

① Budget.

② Some form of agreement - limit.

EUROPEAN COUNCIL ON 29 AND 30 NOVEMBER 1979 IN DUBLIN

CONCLUSIONS OF THE PRESIDENCY

PM

This is what officers have done overnight.
Edwards
30/11

ECONOMIC AND SOCIAL SITUATION

Prospects for the Community Economy

The Heads of State or Government discussed developments in the Community economy and prospects for 1980, particularly in the light of the deflationary effects of the oil price increases. They recognized that despite the progress achieved by the co-ordinated economic approach agreed at the European Council in Bremen, the objectives sought, particularly maintaining growth and combatting inflation, had not been achieved in full.

In an effort to overcome the current economic difficulties a common approach continues to be essential. Priority must be given to combatting inflation. This is, in the medium and long term, a condition for solving the problems of growth, structural change and hence employment. The existence of the European Monetary System also underlines the necessity for a co-ordinated approach in tackling the balance of payments effects of the new oil price rises. The fight against inflation and unemployment should not be made more difficult through attempting to compensate by increases in money incomes for the real transfer of purchasing power which has taken place to the oil producing countries. Moreover, monetary policy should continue for the time being to support efforts to counter inflation. Modernization of and investments in Community industry must continue to enable it to adapt more quickly to new patterns of demand.

The present difficulties require an improved co-ordination of the economic and monetary policies of Member States.

[With this in mind, the European Council confirms its intention to set up the European Monetary Fund in accordance with the timetable envisaged. To this end, the European Council invites the Commission to submit, for its next meeting in March, 1980, a report setting out the progress made in this field and the difficulties encountered.] Furthermore, the present difficulties require that the Community continue to pursue a common approach in conjunction with other industrialised countries. The European Council re-affirmed its determination to conduct economic policies in line with the principles and strategy agreed at the European Council in Strasbourg.

Even with the down-turn in the international economy the Community is expected to achieve at least a moderate rate of growth next year, and may avert acceleration in the rate of inflation.

The employment problem

The European Council discussed the serious unemployment situation in the Community. They agreed that the continuation and intensification of national and Community efforts to improve economic structures, primarily through increased investment, was of fundamental importance.

A more co-ordinated approach to employment problems should be defined. The European Council accordingly requests the Commission to submit proposals on specific measures which could be framed to promote more incisive Community action to deal with the unemployment problem.

The European Council noted the recent adoption by the Council of Ministers of a Resolution on the re-organisation of working time and asked the Commission to pursue their ~~efforts in this area in~~ consultation with the Social Partners.

Telematics

The European Council discussed the questions raised in a Commission communication drawing attention to the importance of data technologies both for European industry and society.

The European Council ^{looked note of the Commission's proposals for} approved the principle of a common strategy ^{and invited the Council to study the Commission's} ~~for the development of these technologies in Europe~~ ^{Committee's} and ~~asked the Commission to submit for the Council's~~

~~consideration proposals which would have regard to the interests, including the industrial aspirations of all the Member States.~~

Convergence and Budgetary Questions

ENERGY



①

The European Council discussed the world energy situation which remains very serious. In view of renewed price increases, continuing uncertainties about supply and production, and the changing structure of the world oil market, the European Council considers that efforts must be made both by producing and consuming countries to create greater stability. [In the light of these needs the Community for its part must now develop a more effective energy policy.]

*Review
ready
consideration
2 copies*

It invites the Council of Energy Ministers to agree on a supplementary programme of energy saving representing broad equivalence of efforts in all Member States.

①a

The European Council requests the Council of Energy Ministers at its meeting on 4 December to take a final decision on national import objectives for 1980.

[Measures to be taken in case of an oil shortage must be strengthened in the direction of an increased Community internal solidarity so that oil supplies can be delivered as fairly as possible to all Member States.] (1)

IEA



[Further consideration should be given to the strengthening of measures to restrict consumption in the event of oil shortage.] (2)

[The Community's policy regarding transparency of the oil market will be to monitor the results of existing measures and to put into practice the extensions already decided in principle, and those which may be adopted on the basis of present studies.] (3)

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(1) United Kingdom reservation.
(2) Alternative draft proposed by the United Kingdom delegation.
(3) Reservations by the German and Dutch delegations.

②

The European Council confirmed its resolve to develop indigenous energy resources, particularly coal, nuclear and hydrocarbons and to promote the research and development programmes in the energy field with particular regard to renewable energy sources.

Flexible but specific policies should now be adopted at Community level for the period to 1990.

[[They should include the following:

- the **principle** of ceilings on Community oil imports should be extended beyond 1985

[- targets should be set for replacing oil by coal and nuclear for electricity generation] (1)

- the ratio between the growth of energy consumption and economic growth should be further reduced.]] (2)

The increased use of coal, particularly Community coal, as a replacement for oil will be encouraged by promotion measures aimed at intensifying the rate of substitution [and by encouraging production] (3). These measures must not endanger the agreed production target for Community coal, nor hinder the substitution of oil by non-Community coal in some member countries.



*Don't put reserve
Don't adopt a coal policy*

(1) Danish reserve.

(2) The United Kingdom delegation suggested that these matters might be left for consideration by the Council of Energy Ministers.

(3) This addition is suggested by the United Kingdom delegation.

[[As the European Council already pointed out at its Strasbourg meeting, without the development of nuclear energy in the coming decades, no economic growth will be possible. It views with great concern the delay in implementing nuclear programmes and urges that Community [and national] (1) action should aim at reversing this trend, under conditions which are safe and acceptable to the public. It notes that more public debate is needed to resolve doubts about nuclear power in those countries where policy is still in question. [Moreover it favours a closer concertation between Member States regarding the siting of power stations in border areas and the protection of public health and environment] (2).]] (3)

3

The European Council concluded that as energy problems affect all countries in the world no lasting solution of these problems can be achieved without closer understanding and co-operation between the industrialized, the oil producing and the non-oil developing countries. Efforts should be made to promote discussion with oil producing countries with the object of adopting policies in both consumer and producer countries which would allow the transition to a better market equilibrium without serious damage to the economy of the world as a whole. The European Council considers it most desirable that significant and rapid progress be made in all international fora where energy is discussed i.e. the United Nations, OECD/IEA and the Economic Commission for Europe, with a view to establishing a consensus and co-operation on the adjustments required by the changing situation in the world.

(1) Danish reservation.
(2) French reservation.
(3) Danish reservation on the whole paragraph.

Reports on European Union

The European Council received and noted the reports by the Foreign Ministers and the Commission on the progress achieved towards European Union in the past year. The European Council noted the importance of developments in the past year towards the achievement of European Union and in particular:

- the signature of the Instruments of Accession of the Hellenic Republic to the European Communities
- The establishment of the European Monetary System
- The direct elections to the European Parliament.

The European Council affirmed the importance of these concrete steps in demonstrating ^{the} Communities' commitment to proceed towards and to create the conditions for further progress towards an ever closer Union among the peoples of Europe.

The European Council decided that, as has been done previously, these Reports should be published in an appropriate form.

Report of the Committee of Wise Men

The European Council warmly thanked the Committee of Wise Men for the timely presentation of its valuable report on adjustments to the machinery and procedures of the Community institutions, prepared in discharge of the mandate given by the European Council in Brussels in December 1978.

The European Council decided to publish the report and agreed that the President of the Council would transmit a copy of the report to the Presidents of the other Institutions ^{for information} ~~as a matter of courtesy~~.

The European Council asked the Foreign Ministers in the appropriate framework to examine the report with a view to preparing the discussion at the next meeting of the European Council.

Future of ideas main ideas

Energy

Flot.

2.4 to higher
than in 1972

Consult with colleagues about process

Review ^{General Points} or ^{consequence} because have to
consult colleagues in process which to
be taken

Very little res- for manoeuvre → prepared to be in the
Total independence - 100 → same position as France
By which doesn't allow me to go very far.

C.A.P.

More reductions - provided method
are not prejudged.

Clear prospect
1 constitutive
reports -
receipts etc.

Totally independent - can't accept it.

2nd effort.

- would be any good.

Not unreasonable

Crisis

- consult colleagues.

520

1572