NOTE BIO(78)321 AUX BURTEAUX NATIONAUX
C.C. AUX MEMBRES DU GROUPE, A M. BURGHARDT, ASSISTANT DG I,
ET A M. LECOMTE, DG VIII

CONFERENCE DE PRESSE DU PRESIDENT JENKINS LE 18 SEPTEMBRE: REUNION INFORMELLE DE LA COMMISSION A COMBLAIN-LA-TOUR

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VOICI LE TEXTE DE LA PRESENTATION DU PRESIDENT A LA PRESSE:

NATURE OF THE MEETING: THE COMMISSION MET AT COMBLAIN-LA-TOUR THIS WEEKEND FOR A SIMILAR SORT OF MEETING AS IT HAD INITIATED AT LA ROCHE-EN-ARDENNES AT THE SAME TIME LAST YEAR. OUR PURPOSE WAS TO HAVE A WIDE-RANGING DISCUSSION WITH A FAIR AMOUNT OF TIME AVAILABLE ON SOME OF THE CENTRAL ISSUES FACING THE COMMISSION AND INDEED THE COMMUNITY. OUR PURPOSE WAS NOT TO ARRIVE AT PRECISE DE-CISIONS ON SPECIFIC ISSUES OR DEAL WITH PARTICULAR PAPERS ALTHOUGH WE HAD SOME BEFORE US, AS IN THE WEEKLY MEETINGS OF THE COMMISSION, BUT RATHER TO LOOK INTO THE LONGER TERM ASPECTS OF PROBLEMS, FOLLOW A FEW TANGENTS, AND ESTABLISH A COMMON WAY OF LOOKING AT THINGS. IN NEARLY ALL CASES WE SHALL BE TAKING UP THE PROBLEMS WE DISCUSSED AT THE WEEKEND AT LATER COMMISSION MEETINGS TO ESTABLISH PRECISE POSITIONS AND PROPOSALS, AND TO TAKE DECISIONS. THE GENERAL VIEW IN THE COMMISSION WAS THAT OUR MEETING LAST YEAR AT LA ROCHE WAS VERY PRODUCTIVE. IT LED TO THAT NEW IMPULSE TOWARDS ECONOMIC AND MONETARY UNION WHICH IN TURN HAS LED TO BOO NOT MERELY DISCUSSION BUT A STRONG IM-PULSE TOWARDS EUROPEAN MONETARY STYSTEM IN WHICH WE HAVE AD-VANCED FURTHER THAN ANY OF US THOUGHT LIKELY AT THIS TIME LAST YEAR. HENCE I THINK THAT AS WE GATHERED AT COMBLAIN WE ALL FELT IT WOULD BE DIFFICULT TO DO AS USEFULLY AS WE DID IN 1977. IN FACT OUR DISCUSSION WAS DIFFERENT THIS TIME BUT JUST AS GOOD, AND WILL, I HOPE, BE JUST AS FRUITFUL. LET ME NOW TURN TO THE MAIN POINTS WE DISCUSSED.

2. THE FUTURE OF THE COMMUNITY BUDGET:
IN TACKLING THIS EXTREMELY DIFFICULT SUBJECT, WE WENT STRAIGHT
TO THE HEART OF ONE OF THE MAJOR PROBLEMS FACING THE COMMUNITY.
AS THE COMMISSION HAS ALREADY EXPLAINED IN ITS FORWARD FORE—
CASTS, THE PRESENT SYSTEM OF OWN RESOURCES WILL BE EXHAUSTED
BY THE EARLY 1980'S. NEW SOURCES OF REVENUTE WILL THREREFORE
HAVE TO BE FOUND. DISCUSSION OF THE VARIOUS POSSIBILITIES —
NATURALLY LED OT DISCUSSION OF THE PRESENT STATE OF PLAY ON
ECONOMIC AND MONETARY UNION, THE CHARACTER OF THE EUROPEAN

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MONETARY SYSTEM NOW UNDER EXAMINATION, AND THE NATURE OF THE COMMUNITY BUDGET WHICH EITHER MIGHT REQUIRE. WE WENT ON TO CONSIDER WHETHER AND TO WHAT EXTENT THE COMMUNITY BUDGET SHOULD BE REDISTRIBUTIVE, AND I THINK IT BEEN IS FAIR TO SAY THAT NONE OF US BELIEVED THAT TRANSFER OF RESOURCES ALONE COULD RECTIFY THE PRESENT IMBALANCES IN WEALTH AND ECONOMIC PERFORMANCE WITHIN THE COMMUNITY, BUT WE DID THINK IT PART OF OUR DUTY TO ENCOURAGE REFORM OF ECONOMIC STRUCTURES AND EN-OURAGE INVESTMENT IN THOSE COUNTRIES WHICH MOST NEED IT. PROBLEM GOES FAR WIDER AND DEPPER, AND THE INSTRUMENTS WE NOW HAVE TO HAND ARE RELATIVELY WEAK AND SMALL. THE COMMISSION WILL BE RETURNING TO THIS SUBJECT SOON AND WILL BE SUBMITTING ITS IDEAS ON IT BOTH TO THE COUNCIL AND TO PARLIAMENT.

## AGRICULTURE:

IT IS, I THINK, GENERALLY KNOWN THAT THERE WAS AN INTERESTING DISCUSSION OF AGRICULTURAL PROBLEMS AT THE EUROPEAN COUNCIL AT BREMEN, AND THAT THE COMMISSION WAS THEN INVITED TO LET THE EUROPEAN COUNCIL IN BRUSSELS IN DECEMBER KNOW ITS VIEWS ON THE FUTURE DEVELOPMENT OF THE COMMON AGRICULTURAL POLICY. IN DOING SO WE SHALL HAVE CENTRALLY IN MIND THE NEED TO REDUCE STRUCTUR-AL SURPLUSES SO AS TO LEAD TO A BETTER BALANCE OF EXPENDITURE WITHIN THE COMMUNITY BUDGET.

WE HAD A PRELIMINARY DISCUSSION OF THIS VITALLY IMPORTANT SUB-JECT AT COMBLAIN. I SHOULD SAY AT THE OUTSET THAT NO-ONE SOUGHT TO BRING INTO THE QUESTION EITHER THE PRESENT BASIS OR THE AGREED AIMS OF THE COMMON AGRICULTURAL POLICY WHICH ALL RECOGNISED AS ONE OF THE FOUNDATIONS OF THE COMMBUNITY. OUR PURPOSE WAS RAHTER TO SEE HOW WE SHOULD CONTINUE TO PURSUE THE POLICIES ALRADY INITIATED BY THIS COMMISSION DESIGNED FIRST TO REDUCE SURPLUSES. HERE WE SHALL BE PUTTING FORWARD SOME IDEAS ABOUT HOW TO DEAL WITH THE PRESENT ACUTE PROBLEM IN THE DAIRY SECTOR. SECONDTO ACHIEVE A BETTER BALANCE OF EXPENDITURE WITHIN THE CAP. AS YOU KNOW WE HAVE ALREADY BEGUN TO DO THIS WITH THE MEDITERRANEAN PACKAGE. WHAT I MUST STRESS IS THAT REINFORCEMENT OF OUR PRUDENT PRICE POLICY WILL LIE AT THE HEART OF OUR ENDEAVOURS.

THE OBJECTIVES OF THE CAP HAVE NEVER, OF COURSE, BEEN SOLELY AGRICULTURAL AS THE TREATY OF ROME ITSELF MAKES CLEAR. ■THE CAP MUST THEREFORE BE RESPONSIVE TO SOCIAL AS WELL AS ECONOMIC CHANGE IN EUROPE, AND SUFFICIENTLY ADAPTABLE TO COPE WITH NEW CIRCUMSTANCES. WE HOPE THAT INTENSIFICATION OF WHAT WE ARE ALREADY DOING WILL LEAD TO THE RESULTS WE WANT. WE ALSO HAVE TO CONSIDER HOW THE CAP RELATES TO COMMUNITY POLICIES IN OTHER FIELDS, IN PARTICULAR A EUROPEAN MONETARY SYSTEM AND ITS CHOICE OF A NUMERAIRE FOR INTERNAL SETTLEMENTS. AGAIN WE TOOK NO 1111

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DECISIONS BUT WILL BE DISCUSSING THE WHOLE MATTER ACCORDING TO OUR USUAL PROCEDURES. OUR REPORT TO THE EUROPEAN COUNCIL WILL NOT UPSET OUR USUAL CALENDAR FOR NEXT YEAR'S FARM PRICE PROPOSALS.

4. WORK OF THE COMMISSION:

WE HAD A WIDE-RANGING DISCUSSION OF THE OVERALL BALANCE AND FOCUS OF THE COMMISSION'S OWN WORK. OBVIOUSLY TO SOME EXTENT A GOOD DEAL FO THE COMMISSION'S ACTIVITY CANNOT BE CHOSEN BY IT, SUCH AS THE MANAGEMENT OF THE COMMON AGRICULTURAL POLICY, THE CONDUCT OF THE MULTILATERAL TRADE NEGOTIATIONS AND THE WORK ON ENLARGEMENT. BUT WE WERE FULLY AGREED ON TWO MAIN POINTS:

FIRST, THAT OUR PRIMARY CONCERN WAS TO DO FULLY AND EFFECTIVELY THE JOB THE TREATY REQURIRES OF US AND PUT OUR CENTRAL FOCUS ON MAJOR ISSUES OF EUROPEAN POLICY. SECOND, WE SHOULD APPLY STRICTER CRITERIA THAN BEFORE TO THE EXTENT TO WHICH THE COMMISSION FORMS BLEGISLATIVE PROPOSALS, OFTEN OF A MINOR NATURE. THE SORT OF CRITERIA, ON WHICH WE WERE AGREED, TO TEST WHETHER HARMONISATION PROPOSALS ARE NECESSARY, WERE:

WILL THEY PROMOTE TRADE WITHIN THE COMMUNITY? WILL THEY STRENGTHEN THE FOUNDATIONS FOR ECONOMIC AND MONETARY UNION? ARE THEY REALLY NECESSARY, AND CAN THE COMMISSION DO IT BEST OR BETTER THAN OTHERS; CAN THEY BE JUSTIFIED IN TERMS OF THE STAFF REQUIRED WITHIN OUR LIMITED AVAILABILITY?

THROUGHOUT THIS DISCUSSION WE WERE GUIDED BY THE SENSE THAT THERE IS AT THE PRESENT TIME THOROUGHOUT THE WESTERN WORLD A STRONG REACTION AGAINST UNNECES, ARY INTERFERENCE OR OVERGOVERNMENT. THE COMMISSION, WITHOUT A CONVENTIONAL DEMOCRATIC MANDATE IS PERHAPS ESPECIALLY VULNERABLE TO THIS OVER-BUREAUT CRATIC CHARGE. BUT ALTHOUGH WE MAY NOT HAVE BEEN ELECTED TO OFFICE, OUR APPROACH MUST BE POLITICAL AND WE MUST RESPOND IN A POLITICAL SENSE.

AS AN EXAMPLE I CAN TAKE THE RECENT ARGUMENT OVER LAWNMOVERS. WE ARE PERSUADED AS ARE THE MANUFACTURERS OF LAWNMOWERS THAT IN TERMS OF THE BENEFITS TO MANUFACTURING SOME ACTION IS NECESSARY HERE BUT IT DOES NOT MAKE GOOD SENSE TO ANNEX TO THE MAIN ISSUE PROPOSALS FOR REGULATING THE TIMES OF USE OF LAWNMOWERS, AND TO SUGGEST WHETHER THEY SHOULD OR SHOULD NOT BE USED IN THE EVENINGS OR ON SUNDAYS. IN OTHER WORDS, WHERE THE ISSUE IS NOT CENTRAL TO THE CRITERIA I HAVE MENTIONED, LET NATION STATES IF THEY WISH CHERISH THEIR DIFFERENCES AND LET US NOT PRETEND IT IS SENSIBLE TO MAKE PROPOSALS WHEN THEY DO NOT MEET THE CRITERIA I HAVE MENTIONED.

WE ALSO AGREED THAT THESE MORE CRITICAL ORIENTATIONS SHOULD NOW BE STRICTLY APPLIED IN THE PREPARATION OF NEXT YEAR'S PROGRAMME OF WORK.

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## 5. ORGANISATION AND STAFFING OF THE COMMISSION

WE TURNED TO THIS IN THE LIGHT OF OUR DISCUSSION ON THE BALANCE AND AIMS OF COMMISSION WORK. THE TWO ARE LINKED. WE RECOGNIZED THAT WE COULD NOT EXPECT TO HAVE AN ORGANISATION THAT SERVED US WELL UNLESS AT THE SAME TIME OUR STAFFING POLICY SERVED AS BEST IT COULD THE OF FICIALS WHO SERVED US. WE THEREFORE AGREED THAT THIS WAS THE RIGHT TIME TO UNDERTAKE A THOROUGH REVIEW OF ORGANISATION AND STAFFING MATTERS. WE ALSO AGREED THAT IN THIS PROCESS WE SHOULD CALL ON THE ASSISTANCE OF DISTINGUISHED AND INDEPENDENT OUTSIDERS, AND THAT WE SHOULD HAVE A REPORT WITHIN SIX MONTHS.

WE RECOGNISED THE NEED IN BEPRESPARING OUR DETAILED PROPOSALS FOR THIS WORK TO DISTINGUISH BETWEEN WHAT NEEDS TO BE DONE URGENTLY AND CAN BE DONE WITHIN THE HOUSE, (AND THERE WILL BE NO HOLD-UP THERE), AND OTHER ISSUES. WE REMAIN CONCERNED THAT DESPITE ALL THE GOOD WORK SO FAR ACHIEVED ON ORGANISATION AND STAFFING, WE NEED TO GO FURTHER IN TERMS OF IMPROVING CAREER DEVELOPMENT AND OF THE ADAPTABILITY OF COMMISSION'S RESOURCES TO CHANGING PRIORITIES.

THE COMMISSION REMAINS A RELATIVELY SMALL ORGANISATION. IN MANY FIELDS WHERE WE ARE DISCHARGING MAJOR RESPONSIBILITIES THE RESOURCES WE HAVE AVAILABLE ARE MUCH SMALLER THAN THOSE OF MEMBER GOVERNMENTS WHOSE RESPONSIBABILITIES MAY NOT BE SO CENTRAL. WE THEREFORE HAVE TO ENSURE THE BEST DEPLOYMENT OF OUR RESOURCES. WE MUST REMEMBER THAT THE COMMISSION'S STRUCTURE WAS FORMED IN A COMMUNITY OF SIX. IN THE COMING YEARS A PREMIUM MUST BE PLACED ON ITS ABILITY TO ADAPT TO A COMMUNITY OF TWELVE AND TO A LARGER AND NATURALLY, RIGHTLY AND INEVITABLY MORE DEMANDING PARLIAMENT. IN ORDER TO SUCCEED OUR EXISTING ORGANISATIONAL PROBLEMS MUST BE SQUARELY FACED.

## 6. DIRECT ELECTIONS

WE ALSO DISCUSSED THE FUTURE DIRECT ELECTION OF THE PARLIAMENT IN RELATION TO THE IMPACT OF THE ELECTIONS AND PARLIAMENT ON THE COMMISSION. IT WAS AN EXCHANGE OF VIEWS AND NO DECISIONS WERE REACHED. WE ARE FIRMLY AGREED HOWEVER THAT DURING THE CAMPAIGN COMMISSIONERS WHO MIGHT PARTICIPATE IN ANY FORM OR EVEN STAND AS A CANDIDATE, SHOULD FIRMLY RESPECT THE COLLEGIATE NATURE OF THE COMMISSION AND THE COLLECTIVE POLICIES WE HAVE PURSUED.

## 7. SUMMARY

LAST YEAR AT LA MUNICIPALE MANDER MAND DEBATE IN THE FUTURE.
ON THAT WE PROVED REMARKABLY SUCCESSFUL. THAT SAME TASK DID

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NOT PRESENT ITSELF AGAIN IN EXACTLY THE SAME WAY ON THIS OCCASION. WE WERE MORE CONCERNED THIS YEAR TO SEE OURSELVES DEBERED BREED BREED MORE EFFECUTIVELY ORGANISED AS A COMMISSION AND ADAPTED TO THE INCREASING REQUIREMENTS OF THE MAIN STREAM OF COMMUNITY BUSINESS AND TO THE INCREASING DEMANDS MADE UPON US.

SUPPLEMENTARY QUESTIONS:

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A. THE GISCARD LETTER

WE HAD A BRIEF DISCUSSION OF THE PROPOSALS CONTAINED IN THE BLETTER WHICH PRESIDENT GISCARD WAS KIND ENOUGH TO SEND ME. WE FELT THAT THEY CONSTITUTED AN INTERESTING IDEA WHICH CERTAINLY MERITED CAREFUL EXAMINATION WITHIN THE COMMUNITY. THE COMMISSION OF COURSE HAS ALREADY MADE A NUMBER OF FARREACHING PROPOSALS FOR THE DEVELOPMENT OF THE COMMUNITY IN THE FRESCO PAPER ON ENLARGEMENT WHICH WE PUT FORWARD IN APRIL THIS YEAR. FOR EXAMPLE WE RECOMMENDED TO THE COMMUNITY OF THE COMMUNITY OF THE PROPOSALS FOR THE DEVELOPMENT OF THE COMMUNITY OF THE PROPOSALS FOR THE DEVELOPMENT OF THE COMMUNITY OF THE PROPOSALS FOR THE DEVELOPMENT OF THE COMMUNITY OF THE PROPOSALS FOR THE DEVELOPMENT OF THE COMMUNITY OF THE PROPOSALS FOR THE PROPO

RESONANCE SPECIFICALLY:

- REFORMS OF DECISION-MAKING PROCEDURES, SEE

- ■- AND, ADAPTATION OF THE INSTITUTIONS. WE HAVE ALSO MADE CON-
- CREMTE PROPOSALS ON THE ARRANGEMENTS FOR MEMILIRSHIP OF THE
- EUROPEAN PARLIAMENT AND OTHER 'NUMERICAL' CHANGES FOLLOWING
- FROM ENLARGEMENT. ON THE SIZE OF THE COMMISSION, WE HAVE
- SUGGESTED THAT, IN A COMMUNITY OF TWELVE, BEBETHERE IS A
- CASE FOR MOVING TO A SYSTEM OF ONE MEMBER PER COUNTRY.
- WE ALSO SPOKE OF THE NEED FOR GREATER COHESION OF THE COMMUNITY IN THE ECONOMIC AND MONETARY FIELD IN ADVANCE OF ENLARGEMENT.

HERE WE ARE ALREADY MAKING GOOD PROGRESS.

OUR OTHER IDEAS ARE STILL ON THE AGENDA OF THE COUNCIL. A DIFFICULT QUESTION IS WHETHER WE SHOULD SEEK TO MAKE CHANGES WITHOUT ADAPTATION OF THE TREATIES OR WHETHER WE SHOULD BE READY TO CONSIDER CHANGING THE TREATIES THEMSELVES. HERE I HAVE THE IMPRESSION THAT MEMBER STATES SO FAR HAVE BEEN RATHER MORE CONSERVATIVE THAN THE COMMISSION.

THE COMMISSION AND I MYSELF FULLY RECOGNISED THE IMPORTANCE OF THE PROBLEMS TOUCHED ON IN PRESIDENT GISCARD'S LETTER. WE ARE NATURALLY PURDESUING OUR OWN WORK ON THE SUBDECT AND WE NATURALLY COUNDON MAKING OUR OWN CONTRIBUTION TO WHATEVER SOLUTION OF THE PROBLEM THE COMMUNITY ARRIVES AT. WE ARE MORE CONCERNED WITH THE SUBSTANCE OF THE PROBLEM THAN THE METHOD OF DEALING WITH IT. ONE FURTHER POINT: I KNOW OF NO SUGGESTION THAT OUR WORK ON ENLARGEMENT ITSELF SHOULD BE HELD UP BECAUSE OF THIS POSSIBLE INQUIRY. WE SHALL CONTINUE OUR WORK. AS YOU KNOW, WE HOPE TO BREAK THE BACK OF THE GREEK NEGOTIATIONS AND WITHIN THE SAME PERIOD BEGIN NEGOTIATIONS WITH PORTUGAL AND TO COMPLETE OUR OPINION ON SPAIN BEFORE THE END OF THIS YEAR.

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B. THE BUDGET, REVENUE AND REBEDISTRIBUTION

THE COMMISSION WILL BE MAKING FURTHER PROPOSALS IN THE CONTEXT OF TRANSFER OF RESOURCES. FOR NEW REVENUE, WE CONSIDERED A NUMBER OF IDEAS WHICH WOULD HAVE A VARIETY OF EFFECTS. WE EX-CLUDED ANY IDEA WHICH WOULD HAVE A REGRESSIVE EFFECT. THE DISCUSSION WAS ABOUT POSSIBILITIES OF VARYING PROGRESSIVITY FOR MEMBER STATES. WE WILL BE PUTTING FORWARD PROPOSALS IN THE FORM OF A 'GREEN PAPER' TO THE COUNCIL AND PARLIAMENTS, WILL NEED ADDITIONAL REVENUE, AND OUTLINING VARIOUS POSSIBILIT-IES AND EFFECTS. WE HOPE THIS WILL PROVOKE DISCUSSION OVER A

NUMBER OF MONTHS. C. THE COMMON AGRICULTURAL POLICY

THE WHOLE THRUST OF OUR DISCUSSION WAS TO REINFORCE OUR PRUDENT PRICE POLICY TO REDUCE SURPLUESES. THIS IS THE WAY TO ACHIEVE RESULTS MOST RAPIDLY. OUR AIM IS TO REDUCE SURPLUSES BECAUSE THE FINANCING OF SURPLUSES IS THE MAIN BURDEN OF COST OF THE CAP. IF WE REINFORCE OUR PRUDENT PERICE POLICY, WE REDUCE THE SURPLUSES, AND THIS HAS AN IMPACT ON THE LEVEL OF EXPENDITURE. I DO NOT EXCLUDE ADDITIONAL MEASURES BUT I AM NOT NECESSARILY PROPOSING THEM.

IT IS ALSO HIGHLY DESIRABLE, AS WE MOVE TOWARDS A COMMON NUMERAIRE FOR THE EUROPEAN MONETARY SYSTEM, TO HAVE A COMMON NUMERAIRE IN AGRICULTURE.

D. THE PROPOSED REVIEW BODY

THE DEGREE OF OUTSIDE INFLUENCE, AND THE FACT THAT THE REPORT WILL BE PUBLISHED, WILL HELP TO ENSURE THAT SOMETHING DOES HAPPEN AS A RESULT OF THIS REVIEW BODY. WE HAVE NOT YET SETTLED ITS SIZE OR COMPOSITION. BUT WE DID NOT TALK IN TERMS OF MORE THAN FOUR OR FIVE PEOPLE, AND AT LEAST ONE OF THEM WOULD BE FROM WITHIN THE COMMISSION. THE MANDATE WILL BE DEFINED BY THE COMMISSION, CONSIDERED FINED TO THE COMMISSION, AND THE REPORT SUBMITTED TO THE COMMISSION. WE WHERE PARTICUL-ARLY PRECISE ON THE TIMMESCALE : 6 MONTHS IS THE MAXIMUM TO ALLOW US TO MAKE GOOD PROGRESS TOWARDS IMPLEMENTATION OF THE REPORT BEFORE THE NEXT INFORMAL MEETING WHICH WE WILL NO DOUBT

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HAVE THIS TIME NEXT YEAR. WE HAVE NOT LAID DOWN ANY CRITERIA FOR MEMBERSHIP OF THE REVIEW BODY. ITS MEMBERS SHOULD COME FROM A VARIETY OF MEMBER STATES, WITH DIFFERENT EXPERTISES. IT MIGHT POSSIBLY INCLUDE A MANAGEMENT CHONSULTANT (THOUGH IT IS NOT THAT SORT OF ENQUIRBY) , SOMEONE WITH EXPERIENCE OF INTERNATIONAL ORGANISATIONS, SOMEONE FROM PRIVATE INDUSTRY, FROM GOVERNMENT, FROM THE TRADE UNION MOVEMENT. REGARDS, E PERLOT COMEUR