

Howe assurance on EEC financing

BY KEVIN BROWN

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THE COMMONS is unlikely to be asked until the end of next year to approve an increase in payments to finance the EEC, Sir Geoffrey Howe, the Foreign Secretary, told MPs yesterday.

Sir Geoffrey said an increase in the EEC's share of VAT revenues, the Community's "own resources," would not be necessary until after the accession of Spain and Portugal, due in January 1986.

A full parliamentary debate on the issue, without which no increase could go ahead, would be appropriate after negotiations on the accession were completed, he said.

Sir Geoffrey was reporting to MPs on the meeting of EEC Foreign Ministers in Luxembourg earlier this week, which made "substantial progress" in agreeing terms for Spanish and Portuguese accession.

He confirmed that the Government had agreed to a supplementary budget of Ecu 1bn (£605,450) to cover the gap between Community resources and spending this year. The Foreign Office estimates Britain's net contribution at £59m.

Sir Geoffrey insisted that the supplementary deal was dependent on payment of a £440m

BRITAIN YESTERDAY allocated an extra 6,000 tonnes of food to help fight famine in Ethiopia and other African countries hit by drought.

Sir Geoffrey Howe said the food aid would be boosted by £5m worth of drought-related assistance.

Announcing the increase in the Commons, Sir Geoffrey said the British Government would press other EEC governments to provide further

big contributions from the European Development Fund and Community food aid

He told MPs: "We must remember that this is only one aspect of drought and famine in Africa and elsewhere."

In the Lords, Lord Trefgarne, a Government spokesman, said he would "take note" of the Opposition's call to charter ships to carry grain to Ethiopia.

net rebate on Britain's 1983 budget contribution, most of which is due in the next few days.

It also depends on agreement on greater EEC budget discipline, along the lines agreed at the EEC summit in Fontainebleau in June. Sir Geoffrey said the supplementary budget was necessary to cover "inescapable" EEC expenditure, which had been reduced from Ecu 2.2m to Ecu 1m.

Mr Robin Cook, Labour's spokesman on the EEC, warned that the supplementary budget required specific parliamentary approval, which might not be forthcoming.

Mr Cook said the 1983 rebate was being paid because the

Government had "surrendered to the demands on the European parliament for a whipround to finance further spending.

"This is in fact, a contradiction of every assurance we had from ministers before the (parliamentary) recess that the budget would be balanced by effective budget control on expenditure. We are getting a rebate by giving a large part of it back," he said.

Mr Cook said the text of the agreement on budgetary discipline would not be legally binding, and could be suspended in any year for extraordinary circumstances which, in the case of the Common Agricultural Policy, meant any year.



Sir Geoffrey Howe: Substantial progress on accession of Spain and Portugal

He called for an early debate on the issue of EEC own resources,

Criticism of the EEC was relatively muted on the Conservative benches, despite the opposition of many MPs to any increase in EEC finances.