

ECONOMIC AND SOCIAL COMMITTEE  
OF THE EUROPEAN COMMUNITIES

# BULLETIN

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## INTRODUCTION

### EUROPEAN UNION - "We must put forward present-day solutions to present-day problems"

The main feature of the Committee's July Plenary Session was the drawing up of the Opinion on European Union.

The Chairman of the Committee, Mr H. CANONGE, made a brief speech on this subject. He stressed first of all the exceptional nature of the Opinion and went on to say :

"We should look upon European Union as a vehicle for a more dynamic implementation of the Treaties. The destinies of all our nine countries will be linked together by common policies and joint action. This will be made possible by the work of common institutions which have real powers and are essentially democratic bodies.

Our Community should also be open to the new world in which we are living. This will enable the Community to be integrated with the rest of the world and participate in the international drive for economic and social progress, and the well-being of all the peoples of the world.

History tells us that there are periods in which civilizations are unable to weather changes. In order to secure our well-being, we will undoubtedly have to make a genuine advance, rather than consolidate past achievements and make superficial improvements. The Community has already shown a spirit of true realism in initiating new relations with other countries, particularly developing countries.

Today, we have to contend with new problems in a changed world and I, for my part, feel that we must have the courage to put forward present-day solutions to present-day problems. And, in so doing, it is better to be too bold than too timid".

On 22 July, Mr CANONGE, accompanied by the Vice-Chairman of the Committee, Mr AMEYE, was received by the Belgian Prime Minister, Mr TINDEMANS. On this occasion Mr CANONGE officially handed over the Committee's Opinion on European Union.

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132nd PLENARY SESSION

Adoption of Opinions

The Economic and Social Committee of the European Communities held its 132nd Plenary Session in Brussels on 16 and 17 July 1975. The Chairman of the Committee, Mr H. CANONGE, presided.

1. European Union

(Rapporteur : Mr DE EBUYN - Belgium - Various Interests)

a) Statement by Mr CEREXHE, representing Mr TINDEMANS

Mr CEREXHE stated that, at the Summit meeting held in Paris in December 1974, Mr TINDEMANS had been invited to submit to the Heads of Government, by the end of 1975, a comprehensive report on the basis of reports received from the Institutions and of consultations which he is to have with the governments and with a wide range of public opinion in the Community.

Mr TINDEMANS was anxious not to draw up an excessively theoretical or over-academic report. That was why he had taken the widest possible soundings among both official bodies, bodies representing the two sides of industry and interest groups.

Mr TINDEMANS was very appreciative of the initiative taken by the Economic and Social Committee in submitting an Opinion which, not only pinpointed the Committee's place and role in the

institutional structure, but also painted an overall picture of European Union, its aims, its institutions and the various policies these institutions might pursue.

Mr TINDEMANS attached particular importance to the Committee's Opinion. It was the point of convergence for all the economic and social groups in the EEC. Everybody knew that further progress on the road to integration would be impossible unless the protagonists of integration (and the groups represented on the Committee were the principal ones) took care to spread European ideas and made sure that they were translated into reality and developed further.

New policies could not be put into effect unless the driving forces of Europe and their spokesmen were ready to accept responsibility. In that respect, the Economic and Social Committee, assembling as it did the various economic and social groups, could play a critical role. Thanks to the Committee, the drive to build a united Europe could be brought home to a wider audience in large sectors of the general public. Mr CEREXHE considered that the Committee was particularly well-qualified to define its idea of the future of the EEC and the social blueprint underlying that idea.

b) Summary of the Opinion

The Committee adopted its Opinion, by 68 votes to 4, with 18 abstentions, on

European Union.

The Committee wished to follow the example of the other Institutions of the Community by informing Mr TINDEMANS of its views in order that they might be taken into consideration in the report which he was to present to the Heads of Government.

The Committee's Opinion has 5 chapters with the following titles :

- the objectives to be achieved by European Union;
- the present situation in the Community;
- the Institutions of European Union;
- priority policies to be pursued in the European Union;
- European Union in the world.

It proposes that a "charter" setting out the objectives of European Union be drawn up, adopted by the European Parliament and then submitted to the Member States for a decision to accede. This charter should be based on observance of the rules of democracy and political, philosophical and cultural pluralism. It should set out the rights of European citizens and enumerate the economic and social targets which it proposes to achieve.

European Union must make it possible for the Member States to strengthen their links. This is a prerequisite, if Europe is to be economically and politically independent, vis-à-vis the world at large.

European Union would not fulfil its mission if it were confined to the economic sphere. It must, therefore, seek to become a model of change towards a type of society more consonant with the lofty ideals of the peoples of Europe, who want peace, freedom and security and who aspire to the abolition of frontiers, the achievement of a more natural human environment and way of life, enhanced human dignity, and greater fairness through the reduction of inequalities.

For all the above reasons, European Union must go beyond straightforward coordination under a system of intergovernmental links within a free trade area, even if that free trade area is of an improved type. European Union must possess efficient institutions with clearly defined duties and relationships.

As regards priority policies to be pursued, the Committee stresses the following :

- speeding up the achievement of Economic and Monetary Union;
- implementation of a Community employment policy;
- implementation of a European Regional Policy;
- definition of a European Energy Policy.

Without wishing to embark upon a full description of what the Institutions of European Union must be like, the Economic and Social Committee would like to set out the basic conditions it feels they must fulfil.

The Committee stressed the need for a Parliament elected by universal suffrage and fulfilling a genuine legislative function.

It also proposed that the Committee itself be given full institutional status and renamed the Economic and Social Council.

To give practical expression to the goals European Union has set itself and those it may decide to adopt for the future, and to implement the policies essential for it to become reality, there must be a transfer of certain responsibilities from national to Community level so that European Union would then be equipped with the relevant powers.

Only with an internal cohesion commensurate with its legitimate external objectives will the Community be able to further the search for better equilibrium in the world.

Finally, with effective and legitimate institutions it will be able to gain genuine credibility in the eyes of the outside world and generate the internal solidarity needed to cope with the radical changes in international economic relations.

2. Stocktaking of the Common Agricultural Policy  
(Rapporteur : Mr BOUREL - France - Employers)

At its 132nd Plenary Session, the Committee adopted, by 64 votes in favour and 16 abstentions, its Opinion on

The Stocktaking of the Common Agricultural Policy.

The Committee notes that the Commission has adopted a broadly similar approach to that followed by the Committee itself in its Study dated 28 November 1974. The Committee does, however, regret that the Commission has not availed itself of the opportunity to submit to public opinion a thorough analysis of a number of very important issues (such as productivity, living standards, structural policy, market management) together with more detailed proposed guidelines.



In fact, the Commission was particularly concerned with justifying its own conduct in the face of the situations it had to deal with, and did not consider it advisable to set out the main guidelines to be followed by the Common Agricultural Policy in the years to come, and thus determine the requirements that would be essential to the pursuit of the objectives of the Common Agricultural Policy.

The Committee believes that the prominence of the international situation and the internal problems of agricultural development make it absolutely essential for guidelines to be laid down for agricultural production in the EEC. In its own farmers' interests, the Community can no longer allow itself to be without overall production guidelines. From such guidelines, the Community authorities ought and will be able to deduce how, for example, prices policy, aids or market management will be affected. In addition, farmers will be able to deduce the effects on such matters as the desirable levels of product specialization and structural initiatives.

The Committee then gives its views on : the need for improving the procedure for consulting all the interests concerned, the prices policy, the advisability of introducing, as a matter of urgent need, a quality policy for products, since such a policy has been called for by both consumers, with respect to their direct needs, and by the processing industry, with respect to its supplies, market management and the joint responsibility of producers. With regard to this last point, the Committee points out that joint responsibility is no substitute for a vigorous commercial policy and that joint responsibility can only be invoked if there already exists a definition of "structural surpluses".

The Committee further points out that the combining of the various instruments at the disposal of the Common Agricultural Policy must be planned in such a way as to provide a fair income for those engaged in farming, and this includes farm workers.

Turning to the financial aspects of the Common Agricultural Policy, the Committee refers to its previous comments on the subject. On the other hand, the Committee does emphasize the fact that, subject to pressure exerted by the Member States of the Community, the Commission for some time now has been giving the impression that it was subordinating its financial policy and the measures which it is taking in this respect quite simply to the need to cut down EAGGF expenditure.

Finally, the Committee once again emphasizes the importance of the political role of the Common Agricultural Policy in promoting the integration of Europe. And, with this in mind, the Committee deplores the accumulation of delays and shortcomings in other sectors, with particular reference to the monetary sector. In the Committee's view, it is also necessary to determine the various elements which ought to comprise the Common Agricultural Policy in the years to come. Attention is drawn once again to the importance of the international background, which, the Committee feels, is bound to compel the Community to define its agricultural policy in line with its external policy. Efforts must be made to analyze in detail the effects of the international situation and the pressures which it exerts on the Common Agricultural Policy. For example, it would be impossible to redefine Community preferences, which is a corner-stone of all agricultural development in the Community, if no such analysis is made. It is necessary to assess the politically unavoidable concessions, and it is also necessary to fix the points of resistance. If we fail to do this, the Community's agricultural policy will be watered down until it involves nothing more than a vast free-trade area, thereby heralding the end of the single European Agricultural market and of the financial solidarity which underpins it.

### 3. The Wine Sector

(Rapporteur : Mr GUILLAUME - France - Various Interests)

The Committee adopted by 44 votes to 22, with 6 abstentions, its Opinion on the latest proposals from the Commission concerning the wine sector.:

Proposal for a Regulation (EEC) of the Council on Measures Intended to Adapt Wine Potential to Market Requirements

Amendments to the Proposal for a Council Regulation (EEC) amending Regulations (EEC) Nos. 816/70 and 817/70, taking into account the Council Resolution of 21 April 1975 concerning New Guidelines designed to Balance the Market in Table Wines (Amendment by virtue of Article 149, second sub-paragraph, of the Treaty).

In the first place, the Committee points out that European viticulture, which in certain regions is the principle, if not the only source of income of millions of producers cannot be treated differently from other large agricultural sectors which benefit from permanent intervention systems and price guarantees under the Common Agricultural Policy. In view of the particular problems in the Community's vine-growing areas, the Committee deeply regrets this situation.

The Committee then emphasizes that the Commission's present efforts to get the wine sector out of its current difficulties would have a greater chance of success if certain anomalies were abolished; for example, if the excessive inequalities which at present exist in certain Member States as regards the taxation of different fermented or alcoholic beverages were reduced or removed; if inspection methods were harmonized and the Committee

proposes that a central laboratory be set up so as to put an end to arguments due to the use of different methods of analysis - and if checks on imported products were carried out more carefully, with particular reference to those imported products which are not subjected to any legal obligation at production and marketing levels unlike that which is provided for Community products.

As regards more particularly the Proposal for a Regulation on measures intended to adapt wine potential to market requirements, the Committee considers that in view of the present state of production and demand, and as it has still to be determined whether the wine surpluses are of a structural or cyclical nature, provision should be made for a planting and replanting scheme which is more restrictive than that proposed by the Commission. A two-year halt to planting is too short, and the system to be introduced after 1977 should be oriented towards a Community system of authorizations for replanting granted on the basis of certain criteria which are analysed by the Committee (quality, type of soil, outlets, etc.).

The Committee also makes the following comments :

- an overall policy to achieve equilibrium with respect to vine-growing capacity must be framed, and take into account the quality and quantity requirements dictated by the soil and wine varieties involved;
- new plantings must be banned, with provision being made for special derogations where justified by the existence of reliable outlets for certain types of wine;

- a replanting scheme must be drawn up on the basis of criteria which give absolute priority to quality vineyards, identified as such on a scientific basis and in the light of experience acquired in each individual region;
- a scheme to encourage voluntary grubbing or non-replanting must be envisaged, so as to accelerate the disappearance of vineyards which, either because of their soil or because of the vine varieties planted in them, are of poor quality;
- for the application of the measures listed above, consideration should also be given to the possibilities of switching to other types of agricultural production.

Overall, the Committee is in favour of the plan to classify vineyards into three categories, but considers that the categories be defined on the following basis :

- vineyards whose soil is conducive to the cultivation of vines. In these vineyards, replanting and, possibly, new planting would be given priority and be submitted to a minimum of restrictions;
- wine-growing reorganization areas : here, replanting would be governed by stricter rules but, in return, "renewal aids" could be granted to speed up replanting with good vine varieties;
- reconversion vineyards : here, the only aids granted would be for a switch to crops other than the vine.

As regards the proposed new amendments to Regulations Nos. 816/70 and 817/70, the following comments deserve particular attention.

While accepting compulsory distillation for wine which does not correspond to the standards laid down, the Committee opposes any compulsory distillation which only takes into account the size of yields, irrespective of quality. It also asks for details concerning the prices of such distillation operations and stresses the desirability of a difference between the price paid for preventive distillation and that paid for compulsory preventive distillation.

It considers too that, insofar as the market in certain quality wines p.s.r. may disturb the market in table wines, decisions could be taken to intervene with respect to these quality wines p.s.r. so as to ensure a general equilibrium on the market.

The Committee approves the increase of minimum alcoholic strengths by 0.5° in each of the production zones in the EEC, while pointing out that, as a general rule, it still favours minimum figures of 9.5° for the total alcoholic strength and 8.5° for the actual alcoholic strength of table wines, subject to derogation for zones A and B.

The Committee asks that the ban on wines suitable for yielding table wines should only apply to those wines which are of an insufficient alcoholic strength.

It is also in favour of the ban on the marketing of wines produced from vine varieties used for producing table grapes.

As it has already done several times before in previous Opinions, the Committee emphasizes once more the need to limit the use of abusive enrichment practices.

It also thinks that chaptalization with respect to table wines should be prohibited in zone C and its use gradually reduced in zone B.

#### 4. Gas Appliances

(Rapporteur : Mr CLARK - United Kingdom - Employers)

Non-electrical heating, cooking and hot-water appliances are included in the General Programme for the Removal of Technical Barriers to Trade in Industrial Products (1969).

The Draft Directive on gas appliances (outline directive) covers all cooking, heating, hot-water, refrigeration, lighting and washing appliances, as well as any safety and control devices for these appliances. It describes the procedure to be followed to obtain EEC approval and EEC verification, the purpose of the latter being to check that mass-produced gas appliances conform with the model which obtained approval.

The Draft Directive on Appliances Using Gaseous Fuels for the Instantaneous Production of Hot Water is mainly intended to harmonize aspects closely connected with safety. The proposed harmonization is of the "optional" type.

The Committee unanimously adopted its Opinion on the

Proposal for a Council Directive on the approximation of the laws of the Member States relating to appliances using gaseous fuels, to safety and control devices for these appliances and to methods for inspecting these appliances

Proposal for a Council Directive on the approximation of the laws of the Member States relating to appliances using gaseous fuels for the instantaneous production of hot water for sanitary purposes.

In its Opinion, the Committee observes that the first Directive allows for harmonization to be based either on a standard to which reference is made (*référence aux normes*) or on specifications set out in the technical annexes. The latter method is proposed in the Directive dealing specifically with gas-fired water-heaters.

The Committee also notes that a standard for the appliances covered by the Directive on gas-fired water-heaters has been drawn up by the Comité Européen de Normalisation. The standard in question is number EN 26 (amended). The Committee urges the Commission to maintain close and cooperative liaison with organizations, such as the CEN and, wherever possible, to use the "reference to standards" procedure, provided it is satisfied that consumers have been fully consulted and their views taken into account. So far as the Directive on water-heaters is concerned, the Committee feels strongly that there should be further consultation between the Commission and the CEN on the remaining differences between EN 26 (amended) and the technical annexes to the Directive.



The Committee believes that, in general, the requirements of the EN 26 standard, which has already been adopted in most Member States, should be accepted, unless there are serious safety reasons for modifying them.

5. Simplification Programme (Customs Administration)  
(Rapporteur : Mr DE GRAVE - Belgium - Workers)

In final analysis, the Commission document is made up of four parts, namely :

- a) the programme for the simplification of customs procedures and formalities;
- b) improvements in institutional arrangements;
- c) timetable for implementation of the programme;
- d) summary of progress made in the General Programme for the Approximation of the Customs Laws of the Communities (adopted in 1971 and partly implemented).

The Committee unanimously adopted its Opinion on the

Commission's Work Programme for the Simplification of Customs Procedures, Customs Laws and Institutional Methods for dealing with Customs Matters

In its Opinion the Committee emphasizes that the proposed simplification arrangements must be designed to make things easier for both the authorities and the economic sectors concerned.

The Committee hopes that it will be possible for the proposed measures to be speedily implemented and that they will not remain a dead letter, as has been the case with many proposals submitted by the Commission to the Council over the last few years.

As regards the various forms of simplification proposed, the Committee considers that the tariff nomenclature should be harmonized - both chronologically and as regards substance - in line with the work being carried out by the Customs Cooperation Council in Brussels.

The Committee proposes that the Commission :

- draw up an integrated and stable schedule of the common customs tariff and external-trade statistics;
- contact the CCC for the purpose of preventing the latter's creating irreversible de facto situations;
- ensure that the needs of the Community's economy are taken into consideration in the best way possible.

As regards the use of computers, the Committee considers that it is better to link the systems now being used in the various Member States, rather than to set up a data-processing system for managing the customs union at Community level; such a system would of necessity be extremely cumbersome.

The Committee also makes a series of comments on : the rules of origin of goods; the possibility of abolishing internal transit documentation within the Community; the standardization of documents used in intra-Community trade; and customs clearance procedures.

EXTERNAL RELATIONS

The Chairman of the Economic and Social Committee in Rome

The Chairman of the Committee, Mr CANONGE, accompanied by the Secretary-General, Mr DELFINI, and the Chairman's Chef de Cabinet, Mr MONTASTRUC, visited the President-in-office of the Council of the European Communities in Rome on Friday, 11 July. The purpose of this visit was to ensure that good relations continued to exist between the Committee and the Council.

III

NEW CONSULTATIONS AND DRAFT OPINIONS

During the course of June, July and August, the Council - applying the optional consultation procedure - requested the Committee to deliver an Opinion on the

1. Commission proposals for Council Regulations on the Application of the Generalized Tariff Preferences for 1976.
2. Proposal for a Council Directive amending Directive No. 72/464/EEC on taxes other than turnover taxes which affect the consumption of manufactured tobacco.
3. Proposal for a Regulation (EEC) of the Council amending Regulation (EEC) No. 657/75 on the standard quality for colza and rape seed; and a  
Proposal for a Council Directive fixing the maximum level of erucic acid in fats and oil and margarine for food.
4. Proposal for a Council Directive (EEC) on the approximation of Member States' laws, regulations and administrative provisions relating to the classification, packaging and labelling of paints, varnishes, adhesives and similar products.
5. Proposal for a Council Directive amending for the fourth time Directive No. 73/241/EEC on the approximation of the laws of the Member States relating to cocoa and chocolate products intended for human consumption.
6. Proposal for a Regulation (EEC) of the Council establishing a system of aid to organizations of silkworm rearers.

7. Proposal for multiannual research and development programme of the European Economic Community for reference materials and methods (Community Bureau of Reference - BCR) (1976-1978) (indirect action)
8. Proposal for a multiannual environmental research and development programme of the European Economic Community (indirect action) (1976-1980)
9. Proposal for a Council Directive on waste from the titanium dioxide industry
10. Proposal for a Council Directive (EEC) on the approximation of the laws of the Member States relating to common provisions for lifting and mechanical handling appliances
11. Proposal for a Council Directive (EEC) on the approximation of the laws of the Member States relating to electrically-operated lifts
12. Proposal for a Council Directive on the approximation of the laws of the Member States relating to taximeters.

Furthermore, the Bureau of the Committee decided to propose to the Plenary Session that "own-initiative" Opinions be prepared on :

The Common Agricultural Policy in the international context : its consequences and the adjustments which may have to be made,

Possibilities for developing advanced-technology sectors in the Community by means of a policy for opening up public sector purchases.

FUTURE WORK PROGRAMME (PROVISIONAL)

133rd Plenary Session - September 1975

- Bathing water
- Common transport policy
- Situation of women (own initiative)
- Equal pay
- Family allowances
- Taxes on tobacco
- Generalized preferences
- Colza and rape seed
- Erucic acid in food
- Silkworms
- Telecommunications

134th Plenary Session - October 1975

- Fresco (developing countries)
- Safety, hygiene and health protection
- Preservatives
- International transportation of animals
- Annual report on the economic situation
- Amendment of the calendar for preparing the Annual Report on the Economic Situation
- New Energy policy strategy (additional Opinion)
- Migrant workers
- Cocoa - chocolate

135th Plenary Session - November 1975

- Regional policy (Study)
- Mediterranean agricultural products (Study)
- Convention of Lomé (own initiative)
- Public purchasing (own initiative)
- Lead
- Community work on employment (Information Report)

MEMBERS' NEWS

Death of Mr A. MALTERRE

Mr André MALTERRE, Honorary Chairman of the General Confederation of Executive Staffs, Chairman of the International Confederation of Executive Staffs and a member of the Committee since its inception in 1958, died on 25 July. The funeral took place in Paris on 30 July. The Committee was represented at the funeral by Mr LOUET, Director-General.

Resignation of Mr FIJN VAN DRAAT

Mr FIJN VAN DRAAT, economic expert of the Christian National Federation of Trade Unions of the Netherlands (CNV), resigned his membership of the Committee on 8 July. He had been a member since 24 September 1973.

Honour awarded to Mr NODDINGS

At a private ceremony on 13 June 1975, the President of the French Republic, Mr Valéry GISCARD D'ESTAING, conferred on Mr P. NODDINGS the insignia of Commander of the Legion of Honour. Mr NODDINGS is Chairman of the National Union of Family Associations (UNAF) and has been a member of the Economic and Social Committee since 17 May 1966.

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**PUBLICATIONS OBTAINABLE FROM THE ECONOMIC  
AND SOCIAL COMMITTEE**

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|-----------------------------------------------------------------------------------------------------------------|------|
| 1. Bulletin (monthly publication)                                                                               | Free |
| 2. The Economic and Social Committee-A leaflet (January 1975)                                                   | Free |
| 3. The Economic and Social Committee (April 1975)<br>(A descriptive brochure) 16 p.                             | Free |
| 4. Progress Report on the Common Agricultural Policy<br>(February 1975) (Study) 52 p.                           | Free |
| 5. The Situation of Small and Medium-sized Undertakings in<br>the European Community (March 1975) (Study) 69 p. | Free |
| 6. Annual Report 1974<br>60 p.                                                                                  | Free |
| 7. Annual Report 1973<br>64 p.                                                                                  | Free |
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