would like to see some indication - not necessarily entirely binding - of how the Commission intends to implement the different lines of action, by direct action (at JRC), cost-sharing action, or concerted action (Community only pays coordination costs). The Commissioner expressed his hesitation as this should be part of the specific programmes.

The discussion on selection criteria, #7, was concluded by a proposal to adopt a Council Resolution setting out such criteria at the same time as the adoption of the FWP. COREPER will be asked to draft such a resolution on the basis of the corresponding criteria for the current FWP.

#8 produced an agreement that some reference should be made in the text to links with other Community policies.

Concerning #9 there was unanimous support for the significance of SME involvement in Community programmes which should be mentioned in the preamble of the regulation. The presidency stressed that also the bigger countries have SMEs. The Italian minister expressed the wish that this would not be just another solemn statement but that it would also be followed by action.

Finally, #10 brought a number of remarks which were generally in favour of increased flexibility as to the level of Community contribution to R&D projects, however, some ministers pointed out that SME participation would be jeopardized at levels below 50% which would be contrary to the sentiments expressed on #9. Mr Narjes warned against an overreaction as the Commission firmly believes that the 50/50 formula is the best compromise ensuring an optimum in dissemination of research results between member states. A level of 80% already applies to the JET project and levels below 50% have been used in some cases. As far as repayment of Community funding in case of positive results is concerned there was some doubts as to the feasibility of such a scheme: how does one measure success? etc.

On the subject of financing the FWP this was debated by ministers during lunch. No details were disclosed but it seemed clear that there are still major differences between the three big member states (F, UK, D) who want to spend a lot less than proposed by

the Commission, and the 9 others who see the 7.735 billion ECU as a minimum.

During the ensuing press conference the Council president, Mr Patten, confirmed that progress had been made in reconciling different points of view but that a lot of ground needs to be covered before the next Research Council on 9 December. He did not feel that an informal council in the meantime would advance things. He was more inclined to try bilateral negotiations.

To the question "did he still consider the FWP to be in one piece after today's meeting?" Mr Narjes replied: "Certainly!"

### **Eurotra**

The Council agreed in principle on supplementary funding for this programme for advanced machine translation necessitated by the accession of Spain and Portugal. 4.5 MECU was approved for the second phase pending Parliament's opinion.

Regards

C. STATHOPOULOS

