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## INTRODUCTION

November was a very important month for the Economic and Social Committee insofar as relations with the other Institutions of the Community were concerned. Our Chairman and the two Vice-Chairmen were received by the Committee of Permanent Representatives with whom discussions were held on the Committee's role, and the possibility of greater Committee participation in the Community's decision-making process. Shortly afterwards, the President-in-Office of the Council, Mr BATTAGLIA, Under-Secretary of State in the Italian Ministry for Foreign Affairs, attended and took an active part in the proceedings of the Committee's Plenary Session.

November also saw a meeting between the Economic and Social Committee's Chairman, Mr H. CANONGE, and the President of the European Parliament. This was one of the regular meetings held between the two to strengthen existing links between both Institutions.

At the November Plenary Session, Mr CANONGE focused attention on recent developments in relations between the Institutions. He also referred to topical events of major importance to the Community, namely, the talks at Rambouillet, the European Council meeting in Rome and the Tripartite Conference on employment held at Committee headquarters in the presence of the Committee Chairman and Vice-Chairmen who were there as observers. It was affirmed at this Conference that, since the Economic and Social Committee constituted a privileged forum for consultations with representatives of economic and social interest groups, it should also be used to ensure that the conclusions reached by the Conference were implemented. The Chairman intends to deal with this point in January.

Finally, one whole session at the November Plenary Session was devoted to the Lomé Convention. The President of the Council thus had the opportunity to witness the determination of the representatives of economic and social interest groups to make a constructive, direct contribution to the implementation of this Convention, which is a notable milestone in the development of the EEC's external relations.

I

135th PLENARY SESSION

The 135th Plenary Session of the Economic and Social Committee was held in Brussels on 26 and 27 November 1975. The Committee Chairman, Mr H. CANONGE, presided.

Drawing up of Opinions

1. The Lomé Convention

a) Opinions

The Convention of Lomé, concluded between the European Economic Community and 46 African, Caribbean and Pacific States, is a new departure in relations between the Community and the Third World. It is more than an instrument of "association" or even of development aid policy, because it sets up a system for stabilizing ACP export earnings and introduces a scheme for industrial cooperation between the EEC and the ACP States.

At its 135th Plenary Session, held on 26 and 27 November 1975, the Economic and Social Committee adopted, with no votes against and two abstentions, its Opinion on the Convention of Lomé.

One of the findings is that the Convention will only be a success if economic and social interest groups are involved in its implementation. Otherwise, it will remain a dead letter.

The Committee accepts the non-reciprocal character of the Convention, but stresses the need for real guarantees for the Community's raw-material supplies.

The Committee is worried about the potential impact on economic activity and employment of opening up the Community market to ACP products. It fears that Mediterranean agriculture in particular will suffer, and states that provision should be made for measures to be taken, if necessary, to safeguard jobs and restructure weak sectors.

The Committee considers that industrial cooperation is a starting point for a new kind of relationship with the developing countries. Not too much should be expected at the beginning, however, as industrial cooperation is more of a medium- or long-term thing.

Development must be based initially on the self-sustaining growth of local and regional industrial/agricultural markets. Industrialization should be geared just as much to satisfying local needs as to world markets. The technology chosen must be appropriate to local economic conditions.

Development based on the economic take-off of the ACP will mean a certain re-distribution of industrial growth between the Community and the ACP States. But business activities must not be transferred too abruptly, and the Committee is opposed to the development of ACP industries which are competitive only because their workforce receives low wages.

The Committee attaches particular importance to the training of skilled workers and supervisory staff. It calls for the setting up of a body to coordinate all work in this field, and an advisory body which represents economic and social interest groups.

Industrial cooperation should be founded on two things : information and a favourable business climate. Both ACP and EEC economic operators should receive information and the security of investments and persons should be guaranteed. Inter alia, such guarantees should be based on social considerations. The issue of protecting investments against political risks must be taken up by the EEC authorities, as must the setting up of proper arbitration machinery. The essential objective is stability, this is vital to forward planning, which in turn is a precondition for investment.

To ensure that the Convention and its implementing bodies operate with maximum efficiency, the Committee proposes increasing and direct involvement of economic and social interest groups. This is already provided for in the Convention. There should be annual or biennial joint conferences in which the Economic and Social Committee should play a role. This could develop later into a sort of economic and social association council.

The Opinion concludes by affirming that the ESC in Brussels has always been a meeting-place for representatives of workers, businessmen, the professions, etc. in the Community. The Committee will extend the same facilities to representatives of similar interests in the ACP States.

The chair at the Plenary Session was taken by Mr CANONGE. Mr BATTAGLIA, Italian Secretary of State for Foreign Affairs and President in office of the Council, participated in the debate.

The Committee based its Opinion on material prepared by its Section for External Relations under the Chairmanship of Mr CARSTENS (Denmark - Employers). The Rapporteur was Mr EVAIN (France - Employers).

b) Speech of Mr BATTAGLIA, Secretary of State for Foreign Affairs and President of the Council of the European Communities

In his statement on the Lomé Convention, Mr BATTAGLIA asked how its commitments could be kept unless economic and social interest groups in the Community played a role, through arrangements for exchange of information with the Community institutions responsible for negotiating and implementing the Convention.

The accession of the United Kingdom, Ireland and Denmark had meant broadening and overhauling the system provided for in Part IV of the Treaty of Rome, and rounded off by the Yaoundé and Arusha agreements.

The African, Caribbean and Pacific countries who had special relations with the United Kingdom had now joined the original 19 Associated States. Trading concessions had become much more generous, since the principle of reciprocity had been abandoned, financial aid had been increased and improved, and the Stabex scheme had been introduced.



The chapter on industrial cooperation, in which the Committee was very interested, was new. The industrialization of Africa and the Caribbean and Pacific islands was an exciting and ambitious undertaking, but it would be very difficult to accomplish. For this reason, the draftsmen of the Lomé Convention had preferred to lay down a number of principles and provide for institutions - such as the Committee on Industrial Cooperation and the Centre for Industrial Development - to translate these principles into reality. The Council was now examining how this was to be done, and how the interests represented on the Economic and Social Committee could play a role.

In the same spirit of cooperation, talks would be held on how to implement the clause empowering the EEC-ACP Council to arrange for contact, consultation and practical cooperation between social and economic interest groups in the EEC and the ACP States.

Raising living standards in the ACP States was essential, not only for humanitarian reasons but also because of the positive effects this would have on trade and, by the same token, on economic activity in the Community. There could, admittedly, be problems in the short term, and it was the duty of all concerned to see that the Convention got off to a good start.

Mr BATTAGLIA went on to discuss the possible impact of the Convention on the economy and employment. Opening up its markets to its developing partners was a gesture the EEC had had to make.

He did not think that this act would gravely damage the economies of the Nine : firstly, because the common market's ability to absorb products from the developing countries was considerable; secondly, because the quantities of imports involved, and the way they were produced and marketed, could not seriously harm EEC industry; and thirdly because the Community possessed adequate means to deal with any difficulties it might run into. If - and this was a very hypothetical assumption - a serious threat did emerge, the escape clause that had been put into the Convention and was now being introduced into Community laws would be a sufficient safeguard.

## 2. Direct Insurance

The Commission is proposing a technical amendment to the Council Directive of 24 July 1973. This lays down common rules for pursuing activities in direct insurance other than life assurance, and is to come into force in all Member States in January 1976.

Inter alia the Directive requires companies to set up a guarantee fund. The minimum amount for this and for other financial obligations is given in units of account defined as a given weight of fine gold.

The Commission now proposes changing this definition and using a new European unit of account (EUA) based on a basket of Member States' currencies. The value of the EUA is calculated each day, and the EUA is already being used by the European Investment Bank.

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Directive amending the Council Directive of 24 July 1973 on the Coordination of Laws, Regulations and Administrative Provisions, concerning the Taking-Up and Pursuit of Activities in Direct Insurance other than Life Assurance

The Committee approves the proposal and trusts that future directives on financial institutions will embody similar provisions. The Committee points out that subsequently it will be necessary to adjust the amounts of the financial guarantees so as to ensure that insurance companies can compete on equal terms throughout the Community.

The Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr DE BRUYN - Belgium - Various Interests.

### 3. Thermonuclear Fusion

The Community, in the course of three five-year research programmes running from 1959 to 1975, has been studying the potential of thermonuclear fusion as a large-scale nuisance-free energy source after the year 2000.

To date the Community effort on fusion has been based on a system of contracts of association between Euratom and the competent institutions of the Member States, covering the whole range of activities in this field. These activities are coordinated and partly financed by the Commission.

A fourth programme is now proposed which marks the transition from the exploratory phase to the first experimental stage and represents a substantial stepping-up of activity. Its centrepiece is the construction of a large magnetic field containment vessel of the tokamak type to be known as the JET (Joint European Torus).

The programme will, over the five-year period, cost 265 m u.a. on the Community budget. A Commission staff of 117 will be assigned to the project with an additional annual average of 260 staff being employed on temporary contracts to construct the JET.

The Economic and Social Committee, adopted unanimously its Opinion on

The Proposed Pluriannual Programme of the Community for the years 1976/80 in the field of controlled thermo-nuclear fusion and plasma physics.

The Committee gives the proposal its approval and support.

While not making a judgement on the technical feasibility of bringing a fusion reactor into operation as early as the year 2000, the Committee nevertheless believes that the necessary research work must be pursued at full speed as of now, if fusion is to contribute to the solutions of the Community's long-term energy problems.

All R & D programmes must, however, be kept under regular review so as to keep costs to a minimum. Since ever-increasing demands are being made on limited finance, the Community must make

a clear choice between giving substantial support to a few projects or giving limited assistance to a large number.

The Committee believes the Community must adopt the first course. Accordingly, it approves the programme's concentration on tokamak technology which has given the most encouraging results to date. In a field so costly as thermonuclear fusion, the Community can only afford a single joint effort.

Just as duplication of effort must be avoided within the Community, similar steps must be taken to maintain the highest possible level of international cooperation. It is essential that the Community retain, through adequate financial commitment, its position among the world leaders in fusion technology, if it is not to lose its credibility and, with it, access to international information.

As a final comment, the Committee believes that the successful undertaking of this major R & D project would be an important milestone on the road to European Union.

The Committee based its Opinion on material prepared by its Section for Energy and Nuclear Questions under the chairmanship of Mr de FERRANTI - United Kingdom - Employers. The Rapporteur was Mr NOORDWAL - Netherlands - Employers.

#### 4. European Social Fund - Vocational Adaptation Operations

On 17 June 1975 the Council called upon the Commission to submit a proposal, under Article 4 of the Decision of 1 February 1971, for Social Fund Assistance for retraining and resettling

workers employed or formerly employed in the sectors and regions that have been bearing the brunt of unemployment during the recession. The Council undertook to discuss the proposal before 30 November 1975.

The resultant proposal defines the criteria for assistance from the Fund (chiefly the rise in unemployment), and stipulates that the measures must serve certain general objectives on which the two sides of industry have been consulted. It also indicates the aids which may qualify for assistance.

An estimate of the cost of the scheme is attached.

The Economic and Social Committee adopted, with no votes against and 3 abstentions, its Opinion on the

Proposal for a Council Decision on European Social  
Fund Measures to Aid Vocational Adaptation Operations

The Committee broadly endorses the draft Decision, but fears it is too vaguely worded to be fully effective. It also comments on the need for consistency between the proposed measures and the economic and social aims of the Community.

The Economic and Social Committee based its Opinion on material prepared by its Section for Social Questions under the chairmanship of Mr HOUTHUYS - Belgium - Workers. The Rapporteur was Mr FASSINA - Italy - Workers.

## 5. Social Security Schemes - Migrant Workers

The purpose of the proposal is to amend Regulation No. 1408/71 and Regulation No. 574/72 in the light of (a) the development of social security schemes in the Member States, especially with regard to the allocation of funds among national social security authorities, bodies and institutions responsible for implementing the Regulations, and (b) experience in the application of Community rules.

The proposed amendments concern in particular :

- The provisions of social security conventions which remain in force, notwithstanding Article 6 of Regulation No. 1408/71 (Annex II to Regulation No. 1408/71);
- Concordance between the national legislation on invalidity (Annex IV to Regulation No. 1408/71 as amended by Regulation No. 1392/74);
- Special procedures for implementing the new UK Act of Parliament (Annex V to Regulation No. 1408/71 as amended by Regulation No. 1392/74);
- The provisions concerning insurance under the German social security scheme (Article 12 of Regulation No. 574/72);
- The provisions relating to : competent authorities and institutions, institutions of the place of residence, institutions of the place of stay, liaison bodies, implementation of bilateral conventions remaining in force, institutions and bodies designated by the competent authorities (Annexes 1, 2, 3, 4, 5 and 10 to Regulation No. 574/72 as amended - with the exception of Annex 5 - by Regulation No. 1392/74).

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Council Regulation amending the Regulations (EEC) No. 1408/71 and No. 574/72 on the Application of Social Security Scheme Arrangements for Employed Persons and their Families moving within the Community.

The Committee approves the Commission's proposals. It reiterates earlier requests that the remaining cases of discrimination in the field of social security be abolished. The Committee also asks the Commission to provide interested workers and institutions having to apply the new rules with all the requisite information.

The Committee based its Opinion on material prepared by its Section for Social Questions under the chairmanship of Mr HOUTHUYS - Belgium - Workers. The Rapporteur was Mr PURPURA - Italy - Various Interests.

#### 6. European Social Fund - Textile and Clothing Sector

The Commission proposal seeks to renew the Council Decision of 19 December 1972 and extend its scope to cover the clothing industry. The proposal provides that "operations which are aimed at facilitating the employment and the geographical and occupational mobility of persons who are occupied in the relevant industries, and whose activities are directly affected, or are in danger of being affected, by quantitative or qualitative measures for structural adaptation. The Social Fund, pursuant to Article 4 of the Council Decision of 1 February 1971, pay part-finance.



The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Council Decision in regard to the Intervention of the European Social Fund in Favour of Persons Occupied in the Textile and Clothing Sectors.

The Committee approves the Commission proposal but makes the general point that the Community must plan ahead and adopt a purposeful approach that will take into account all the objectives and all the relevant economic, social, commercial and technological aspects. Such an approach, and such an approach alone, will prevent the Community from having to intervene a posteriori in order to deal with the repercussions of decisions in which it has had little say.

The Committee based its Opinion on material prepared by its Section for Social Questions under the chairmanship of Mr HOUTHUYS - Belgium - Workers. The Rapporteur was Mr FASSINA - Italy - Workers.

#### 7. European Foundation

On 26 May 1975, the Council of the European Communities approved a Regulation on the setting up of a European Foundation for the Improvement of Living and Working Conditions.

As the Committee expressly requested in its Opinion on the Commission proposal on the Foundation - a proposal which simply mentioned the role to be played by the "Community institutions" - Article 12 of the abovementioned Regulation lays down that, when drawing up the Foundation's annual programme of work, the Director is to take account of the Opinions of the Committee of Experts as

well as of those of the Community institutions and the Economic and Social Committee. To this end, and in order to avoid any duplication of work, the Community institutions and the Economic and Social Committee are also to inform the Foundation of their requirements and, as far as possible, of any relevant work and studies which they are carrying out themselves.

In a letter dated 16 July 1975, the Commission of the European Communities reminded the Committee that it could inform the Director of the Foundation of its needs and of any studies and other work it was carrying out before the programme itself was adopted. According to information received from the Commission, it also seems likely that the 30 September deadline mentioned in the Commission's letter will be able to be extended until the end of 1975.

The Economic and Social Committee adopted by 35 votes in favour, 24 against, and 34 abstentions its Opinion on the

Programme of the European Foundation for the Improvement of Living and Working Conditions.

The Committee defines the basic criteria which should govern the work of the Foundation and indicates priorities for the Foundation's work in improving working conditions. Among the priorities suggested are :

- Organization of a seminar on the division of labour and its implications, with experts from various sectors taking part;

- A comparative study of (i) social, staff and recruitment policy, (ii) information and communications, and (iii) working conditions in comparable firms with and without a system of worker participation in management;
- Preparing and distributing papers on attempts to humanize work and make it more democratic;
- Promoting and monitoring experiments in joint consultation.

As regards improving living conditions, the Committee notes that the overall quality of life is deteriorating in certain respects. The environment (countryside, beauty spots, quality of water and air, etc.) is being impaired and recreation and sport are suffering from commercialization. It urges study of the factors encouraging alienation from society, delinquency, violence, drug-taking, the feeling of insecurity, and other symptoms of the deep-seated malaise which is affecting the whole of our society.

The Foundation should also examine to what extent the values held up as worthy by society enable people to fulfil their potential and whether existing structures allow the private citizen to participate in, or monitor, the decisions which affect living conditions generally.

The Foundation could also study how the educational system and curricula can be brought into line with the needs of an evolving society.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE (Ireland - Various Interests). The Rapporteur was Mr DE GRAVE (Belgium - Workers).

8. Multiannual environmental research and development programme

The proposal has been submitted in connection with (i) the Community Environmental Action Programme, (ii) the Declaration of 22 November 1973 in which the Council endorsed the aims and principles of Community environmental policy and the general outline of Community action.

The Commission states that the main purpose of the research programme is the acquisition of the scientific and technical knowledge needed to implement the Action Programme. Four research fields have been chosen :

- a) research to establish criteria (exposure-effect correlations) for pollutants and environmental chemicals;
- b) research and development work on the management of environmental information, especially on environmental chemicals (ECDIN project);
- c) research and development work on ways of abating or preventing pollution, e.g. by the application of "clean" technologies;
- d) research and development work on protection and improvement of the natural environment.

The Economic and Social Committee, adopted unanimously its Opinion on the

Proposal for a Multiannual Environmental Research and Development Programme of the European Community (Indirect Action) : 1976 - 1980;

The submission of a Multiannual Environmental Research Programme is undoubtedly a step forward on the road to a better quality of life.

The Committee welcomes the Programme but in view of the scale and implications of the issues involved tends to the view that the appropriations should be considerably larger so as to ensure that the Programme is implemented on schedule.

The following problems should receive special attention: noise at the workplace and in recreational areas; the environmental repercussions of more extensive use of nuclear energy; the impact of (a) the spread of pollutants, (b) the decentralization of plants causing pollution.

In conclusion, the Committee states that the Community investment in research will not be fully effective unless sufficient effort is put into an information campaign directed at scientific circles, the press, the general public, and the various organizations affected by environmental legislation.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Mr DE GRAVE - Belgium - Workers' Group.

## 9. Preservatives

Three substances are to be added to the list of preservatives authorized for use in foodstuffs, namely :

- E 219 : Sodium derivative of methyl phydroxybenzoate;
- E 249 : Potassium nitrite;
- E 283 : Potassium propionate (potassium salt of propionic acid).

The Commission points out that, by derogation from the basic directive of 1964, the three preservatives may be used in the new Member States whose national legislation permitted them at the time of accession.

The Commission proposes that the substances be authorized throughout the Community. It bases its views on the findings of various scientific investigations and the concurring report of the Scientific Committee on Food.

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Council Directive for an 11th Amendment to Directive No. 64/54/EEC on the Approximation of the Laws of the Member States concerning the Preservatives authorized for use in Foodstuffs intended for Human Consumption.

The Committee endorses the proposal to add the substances concerned (sodium derivative of methyl parahydroxybenzoate, potassium propionate, potassium nitrite) to the Community list of authorized food preservatives. Authorization to use the three substances in question, will avert the use of substances which may be more likely to present health hazards.

The Committee nevertheless urges the Commission to accept the findings of the Scientific Committee for Food and to review (a) the use of nitrites and nitrates, (b) the mineral ion balance, in particular the sodium and potassium ion balance, in food.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Mrs EVANS - United Kingdom - Various Interests.

#### 10. Paints, varnishes, adhesives

Under the general Directive, issued on 27 June 1967, to approximate Member States' laws, regulations and administrative provisions on dangerous substances, the Commission intends to regulate paints, varnishes, printers' inks, adhesives and similar products containing dangerous substances.

Under the proposed Directive, products of this kind would be classified according to the type of hazard they entailed. This classification would be indicated on the label. Rules are laid down for the dimension and colour of labels and symbols used.

Full alignment of national laws in this field should both ensure free movement of goods and improve people's safety and health, especially those who have to handle such products in the course of their work.

The Economic and Social Committee adopted unanimously its Opinion on the

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 and Adhesives and Similar Products.

The Committee approves the draft Directive and considers that it merits special attention, in view of the fact that it is one of a series of dangerous-substance instruments springing from the basic Directive of 1967. Only three Member States are currently applying this basic Directive, which was amended for the fifth time in June 1975.

The Committee therefore calls upon the Commission to urge the other Member States to implement the basic Directive and the Directive on Solvents before the proposal under review comes into force.

From the point of view of consumer information, the Committee considers that appropriate graphic symbols might be better than written warnings. Such symbols would illustrate unmistakably the hazards of dangerous substances (when swallowed, inhaled, etc.). The use of these symbols would not only improve public health protection, but would also make it easier to comply with labelling requirements.



The Committee considers that there should be a transitional period before written warnings are finally replaced by graphic symbols. During this period, a publicity campaign will have to be mounted to familiarize the public with the symbols.

The Committee also draws the Commission's attention to the need for more detailed provisions covering advice on safety and first aid, in view of the type of accidents which may occur - especially to children and immigrant workers - when certain of these products are used.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Mr JASCHICK - Germany - Various Interests.

#### 11. Reference materials

The development of methods of measuring the characteristics of a wide variety of materials and systems used in industry and science in the Community gives rise to a requirement for common reference materials and methods which enable the accuracy of such measuring methods and instruments to be tested and valid comparisons to be made.

In order to meet the need for coordinated R & D in this area, a Community Bureau of Reference (CBR) has been established and a first indirect research and development programme carried out (1973 - 1975).

To continue the work on an expanded basis, the Commission is now proposing a second indirect R & D programme to run for the period 1976 - 1978 involving nine staff and a maximum total expenditure of 3.9 million u.a.

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Multiannual Research and Development Programme of the European Economic Community for Reference Materials and Methods (Community Bureau of Reference - CBR) (1976-1978) (Indirect Action).

The Committee fully endorses the proposed programme. This programme - the second of its kind - seeks to develop common reference materials and methods which are needed to ensure standard measurement of a wide variety of materials and systems used in industry, science and international trade.

The Committee especially welcomes the practical nature of the programme. It notes that the programme is small but considers it nonetheless to be significant. It believes that the programme must continue to aim at providing reference materials which are scientifically good and reliable, internationally applicable, and for which there is a clear user requirement.

The allocation of 3.9 m. u.a. and 9 staff to the programme is thus regarded as justified. (The last programme cost 1.9 m. u.a. and required 6 staff).

The Committee based its Opinion on material prepared by its Section for Energy and Nuclear Questions under the chairmanship of Mr de FERRANTI - United Kingdom - Employers. The Rapporteur was Mr NOORDWAL - Netherlands - Employers.

12. Investment projects of interest to the Community

As part of its plans for a Community energy policy, the Commission believes that it should have access to the most accurate and timely information possible on investment projects in the energy field.

Accordingly, it is proposed to broaden the existing Regulation No. 1056/72 by :

- raising the forward information requirement for conventional electricity plants from three to five years;
- placing nuclear electricity projects for the first time under a forward information requirement of five years;
- including information on the planning status of all projects;
- including investment projects relating to desulphurization plants for residue/gas-oil/feedstock;
- including planned requirements for high voltage underground or undersea electricity cables.

The Economic and Social Committee adopted unanimously its Opinion on the

Draft Council Regulation amending Council Regulation No. 1056/72 on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors.

The Committee approves the draft Regulation subject to a number of comments.

The draft Regulation sets out, firstly, to raise the forward information requirement for conventional electricity plants from three years to five years, secondly, to include nuclear electricity projects for the first time under such a forward requirement of five years and, thirdly, to get details of the planning status of all projects.

The Committee takes a favourable view of these proposals, because it believes that comprehensive, accurate and timely information on future investments is among the most important prerequisites for a Community energy policy. It is equally important for Community suppliers of energy-generating and ancillary equipment so that they can gear their production schedules accordingly.

While supporting the need for information in the interests of environmental protection, the Committee considers that the information on desulphurization plants, sought under the proposed Regulation, should relate to energy policy only.

The Committee considers that five years is an appropriate timespan for forward information on nuclear projects. However, nuclear fuel cycle installations (uranium enrichment, fuel preparation, reprocessing and waste disposal facilities) should also be included, in view of the critical position they will occupy in planning future energy policy.

Finally, on a cautionary note, the Committee asks the Commission to ensure that any information published on long-term plans is properly qualified with a description of its planning status, lest it give rise to fears among the general public that the normal processes of consultation on such projects had been bypassed.

The Committee based its Opinion on material prepared by its Section for Energy and Nuclear Questions under the chairmanship of Mr de FERRANTI - United Kingdom - Employers. The Rapporteur was Mr HOFFMANN - Germany - Workers.

### 13. Community Quota

The Commission has forwarded to the Council a series of eight draft Regulations and Directives concerning the operation of the markets in surface goods transport within the Community. These proposals form part of the Commission's programme for establishing a common transport policy.

The aim of the proposals, which apply to traffic between the Member States, is :

- to establish common rules governing access to the occupation of carrier goods;
- to introduce a more flexible system of charging (tariffs and rates);
- to exempt certain road haulage operations between Member States from all quota and authorization systems;
- to increase the Community quota of authorizations for road haulage operations between Member States.

The proposal for a Regulation on the Community quota is the second of the eight proposals.

The chief object of the proposal is to lay down the total number of Community authorizations for 1976, which is to be double the 1975 total. Thus, the 1976 quota is to comprise 4,726 authorizations (Article 3), which are to be apportioned amongst the Member States as follows :

Belgium	: 496
Denmark	: 298
Germany	: 994
France	: 826
Ireland	: 79
Italy	: 615
Luxembourg	: 142
Netherlands	: 835
United Kingdom	: 441

A pragmatic approach was used to arrive at the above figures. Half of the additional authorizations were allocated according to the use made of Community authorizations in 1973 and the other half were apportioned as an across-the-board increase.

The Commission thinks that the advantages of logbooks in road haulage are far outweighed by the difficulties which their keeping and evaluation entail for the national authorities and the Commission. In addition, the statistics on the use of Community authorizations are out of date when the periodic decisions on the allocation of the quota have to be taken. This is why it is proposed that logbooks be dispensed with in future.

The Economic and Social Committee adopted, by 51 votes in favour, 13 against and 2 abstentions, its Opinion on the

Proposal for a Council Regulation on the Community Quota for the Carriage of Goods by Road between Member States.

The Committee endorses the Commission's proposal that the total number of Community authorizations for road haulage quotas in 1976 should be double the figure for 1975. It requests the Commission, however, to re-examine the existing system of allocation of licences among Member States, in order to take account of the needs of the new Member States, their geographical locations and the latest statistical figures in the field.

The Committee based its Opinion on material prepared by its Section for Transport and Communications under the chairmanship of Mr HOFFMANN - Germany - Workers. The Rapporteur was Mr GALLEY - United Kingdom - Employers.

#### 14. Bracket Tariffs

The Commission has forwarded to the Council a series of eight draft Regulations and Directives concerning the operation of the market in surface goods transport within the Community. These proposals form part of the Commission's programme for establishing a common transport policy.

These new proposals must not be seen in isolation. They are an integral part of an overall plan to establish a competitive transport market.

The proposal for a Regulation on bracket tariffs is the sixth of the eight proposals.

Its purpose is to extend Regulation (EEC) No. 1174/68, which expires on 31 December 1975, for one further year, i.e. up to 31 December 1976.

The Economic and Social Committee adopted by a large majority with no votes against and 3 abstentions its Opinion on the

Proposal for a Council Regulation amending Council Regulation (EEC) No. 3255/74 of 19 December 1974 extending and amending Council Regulation (EEC) No. 1174/68 of 30 July 1968 on the introduction of a system of Bracket Tariffs for the Carriage of Goods by Road between Member States.

In its Opinion, the Committee approves the Commission's proposal that the present system of bracket tariffs be extended beyond 31 December 1975.

It thinks, however, that this system should be re-examined in conjunction with the Commission's proposal concerning the introduction of a system of reference tariffs which has just been submitted to the Council.

The Committee based its Opinion on material prepared by its Section for Transport and Communications under the chairmanship of Mr HOFFMANN - Germany - Workers. The Rapporteur was Mr HEIMES - Germany - Employers.

#### 15. Navigation Licences

The main purpose of the proposal is to make inland waterway transport a safe and thriving industry. The Commission proposed that to start with, the technical conditions in this sector should be improved by introducing the reciprocal recognition of navigability licences.



The proposal for a Directive covers :

- vessels used for goods transport and having a total deadweight of twenty metric tons or more;
- vessels used for the transport of more than twelve passengers;
- all other vessels with a displacement of twenty cubic metres or more, or having an overall length of more than fifteen metres,

operating on inland waterways not covered by the Regulation of 18 November 1947 on Inspection of Shipping and Rafts on the Rhine.

Vessels carrying dangerous goods as defined in the Regulation for the Transport of Dangerous Substances on the Rhine (ADNR) of 29 April 1970 will have to satisfy additional requirements.

The navigability licence is to be issued by the Member State in which the vessel is registered or has its home port.

Member States will have to recognize the validity of navigability licences issued by other Member States.

It is also proposed that any Member State "may interrupt the passage of a vessel, where the vessel or its equipment is found on inspection not to be in accordance with the requirements of the navigability licence or the Inspection Certificate for the Rhine, as the case may be, or is in a condition which clearly constitutes a danger to the surroundings, until the defects have been corrected".

Furthermore, "a Member State which has interrupted the passage of a vessel, or has indicated its intention to do so if defects are not corrected, shall inform the competent authorities of the Member State where the navigability licence or the Inspection Certificate for the Rhine was issued, of the reasons for this action".

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Council Directive on Reciprocal Recognition of Navigability Licences for Inland Waterway Vessels.

The Committee endorses the Commission's proposal, which seeks to initiate uniform technical control of vessels operating on the Community's inland waterways.

It thinks that the proposal represents a first step towards improving the safety of inland waterway transport and must be followed up as soon as possible by further proposals laying down uniform technical requirements.

The Committee takes the view that the proposed system should apply to all Community inland waterways without exception, including the Rhine.

The Committee based its Opinion on material prepared by its Section for Transport and Communications under the chairmanship of Mr HOFFMANN - Germany - Workers. The Rapporteur was Mr FREDERSDORF - Germany - Various Interests.

#### 16. Community Transit

The purpose of the proposal is to amend certain provisions of Council Regulation (EEC) No. 542/69 on Community transit. This is being done in the light of the experience gained since the Community transit system came into operation more than five years ago.

The changes proposed by the Commission concern, in particular, the TIF procedure used for goods carried by rail and the guarantee against the risk of the non-payment of customs duties and other charges.

Thus, the proposal further simplifies Community transit procedures. These simplifications were announced by the Commission in its Simplification Programme, on which the Committee delivered an Opinion on 17 July 1975.

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Council Regulation (EEC) amending  
Regulation (EEC) No. 542/69 on Community Transit.

Although the Committee endorses the Commission's proposal, it fears that the total exemption from the obligation to furnish a guarantee in cases where goods are in free circulation and are subject only to VAT may have harmful effects in practice, in view of the absence of Community provisions for the collection of VAT at Community level, and for taking action against offenders.

This total exemption could induce national authorities to take precautionary steps and carry out checks. This would make the situation more difficult than it is at present.

The Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr DE GRAVE - Belgium - Workers.

17. Consolidated Text - Community Transit

This proposal for a Regulation brings together the existing rules governing Community transit. It has been necessary to issue this new proposal in view of the many amendments which have been made to the basic Regulation No. 542/69.

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Regulation (EEC) of the Council on Community Transit.

The Committee recognizes that less and less use is being made of the TIR system in the Community. It regrets, however, that the explanatory memorandum preceding the proposal does not expressly mention the abolition of this system. At the same time it hopes that the rules governing guarantees will be relaxed, thus lessening the disadvantages of road transport vis-à-vis rail transport.

The Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr DE GRAVE - Belgium - Workers.

18. Taximeters

The purpose of the proposal is to remove the technical barriers to intra-Community trade in taximeters created by discrepancies between the laws on such instruments in the Member States.

The Commission based its proposal on a recently adopted Recommendation of the International Organization of Legal Metrology, OIML. Thus, the proposal stipulations reflect a consensus which is a setting much wider than that of the Community.

The final adjustments cannot be made to a taximeter until it has been fitted permanently to the vehicle of which it is to form an integral part. This means that the initial verification procedure has to be carried out in two stages. During the first stage the proper functioning and the metrological characteristics of the taximeter are to be checked and the taximeter is to receive an "EEC partial initial-verification mark".

Later, the responsible authorities in the Member State in which the taximeter is to be used must check that it has been correctly fitted and must make the final adjustments.

"Optional harmonization" is proposed.

The Economic and Social Committee adopted unanimously its Opinion on the

Proposal for a Council Directive on the Approximation of the Laws of the Member States relating to Taximeters.

In its Opinion the Committee requests that electronic taximeters be included here and now in the proposal's scope. It also hopes that the Commission will shortly propose an outline directive for aligning Member States' laws on electronic instruments in general.

As for the inspections that are to be carried out on taximeters, the Committee urges that taximeters be checked periodically by the responsible authorities after they have been fitted. Furthermore, since the main purpose of a taximeter is to calculate and display the sum owed by a passenger at any one moment, drivers should not be allowed to demand more than the amount displayed.

The Committee based its Opinion on material prepared by its Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr HEMMER - Luxembourg - Employers. The Rapporteur was Mr MARVIER - France - Various Interests.

#### 19. Agricultural Products of the Mediterranean Area

The Economic and Social Committee, by a large majority with 4 votes against and 11 abstentions, adopted its Study on

Current Prospects for the Agricultural Products of the EEC's Mediterranean Area.

Agricultural concessions to Mediterranean countries will have an impact on EEC agriculture, and the brunt will be borne by the Mediterranean areas of France and Italy. In view of this, the Committee felt that a study on Mediterranean products might assist the EEC's drive to implement a realistic, coherent policy towards the Mediterranean countries.

The agricultural products of the Community's Mediterranean regions suffer the direct impact of EEC Mediterranean policy. But, in common with the whole gamut of the Community's agricultural produce, they are also affected by the common trade and external

policies. Accordingly, the first part of the Study summarizes the international context and outlines the progress made in negotiations with Mediterranean countries.

Part two of the Study is devoted to the special features of the Mediterranean economy and agricultural system.

Part three reviews the main agricultural products of the Community's Mediterranean area.

In its conclusions, the Study concentrates on outlining the short- and medium-term prospects for Mediterranean agricultural products.

The Study concludes that, although the concessions offered to Mediterranean countries, and those granted to the ACP countries, are not in themselves likely to have immediate irremediable consequences for farmers in the south of the Community, it must not be forgotten that these concessions act as incentives to the beneficiary non-member countries to engage in production and processing. Another cause for concern is that these concessions may provoke a series of demands from non-beneficiary countries.

For all these reasons, the Committee considers that we have reached limits in our agreements on Mediterranean products which it would not be wise to exceed.

The repercussions of these agreements have been political too. The confidence that EEC Mediterranean producers had in the Community has been shaken. A vigorous policy of economic expansion in the Mediterranean area will be needed to restore this confidence.

In the medium term the future of Mediterranean producers will hinge on implementation of a set of agricultural measures, as part of a genuine policy to develop the south of the Community whilst preserving its unique character.

This policy might be based on :

- Restructuring the economies of the Mediterranean areas of the Community;
- Priority application of socio-structural directives;
- Encouragement of producers to organize themselves;
- Improvement of market rules;
- Formulation of a consistent policy for the processing sector;
- Encouragement of consumers to buy Mediterranean agricultural products;
- Encouragement of non-member Mediterranean countries to organize their markets;
- Promotion of cooperation between all Mediterranean farmers;
- Coordination of the economic and agricultural development of the Mediterranean Basin.



The Committee stresses that urgent steps must be taken to remedy the imbalances of every description from which the south of the Community is suffering. Both the Commission and the Council must realize that real progress will have to be achieved in the building of Europe if there is to be any lasting progress in relations with non-member countries.

The Committee based its Study on material prepared by its Section for Agriculture under the chairmanship of Mr EMO CAPODILISTA - Italy - Various Interests. The Rapporteur was Mr CLAVEL - France - Various Interests.

II

OUTSIDE ACTIVITIES

1. Visit to COREPER

On 4 November 1975, the Chairman of the Economic and Social Committee, Mr Henri CANONGE, and the two Vice-Chairmen, Mr L. AMEYE and Mr J. van GREUNSVEN, were guests at a meeting of COREPER presided over by Mr BOMBASSEI.

In his speech, to which Mr BOMBASSEI replied, Mr CANONGE spoke about the work and role of the Economic and Social Committee in the Community, and its relations with the other Community institutions.

The Economic and Social Committee was playing a bigger part in the Community's work, he said, now that it had the right to take up matters on its own initiative. This was a logical development, since interest groups already had a strong influence on decision-making at national level.

2. Visit to the European Parliament

The Chairman of the Economic and Social Committee, Mr H. CANONGE, was received on 5 November by the President of the European Parliament, Mr SPENALE.

The two bodies agreed some time ago that the two-way flow of information should be improved, and that the Parliament should receive advance details of papers being drawn up by the Committee.

Mr CANONGE and Mr SPENALE also discussed some practical aspects of the Lomé Convention.

3. Visit to the Economic and Social Committee of a delegation of the Common Market of Central America

On 9 December 1975, Mr Henri CANONGE, Chairman of the Economic and Social Committee of the European Communities, received a delegation of the Common Market of Central America.

Accompanied by Mr Louis AMEYE, Vice-Chairman, Mr E. CARSTENS, Chairman of the Section for External Relations, and Mr Delfo DELFINI, Secretary-General, Mr CANONGE had talks with representatives of El Salvador, Costa Rica, Guatemala, Honduras and Nicaragua about the role played by the Economic and Social Committee in the European Community.

Mr CANONGE spoke in particular about certain aspects of the Committee which might serve as a model for the creation of a similar body elsewhere in the world where a group of countries were moving towards integration.

III

NEW REQUESTS FOR OPINIONS

In a letter dated 5 November 1975, the Council asked the Committee for an Opinion on the

1. Proposal for a Council Regulation amending Council Regulation (EEC) No. 517/72 of 28 February 1972 on the Introduction of Common Rules for Regular and Special Regular Services by Coach and Bus between Member States.
2. Proposal for a Council Regulation amending Council Regulation (EEC) No. 1463/70 of 20 July 1970 on the Introduction of Recording Equipment in Road Transport.
3. Proposal for a Council Directive amending the Directives (66/403/EEC and 70/458/EEC) on the marketing of seed potatoes and vegetable seeds.
4. Proposal for a Council Directive on Tax Exemption for Personal Property of Individuals Permanently Imported from another Member State.
5. Proposal for a Council Directive on Tax Exemptions within the Community for Certain Means of Transport Temporarily imported.
6. Amended Proposal for a Council Directive on the Approximation of the Laws of the Member States on Mayonnaise, Mayonnaise-Based Dressings and Other Emulsified Dressings.

IV

PROVISIONAL PROGRAMME OF FUTURE WORK

136th Plenary Session - January 1976

- Oil prices
- Regional policy (Study)
- Situation of women
- Jam
- Marketing and processing of agricultural products
- Sheepmeat
- Institute for Economic Analysis and Research
- Development Aid
- Freedom to provide services (lawyers)
- Public purchasing
- Lifts
- Data-processing policy
- Lead
- Titanium dioxide
- Drinking water
- Tachographs
- Inland waterway transport (working conditions)

137th Plenary Session - February 1976

- Corporate taxation
- Aeronautical policy
- Surface goods transport

138th Plenary Session - March 1976

- Coordination of employment policies (Information Report)
- Medium-term Economic Policy Programme
- Consumer Action Programme
- Safety, hygiene and health protection

NEWS OF MEMBERS

Appointments

a) Mr Yvan CHARPENTIE, Chairman of the General Confederation of Executive Staffs, was appointed member of the Economic and Social Committee on 11 November 1975 to replace Mr MALTERRE, deceased.

b) The Council of the European Communities appointed Mr B. PRONK member of the Economic and Social Committee to replace Mr FIJN VAN DRAAT who had resigned.

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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 (leaflet-January 1975)   | Free |
| 3. The Economic and Social Committee (April 1975)<br>(A descriptive brochure) 16 p.                             | Free |
| 4. European Union (July 1975)<br>(Opinion) 33 p.  | Free |
| 5. Progress Report on the Common Agricultural Policy<br>(February 1975) (Study) 52 p.                           | Free |
| 6. The Situation of Small and Medium-sized Undertakings in<br>the European Community (March 1975) (Study) 69 p. | Free |
| 7. Annual Report 1974<br>60 p.  | Free |
| 8. Annual Report 1973<br>64 p.  | Free |
| 9. Directory (November 1975)<br>32 p. (list of members)   | Free |