

THE EUROPEAN COUNCIL

**DUBLIN
3-4 DECEMBER 1984**

Documents in the dossier include:

Conclusions
Session of the European Council

Dublin European Council
Reproduced from the Bulletin of the European Communities, No. 12/1984

E.C. Leaders Issue Communiqué at Dublin
European Community News No. 38/1984
European Community Information Service
Washington DC

Conclusions of the Council on the application of budgetary discipline
Reproduced from the Bulletin of the European Communities, No. 12/1984

Statement by the Taoiseach, Dr. Garret FitzGerald
On the European Council held in Dublin Castle on
3-4 December 1984

Session of the European Council

Dublin, 3 and 4 December 1984

Conclusions

Economic and social situation

The European Council welcomed the priority given to the problem of unemployment in the Commission's recently published Annual Economic Report. It therefore supports the balanced guidelines in the report, which embodies a consistent economic policy framework for improving supply and demand conditions; and it considers that these guidelines should be speedily implemented. In particular it agreed that the Council, in its appropriate formations:

- should initiate a review of manpower policy to reorientate training towards sectors where labour will be needed, and take steps to encourage job mobility and foster enterprise, especially amongst the young;
- should take steps to complete the internal market, including implementation of European standards;
- should pursue and accelerate its consideration of measures to achieve a greater role for the ECU and develop and strengthen the European Monetary System, on the basis of the relevant Commission communications;
- should implement without delay the firm political commitments agreed by the European Council at its meetings of Brussels and Fontainebleau in the field of transport policy;
- should adopt further measures to strengthen the technological base of the Community and restore competitiveness; to this end, the Commission is asked to submit an appropriate draft action programme to the next European Council.

The European Council agreed that the Community and the Member States should take measures, including concertation of economic policies designed, in the words of the preamble to the Rome Treaty, to reduce the differences existing between the various regions and the backwardness of the less-favoured regions.

In regard to any possible faltering of the European and world recovery of output and employment the European Council also asked the Council (Economic and Financial Affairs) and the Commission to keep external developments under continuous review. It requested them to report back to its meeting in March on what measures might be appropriate for the Community or may already have been initiated to assure the objective of a progressive increase in the actual and potential growth rate for the Community to the benefit of employment.

Environment

The European Council asked Environment Ministers at their Council meeting on 6 December to make every effort to reach agreement on the guidelines for a Community policy on the reduction of lead in petrol and vehicle emissions.

The Council agreed to have a substantive discussion on environmental issues at their next meeting in March 1985.

Ad hoc Committee on Institutional Affairs

The European Council has taken note of the interim report by the ad hoc Committee on Institutional Affairs. It recognized its great quality and the need for the Committee to continue its work with a view to securing the maximum degree of agreement. The Council agreed that the interim report should be published.

The European Council, for its next meeting in March 1985, has asked the Committee to complete its work and submit a report which, after preliminary consideration at that meeting, will be the main subject of the European Council in June 1985.

Ad hoc Committee on a People's Europe

The European Council noted with interest the interim report of this Committee and requested the Committee to make a further report to the European Council next March.

Council report on European Union

The European Council approved the annual report on European Union. This report will be forwarded to the European Parliament as provided for in the Solemn Declaration on European Union.

Famine in Africa

In the face of the serious difficulties currently being experienced by many countries of Africa, especially those, like Ethiopia or the Sahel countries, which are suffering the effects of an unprecedented drought and the ravages of malnutrition and famine, the European Council stresses the urgency of taking concerted international action.

The European Council believes that the total to be provided by the Community and its Member States between now and the next harvest should be 1,2 million tonnes.

The Commission, after consultation with Member States to establish the amount of grain that will be provided by Member States, will make a proposal to the Council with respect to any additional Community effort that may be needed to attain the figure of 1,2 million tonnes and the European Council invites the Council of Ministers to take any necessary decisions on the basis of such a Commission proposal in order to secure the achievement of the 1,2 million total. The European Council appeals to other donor countries to match this effort by the Community and its Member States in order that the total need of these States, currently estimated at 2 million tonnes, will be met.

It stresses the need for urgent action to avoid threatened shortfalls in the months immediately ahead.

It notes the need for improved coordination between the Community, its Member States, other donors and non-governmental organizations, in order to increase the efficiency and pace of implementation of emergency aid measures and invites the Commission to initiate action in this regard.

The European Council acknowledges the need to undertake urgent action to speed up and support the recovery and rehabilitation process in African countries and to provide the Community's active support for their efforts to achieve self-sufficiency and security in food; also in implementing long-term operations to combat drought and desertification.

The European Council emphasizes the will of the Ten, in all international negotiations, to support initiatives to strengthen solidarity between the industrialized countries and the countries of the Third World and thus to foster development.

It welcomes the declaration on the critical economic situation in Africa just adopted by the UN General Assembly.

It notes with satisfaction the successful conclusion of the negotiations for the renewal of the Lomé Convention which links the European Community, its Member States, and the African, Caribbean and Pacific States. The fact that the progress achieved so far has been consolidated bears witness to the strength and vitality of this cooperation.

Political cooperation

Middle East

The 10 Heads of State or Government discussed the situation in the Middle East. They reaffirmed their desire to see urgent efforts made to establish peace and stability there and their willingness to assist efforts to that end.

Arab-Israeli conflict

The Ten regard it as vitally important that renewed efforts should be made towards negotiations for a settlement of the Arab-Israeli conflict. They note with satisfaction expressions of interest of both sides in a process of movement towards negotiations and they hope that this declared interest will be further built on. They remain convinced that a just, lasting and comprehensive peace in the Middle East can only be secured on the basis of the principles which they have stated many times in the past and to which the Ten continue to adhere.

In order to find a lasting solution, no amount of effort by third parties can be a substitute for direct negotiations among the parties themselves - the Arab States, Israel and the Palestinian people - which must recognize mutually each other's existence and rights.

They call on all parties to implement the provisions of Security Council Resolutions 242 and 338. They renew their call for an end to the illegal policy of settlements in the occupied territories.

The Ten have noted the recent holding of the Palestine National Council in Amman. They continue to believe that the PLO must be associated with peace negotiations.

The Ten have consistently offered to assist in any way open to them in attempts to identify common ground between the parties. The Ten both collectively and individually have maintained contact with all parties. In continuation of this policy, the European Council considers that such contacts should be developed with a view to seeking ways of promoting movement towards negotiation and improvement of the situation in the region.

Lebanon

The 10 Heads of State or Government welcomed the negotiating process with UN involvement which has begun at Naqoura and hope that this will lead to complete Israeli withdrawal from Lebanon in accordance with the call of the Security Council. They recalled their position in favour of the full sovereignty, independence and territorial integrity of Lebanon and their belief that this can only be effected in circumstances where all foreign forces are withdrawn from the country except those whose presence is requested by the Lebanese Government. The Ten, some of whom contribute to observer and peacekeeping operations in Lebanon, reaffirmed their willingness to assist that country's return to peace and normality.

Iran-Iraq

The Ten note with concern that this conflict has now entered its fifth year and that numerous efforts to bring about a cease-fire and negotiations have not so far met with success. They will continue to work for an early, just and honourable settlement and will give full support to any efforts to limit the scope of the conflict. An end now to the slaughter and destruction would spare many on both sides and allow Iran and Iraq, with both of whom the Ten desire good relations, to pursue their development in peace.

East-West relations

The Ten have sought, during a difficult period in East-West relations, to keep open all channels of dialogue and to work for more cooperative and more stable relations between East and West. They will continue to seek constructive, comprehensive, and realistic dialogue with the Soviet Union and the countries of Eastern and Central Europe and, wherever possible, to develop further existing cooperation with them. They look for a similar positive response. They believe that the way to achieve a lasting improvement in international security is to build a broader understanding and new confidence between East and West.

The Ten attach the highest importance to the achievement of effective arms control and disarmament agreements on both nuclear and conventional weapons, as well as a convention to outlaw chemical weapons. The Heads of State or Government therefore welcome the recently announced US-Soviet agreement to enter into new negotiations with the objective of reaching mutually acceptable agreements on the whole range of questions concerning nuclear and outer space arms. They hope that the meeting due to take place on 7 and 8 January 1985 between US Secretary of State Shultz and Soviet Foreign Minister Gromyko will be followed by early substantive negotiations designed to bring balanced reductions of intercontinental strategic nuclear weapons and intermediate nuclear forces to the lowest possible level, and to avert effectively the danger of an arms race in outer space.

In expressing their strong support for such talks, the 10 Heads of State or Government reaffirm their own determination to do everything possible to ensure progress in the negotiations in which the Ten are taking part, notably the conference in Stockholm on confidence- and security-building measures and disarmament in Europe. The agreement recently arrived at on a working structure for the conference is a welcome development which they hope will permit substantive negotiations to get under way at Stockholm on concrete measures designed to lead to a real increase in confidence and security in Europe.

The 10th anniversary of the signature of the Helsinki Final Act in 1985 will serve to underline the continuing central role which the CSCE process plays in East-West relations. The Ten have already indicated that they will be ready to be represented at high level at the anniversary commemoration on the assumption that the international climate will make this appropriate. The Ten will continue to seek through the CSCE process more secure and more cooperative relations between the participating States, and greater contact between their peoples. In working to fulfil the Helsinki Final Act objective of promoting better relations among the CSCE participating States and ensuring conditions in which their people can live in true and lasting peace free from any threat to or attempt against their security, the Ten will continue to emphasize the importance which they attach to the full implementation of all the provisions of the Final Act, including those relating to human rights and fundamental freedoms.

Central America

The Heads of State or Government note with satisfaction the inauguration of a new structure of political and economic dialogue between Europe and Central America at the conference held at San José, Costa Rica on 28 and 29 September 1984 between the Ministers of the European Community, Portugal and Spain, the Central America countries and the Contadora Group.

The Heads of State or Government reiterate the statement on Central America which they made on 19 June 1983 at Stuttgart. In particular, they reaffirm their conviction that the problems of the region cannot be solved by armed force but only by a political solution springing from the region itself and respecting the principles of non-interference and inviolability of frontiers.

The Ten remain convinced that the Contadora process is the best opportunity to achieve a political solution to the crisis in the region. They hope that the efforts being made to reach agreement on the final text of the Contadora Act will come to early fruition and they urge all those concerned to work towards this end. They reaffirm the willingness which they expressed at San José to support, within their capabilities and if requested, the efforts of those States to which it falls to implement the provisions of any agreement.

Terrorism and the abuse of diplomatic immunity

The Heads of State or Government welcomed the set of principles on terrorism and abuse of diplomatic immunity adopted by the Foreign Ministers of the Ten on 11 September. The Heads of State or Government agreed that this represented a significant step forward in the Ten's efforts to counter an increasingly serious problem and noted with satisfaction that these principles are now being applied.

Annex I

Table wine

The Council of Ministers, noting the European Council's conclusion at Fontainebleau that reform of the common market organization for wine is one of the conditions necessary for successful enlargement of the Community, has examined the Commission's report on the situation in the wine market and its associated proposals. As a result of that examination the Council has taken the following decisions on table wine:

1. The reduction of wine-producing potential is an essential element of the reform of the wine market organization.

The Council has noted the Commission proposals on this and signifies its agreement to the principle of measures to encourage grubbing-up and to limit replanting rights.

The Agricultural Council is given the task of taking the decisions which are necessary, before the next meeting of the European Council, taking the particular conditions of each region into account.

2. In a further effort to improve the structure of the wine sector, only investments to improve wine quality without increasing quantity will be financed under Regulation No 355/77, while a Regulation to improve the structure of Greek vineyards and the Greek wine industry will be adopted by 31 January 1985 for an area of 20 000 hectares.

3. Other measures are necessary to ensure, as of now, the balance of the wine market, in particular a strengthening of the compulsory distillation machinery as provided for in Article 41 of the basic regulation, along the following lines:
- (a) where a serious market imbalance exists, compulsory distillation will be triggered by the Commission under the Management Committee procedure; a serious market imbalance is deemed to exist:
 - when the stocks as defined in Article 41 (1), first indent, of Regulation No 337/79 exceed four months' normal utilization; or
 - when the market prices remain below 82% of the guide price during a representative period; or
 - when, for a wine marketing year, the data in the advance estimate show that production is exceeding normal utilization by more than 9%;
 - (b) the Commission will fix the quantities which must be sent for compulsory distillation so as to eliminate the production surplus and, in this way, re-establish a normal market situation, in particular regarding stock levels and prices;
 - (c) where the compulsory distillation is triggered, the Commission will make known the compulsory distillation obligations of each region, grouped by Member State.

While the responsibility for ensuring the implementation of the compulsory distillation thus rests with the Member States, the volume to be distilled compulsorily will be divided:

- among the regions of the Community in proportion to the production volumes exceeding a specified level for each one of them, equal to a uniform percentage of their average harvest over the three wine years 1981/82, 1982/83 and 1983/84; this average base period may be modified by the Commission after the 1989/90 marketing year to take account of the evolution in production and in particular the results of the grubbing-up policy;
 - within each region, among producers, on the basis of yield per hectare on a scale fixed by the Commission under the Management Committee procedure; the scale may vary by region, account being taken of yields obtained in the past; the producers may subtract the quantities sent for preventive distillation from their obligations under the compulsory distillation; for 1985/86 the rules will be adapted to provide for the administrative arrangements to be applied to Greece for that year;
- (d) for the 1985/86, 1986/87 and 1987/88 wine marketing years the price of compulsory distillation will be 50% of the guide price for the first 10

million hectolitres of such distillation and 40% for quantities in excess of that.

The Council shall review the prices for the 1988/89 and 1989/90 wine marketing years in the light of the progress in reducing the imbalance in the table wine sector;

- (e) these additional measures will in principle continue until the end of the 1989/90 marketing year. The Council, on the basis of a report from the Commission dealing in particular with the effect of the structural measures and including where appropriate proposals on the future organization of the wine market, shall decide whether they can be repealed or replaced by other measures that will guarantee balance in the wine market.
4. The Council requests the Commission to undertake a thorough study of the possibilities of using concentrated must and sugar and to report back to it in 1990. The Council will then take a view on the measures to be taken in the area of enrichment.

The degree of alcohol obtained by the use of sucrose or reduced-price concentrated grape must will be deducted on a flat-rate basis when the buying-in price for distillation is calculated. Furthermore, from 1988 the quantity of table wine to be distilled in the Federal Republic of Germany shall not exceed 1 million hectolitres. In years in which, owing to weather conditions or market trends, this limitation might lead to serious disruption of the market, the Council will make the appropriate adjustment.

5. No changes are made in the present arrangements in regard to quality wines psr.
6. The Council undertakes to apply a restrictive price policy in the wine sector, as proposed by the Commission, just as long as the compulsory distillations show the existence of surpluses not marketable in normal conditions.

Annex II

Statement by the Greek Prime Minister

The Greek delegation does not agree with enlargement unless a satisfactory position of the Community is taken on integrated Mediterranean programmes. This is also the Greek position concerning wine.

2. Dublin European Council

1.2.1. The Heads of State or Government met in Dublin on 3 and 4 December for the final European Council of 1984. The meeting was chaired by the Irish Prime Minister, Dr Garret FitzGerald, and the Commission was represented by Mr Thorn and Mr Natali.

Mr Jacques Delors, President-designate of the new Commission, was invited to join the Heads of State or Government at the working dinner on 3 December and the working lunch on 4 December.

The Commission had sent the European Council its usual communication on the economic and social situation in the Community and its 1984 annual report on European Union.

There were two difficult items on the agenda: enlargement, with particular reference to wine, and budgetary discipline; in neither case had the Council managed to reach agreement.¹ The problems were resolved only partially, but the politically indispensable minimum was achieved in the form of an agreement on the common organization of the market in wine. This meant that talks on the other issues could proceed and negotiations with Spain and Portugal could recommence, despite the Greek reservation hanging over the agreement. Greece is maintaining a general reservation on the whole question of enlargement until it secures a satisfactory agreement on the integrated Mediterranean programmes. These have not yet been adopted by the Council and are of vital importance for Greece, given the effects of future enlargement on its economy. This means that negotiations with Spain and Portugal will now be pursued on an *ad referendum* basis.

The question of budgetary discipline was resolved at the Council meeting on foreign affairs, which was held immediately after the European Council.

The European Council in Dublin took a further step towards the conclusion of the comprehensive negotiations begun in June

1983 at the Stuttgart European Council:² in its conclusions on the economic and social situation, the European Council asked the Council to make further progress towards completion of the internal market, to introduce a common transport policy, to step up measures to combat unemployment, to strengthen the European Monetary System and to extend the role of the ECU; it also adopted conclusions on the environment (pollution by motor vehicles) and took note of the annual report on European Union. In discussions on the famine in Africa, it stressed the urgency of concerted international action and the need to provide the famine-stricken countries of Africa with extra aid totalling 1.2 million tonnes before the next harvest.

No decision, not even one of principle, was taken on the proposal to convene an inter-governmental conference put forward in the interim report of the *ad hoc* Committee on Institutional Affairs. The final report will be completed in time for initial consideration at the March European Council and will be the main subject on the agenda in June.

The *ad hoc* Committee on a People's Europe was requested to continue its work and make a further report in March.

On the political cooperation front, the European Council adopted conclusions on the Middle East, East-West relations, Central America, terrorism and the abuse of diplomatic immunity.

The conclusions of the Presidency did not include the integrated Mediterranean programmes, wine or enlargement, all of which are covered by the basic Greek reservation. The text on table wine is reproduced in Annex I and the statements by Greece and the President of the European Council in Annex II.

¹ Bull. EC 11-1984, points 2.2.1 and 2.3.4.

² Bull. EC 6-1983, point 1.5.1 *et seq.*

