# NEWSSHEET FOR JOURNALISTS • REPRODUCTION AUTHORIZED

Nº 42/81

BRUSSELS, December 7, 1981

Week of November 30 to December 5

Eurofocu

## SUMMARY.

- p. 2 <u>COMPETITION</u>: The struggle between the EEC and IBM The European Court of Justice has just rejected the request made by the firm IBM to set aside an action begun by the European Commission against the company for possible "abuse of dominant position" in the market.
- p. 3 <u>SCIENCE : COST Committee marks</u> 10th anniversary Last November 23, the COST Committee, which organises cooperation in science and technology between 19 European countries, celebrated its 10th anniversary. It was a time of reflection on the 35 projects already undertaken under the auspices of the group.
- p. 4 <u>CULTURE : Let's read but at what price ?</u> At a time when discussions are taking place in a number of Community member states on the freeing of prices of books, the European Commission has just blocked an agreement in existence in Dutch-language books.
- p. 5 ENVIRONMENT : World cooperation against pollution During a recent meeting, representatives of the United Nations and the European Commission worked to strengthen their collaboration to protect the environment, especially in the Mediterranean and in the Third World.
- p. 6 <u>ENVIRONMENT</u>: An appeal to save seals A report from the the European Parliament has highlighted the annual slaughter of baby seals and pleads for the introduction of Community measures to protect this endangered species.
- p. 7 <u>SOCIAL</u>: European Farliament sets up special Women's Rights Committee A new committee has been created in the European Parliament with a mission to defend the interests of women, especially in social security and employment matters.

This newssheet is published in six languages (English, French, German, Dutch, Italian and Danish) by the Directorate-General for Information of the

Commission of the European Communities,

Rue de la Loi 200 - 1049 Brussels um.

Tel. 736 60 00 - Telex 21877 COMEU B.

Its contents do not necessarily reflect the official views of the Community institutions.

Editor : Will, J. Reckman

E

COMPETITION : The legal struggle between the EEC and IBM

The contest which for more than a year has pitted the European Commission against the mammoth American computer firm IBM has just taken a new turn which once again makes the affair seem like a serialized television or radio drama. But instead of the usual stock characters in such dramas, such as sinister heavies or fearless heroes, this one is filled with appreciably less engrossing figures such as micro-processors, interfaces and bits. Nevertheless, without entering into too much detail, the case has a full history. Since 1977, a number of competitors had been complaining to the European Commission about what they felt was IBM's unfair competition resulting from alleged abuses of IBM's dominant position on the European data processing market. Following an in-depth investigation, the Commission decided to retain a number of complaints against IBM. They can generally be categorised as violations of Article 86 of the Community's Treaty of Rome, which defines four types of abuses that are incompatible with the basic principles of the Common Market.

That's why on December 19, 1980, the Commission initiated a procedure against IBM in which it indicated by a letter the various complaints against the company and requested a reply. The firm reacted by denouncing the "illegal exercise of power by the Commission", because the decision in question had been taken without the presence of all the members of the Commission.

In addition, the company felt that it had not been given the means to defend itself and it also accused the Commission of interference in international law by arguing that the IBM conduct being challenged had taken place largely outside the Community, primarily in the United States, where it had also been the subject of legal proceedings, in some cases decided in IBM's favour. For these reasons, IBM asked the European Court of Justice in Luxembourg to set aside the Commission action. In its defence, the Commission argued that its initial move was an administrative procedure not subject to Court appeal and that it in no way prejudiced the eventual outcome of the case. Asked for its opinion, the Court decided the IBM challenge was unacceptable because only the final Commission decisions could be appealed before the Court.

Now, the major question of whether IBM was in violation of the Community laws still remains to be argued and decided. Will keep you up to date.

2.

#### SCIENCE : COST Committee marks 10th anniversary

An unusual European club, with no regulations or organisations but whose members have to display the most advanced brains, recently celebrated its 10th anniversary.

At a simple ceremony in Brussels on November 23 leaders in the European scientific and research community marked the birthday a decade ago of a little-known but highly influencial group known simply by its initials COST, which stand for "European Cooperation in the field of Scientific and Technical Research". The loose-knit body has 19 European Governments as its members and its aims are simple but ambitious - to improve coordination and cooperation in European science and technology research. Founded largely at the instigation of the European Community of the original six, it now unites the 10 Community countries plus Austria, Finland, Norway, Portugal, Spain, Sweden, Switzerland, Turkey and Yugoslavia. Despite this impressive membership, this group does not have a big budget, a large staff or an imposing headquarters. It is largely composed of top Government officials involved in science and research in their countries who meet regularly to map out cooperation in new frontiers of knowledge that range from the exotic to the mundane. To accomplish this mission, they are assisted by a small secretariat at the European Community Council of Ministers in Brussels. The goal is to help coordinate ongoing research in practical, yet largely non-commercial, technology and then to disseminate the results among the members involved. The only requirements are that participants in a project contribute a fair share of the costs and that the knowledge obtained be shared. This openness has tended to discourage commercial involvement which is concerned with industrial confidentiality. Governments can participate or not in a project as they choose.

The list of 35 COST projects during the past decade has been concentrated in uine pre-determined priority areas. The largest number (9) have been in the telecommunications field, followed by the environment (6), then metallurgy and agriculture (4 each), transport and oceanography (3 each), and informatics, meteorology and food technology (2 each). Projects undertaken jointly have ranged from the establishment of a European Centre for Medium-Range Weather Forecasting in Britain to research in electronic traffic aids to improve urban transportation. Others have involved cooperation with the European Space Agency in telecommunications and aeronautical engineering. Research into everyday problems like the economic use of electronic vehicles and trolleybuses, and treatment of sewage sludge have also been on the agenda, and with the impressive results of its first decade COST forecasts even more gifts for European society on future birthdays.

#### CULTURE : Let's read - but at what price ?

The price of books is currently the subject of heated debate in several European countries. In France, the Socialist majority in Parliament recently voted in legislation reinstating the practice of fixing prices for books (prices could be set freely under the previous French regime). In Brussels, local bookshop owners protested strongly – but unsuccessfully – when FNAC, the famous French firm which specialises in selling books and records at particularly low prices, decided to open a branch in Brussels. The store opened its doors to the public in November 1981.

The problem has now become a European one. On February 13, 1981, the European Parliament adopted a resolution calling on the European Commission to undertake a study of the situation with special emphasis on competition practices in the books industry. The Commission was also asked to give its opinion on the current prices for books.

The Parliament stressed that the Community should have a policy for books which was in keeping with the educational and cultural objectives of this special sector. Certain drawbacks in liberalising book prices were, however, underlined by the Parliament which noted that the issue could be complicated by the increasingly different treatment as regards conditions of sale meted out to small bookshops and larger stores. Moreover, while bestsellers are sold at cheaper rates, the same rules do not apply to the less popular books or those which interest a limited number of people. Although the European Commission has yet to take a position on the overall book-pricing policy, it did, in a recent decision, ban a sales agreement between a Dutch and a Belgian company. The Commission denounced as contrary to the EEC's free competition rules an agreement concluded between the Dutch Book Association and the Flandre: Book Association which forced bookshop owners and importers to price bools according to the prices laid down by publishers. If the retailers refuse to abide by these rules, the suppliers stopped supplying them with looks.

The Commission entered the arena following complaints made by a number of supermarkets. The Commission noted that such a collective pricing system which transgresses national frontiers is contrary to certain provisions of the Treaty of Rome, because it prevent healthy competition between bookshops. However, by banning the Dutch-Belgian agreement, the Commission has still not taken a stand on the practice of imposed prices followed in each Member State.

## ENVIRONMENT : World cooperation against pollution

No better illustration could be provided that environmental problems are not just local or national issues but a world-wide concern requiring lasting and complex networks of international cooperation than a meeting that took place in Brussels recently.

At this meeting, Mostafa Tolba, the Executive Director of the United Nations Environment Programme (UNEP), met a number of European Community officials responsible for environmental policy. The discussions were not so much about the laws and action programmes the Community institutions have established in the 10 member countries in recent years, but more about the role of the Community in the international campaign against pollution and environmental degradation.

This European role in the global effort against the ravages of pollution, like its involvement in other international trade or economic activities, is already significant and growing. For instance, the European Community has become an active partner in the UNEP programme to forge cooperation among the countries bordering on the Mediterranean to halt the steady deterioration of its waters. The Community's part in this UNEP activity is also expected to grow even larger with the anticipated addition of Spain and Portugal to its membership. Because of its links with Caribbean departments and countries, the Community is also involved in another UNEP regional seas programme in the area.

Another emerging role for the Community institutions was highlighted by the meetings he<sup>1</sup>.d in Brussels between UNEP Director Mostafa Tolba and the EEC Commissione<sup>1</sup> for aid and development affairs Edgard Pisani. The UNEP delegation discussed the possibility that the EEC would assure that its aid and financing to some 60 developing countries which are members of the Lomé Convention would go to projects planned in conformity with sound environmental practices. The EEC Commission supports such environmental management not only for Community programmes but also for the seperate activities of the member states in the devloping world. This type of proper environmental planning would go a long way towards assuring that developing countries do not become as polluted as industrialised regions as they expand economically. Experience has shown only too well that while pollution can be limited to the nuisance level in the rich countries its impact can be deadly in the developing world.

All this takes time, as was proven by the fact that UNEP and EEC officials also discussed the review process being prepared to evaluate the achievements and shortcomings of the world environmental protection campaign launched by the UN conference on the environment in Stockholm in 1972.

5.

#### ENVIRONMENT : An appeal to save seals

Hunters from all parts of Europe assemble in the polar regions of Canada, Norway and Greenland every year for a cruel but lucrative purpose : the capture of thousands of baby seals whose beautiful skins later find themselves on the shoulders of some of Europe's most glamorous women - and men.

Baby seal skins are used for the manufacture of a variety of luxury items, including coats, shoes, handbags, mocassins, belts and wallets. Most of these products can be made just as well with other raw materials. The hunting methods used for the capture of the baby seals – and hooded seals – have been deplored by leading environmentalists, including the French actress Brigitte Bardot. Baby seals are stunned by a blow on the head before they are ten days old – that is before they lose their beautiful white fur. New-born hooded seals are also tracked down by hunters in search of their rare blue furs.

These methods are "degrading both for man and animals" stresses European Parliamentarian Johanna Maij-Weggen in a report she drew up recently on behalf of the Parliament's committee on the environment. The hunting down of baby seals, she says, means that the species will die out completely in a few years. The extinction of baby seals is not because of the traditional hunting practised by the inhabitants of polar regions but because of the "industrial hunting" undertaken in the regions by industrialised states, she notes.

The seals are hunted down every year by a number of British, Danish, French and German firms. The Community is also a major importer of skins which are later made into coats and handbags, etc. Mrs Maij-Weggen would like the Community to stop all imports of the skins and other products derived from baby and hooded seals. She adds that this should be accompanied by a second directive putting an end to intro-Community trade in baby seal skins and other products.

The report also stresses that all other types of seals should be given protection under the terms of the Washington Convention on the international trade of endangered species. Special reasures should also be taken, adds the report, in favour of the monk seals who live in the Mediterranean. The extinction of the species - only 650 seals of this type are in existence today - could be prevented by the creation of special reserves. Measures for the protection of endangered seals should, however, take account of the needs of local populations in the polar regions, concludes the report which will be debated shortly by the full Parliament. <u>SOCIAL</u> : European Parliament sets up special Women's Rights Committee Are European governments and the European Community looking after the specific interests of European women in such areas as social security, working hours and access to job opportunities ? The question will dominate the work and operations of the special committee of enquiry into the situation of women in Europe which was set up recently by the European Parliament. The committee held its first meeting in Brussels on November 25, with Ms Marie-Claude Vayssade in the chair.

The special committee will have three specific tasks : to check whether EEC governments have followed-up on the recommendations for a better deal for European women made by the European Parliament in February this year; to conduct on-the-spot surveys on the situation of women in EEC states; and finally to defend in the EEC budget the different items which affect women either directly or indirectly.

The 18 members of the committee will look at the impact on women of the following questions:;the directive on social security, the reduction of working hours, the EEC's development policy, directives on equal opportunity and salaries, operations of the Social Fund, etc. Other questions to be dealt with by the committee will include the situation of migrant women in the EEC, the state of play as regards vocational training for women and the impact on women of new technology. The results of the findings of the committee are expected to be published next year.

Speaking at the first session of the Committee, Mr Ivor Richard, the European Commissioner for employment and social affairs, indicated that the European Commission was currently preparing a new four-year action programme aimed at promoting equal opportunities for women.

The first part of the programme will concentrate on the introduction of "normative or legislative" instruments designed to give women the same rights as men in a number of fields, and to harmonise the laws on women's rights existing in different EEC states. Special emphasis will be put on the implementation by EEC states of the existing directives on the equality of treatment of male and female workers. Mr. Richard told the committee that no member state had as yet adequately implemented the directives already in force.

Richard also indicated the importance he intends to give to the strengthening or creation of adequate monitoring structures in member states, and the setting up of a network of cooperation between national bodies.