

ECONOMIC AND SOCIAL COMMITTEE  
OF THE EUROPEAN COMMUNITIES

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Commission Vice-President, François-Xavier ORTOLI,  
(right) at the March Plenary Session.

147th PLENARY SESSION

The Economic and Social Committee of the European Communities held its 147th Plenary Session in Brussels on 30 and 31 March 1977. The Committee Chairman, Mr Basil de FERRANTI, presided.

Mr François-Xavier ORTOLI, Vice-President of the Commission, attended the Session and made a statement on the economic situation.

A. Statement by Mr F.X. ORTOLI, Vice-President of the Commission

According to Mr ORTOLI, there had not yet been a decisive development in the economy that would make it possible to solve the problems to be faced at present. In view of this situation, we had three priorities : to support efforts to combat unemployment, to make the Community more of a cohesive unit, and to get the Community to take part in forthcoming international negotiations in its own name. Mr ORTOLI was pleased that the Community would be present in its own right at the coming economic summit in London.

Since 1973, all the Member States had been in the same economic boat, i.e. unemployment and inflation had been up and there had been imbalances in foreign trade, even if circumstances varied considerably from one country to another. Growth everywhere had slowed down.

To get things moving again, there had to be healthy and sustained expansion and, at the same time, a reduction of foreign trade deficits and inflation rates. The fuel for expansion would be: exports and investments.

Growth was essential if jobs were to be found for the 5 million people who were at present unemployed. Special measures would be needed to tackle structural problems such as unemployment among women and young people.

It would be difficult to get the economy going because the slump had been worse than in the past and it was vital to avoid touching off inflationary price increases.

Even now it was clear that the average growth rate forecast for 1977 would not be enough to bring down unemployment to any great extent, so the Member States had to mobilize additional resources to resolve the problem.

To boost growth, foreign trade balances had to be brought into equilibrium. Revving up the economy in countries with a balance-of-payments surplus, encouraging international trade and supporting international demand would all help to bring this about.

Investments were at the same level as they were in 1972. The major problem was industrial growth, since it was industry and the services sector that created jobs. There had to be a good international climate. Government investments had a special role to play, and future budgets should take more account of expenditure on investments.

The Community's contribution here was not to be overlooked. The Community could, for instance, take special measures regarding energy, infrastructures, or individual industries. Thus a certain priority had been given to steel.

In addition, the Member States' economic policies should be coordinated so as to make the Community more of a cohesive unit. The Council of Finance Ministers had an important role to play here.

The Member States should show their unity on budgetary policies and monetary cooperation. Consultations should enable countries within the snake as well as those outside it to pursue compatible objectives.

Governments and both sides of industry should continue to try and reach a consensus at the Tripartite Conference.

Finally, mention should be made of the Community's economic and financial responsibility in the world as a whole. The big thing here was to find a satisfactory way of financing deficits. Particular attention should be paid to the Third World, which had an important part to play in world trade.

At present, the Community was at a crossroads, both internally and externally. It had to develop constructive positions on what it should be and how it should face the rest of the world. EEC unity was more than ever the key to economic and social success.



## B. Adoption of Opinions

### 1. Regional Policy, Unemployment and Inflation

The Economic and Social Committee adopted unanimously, with 7 abstentions, its Opinion on

"How Regional Development helps solve Unemployment and Inflation by making for a more balanced Distribution of the Working Population".

The Committee took the view that regional policy can help not only to improve the employment situation in problem regions, but can also help to improve regional balance. This would alleviate certain pressures and make a significant contribution to the fight against inflation.

The Committee analyzed a number of regional development experiments. In the light of these experiments, the Committee considers that the criteria for assessing the employment situation must be improved and that regional policy instruments must be put to better use in order to cope with the employment situation.

The Committee adopted the following criteria for analyzing the employment situation in a given region :

- high chronic unemployment;
- rapid fall in the percentage of the labour force engaged in farming;
- a high percentage of jobs in declining industries;
- structural under-employment;
- emigration and net migration;

- rate of population growth and ageing of the population;
- average incomes/wages;
- the state of infrastructure.

The ESC calls for :

- better regional and local statistics;
- definition of a common yardstick;
- greater attention to be paid to all these factors by the ERDF. The Committee stresses, however, that the areas receiving aid from the Fund coincide pretty well with the areas where unemployment is highest.

The Committee takes the view that the following rules are essential in the interests of more efficient use of the various regional policy instruments :

- no single instrument is sufficient on its own. An overall blueprint is essential;
- aids which encourage the direct creation of jobs must be expanded, in conjunction with infrastructure aids which are necessary and complementary;
- as regards the jobs to be created, steps must be taken to prevent excessive reliance on one industry. Independent establishments must be developed, and existing economic activity must be expanded. Vocational training facilities and employment opportunities in forestry must not be overlooked;
- if the jobs created are to be viable and durable, plans must be vetted and amenities must be developed to that handicaps to regional development can be phased out;



Commissioner Antonio GIOLITTI, (right), arriving to attend the discussion on regional policy.

- Such measures to standardize development conditions are the best way of preventing competition distortions;
- Community aids must be better coordinated.

The Committee feels that regional policy also makes a contribution to the drive against inflation. It helps to combat excessive congestion which apart from creating social pressures, pushes up the cost of collective investment.

At the same time it helps to align productivity conditions and in doing so reduces pressures on the wages and prices front.

The Committee therefore suggests that, under the auspices of the Commission, local-level regional policy planners should come together to exchange views and get to know more about the scope of and arrangements for the aid which the European Communities can contribute.

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Speech by Mr GIOLITTI, Member of the Commission

In addressing the Economic and Social Committee, Commissioner GIOLITTI first of all thanked the Committee for its interest in regional policy.

After stressing the importance of consulting all the groups affected by the new Regional Fund rules, he said that the Committee's Opinion showed how broad and complex regional policy issues were.

The main thing was to reduce the imbalances within the Community. If they were allowed to get worse, they could threaten the very survival of the Community; and if economic and monetary union was to be achieved, then progress had to be made on structural matters. Regional policy would not be carried out solely by means of the Regional Fund; there had to be an overall strategy aimed at co-ordinating the different financial instruments set up for the purpose of structural rationalization.

The Commission's intention in presenting its forthcoming proposals was to make the Regional Fund a permanent instrument. In technical terms this meant including the Fund under the "voluntary expenditure" section of the Community budget. It was common knowledge that the European Parliament had slightly greater control over that section.

One of the problems of the new Regional Fund was where to use it and how much to spend. The key word was effectiveness, which meant that greater care should be exercised in selecting projects for aid, and resources should be concentrated better.

The Fund rules should be made more flexible. This could mean widening the percentage range of aid that could be provided, making interest rate subsidies possible, or providing cover for exchange risks on loans granted to smaller businesses by the European Investment Bank.

As far as national quotas were concerned; the Community's regional policy would have no specific purpose, if it simply transferred resources. To ensure that the policy was used for specific ends there had to be a certain flexibility on quotas. But they would not be abolished.

There were plans to make one section of the Regional Fund free from quotas, and distributed by the Commission.

Another thing that was important was to coordinate use of the Community's various Funds, i.e. the ERDF, the Guidance Section of the EAGGF, and the Social Fund. In certain cases, schemes should be able to obtain aid from both these Funds and the quota section of the Regional Fund.

Planning machinery should be improved too for the sake of smaller projects, for which the time factor was particularly crucial.

In concluding his address, Mr GIOLITTI emphasized that the regional policy should be a policy of development, covering not just the poor regions but the entire territory of the EEC.

The Committee based its Opinion on material prepared by its Section for Regional Development under the chairmanship of Mr LAVAL - France - Workers. The Rapporteur was Mr BORNARD - France - Workers.

## 2. Use of Coal for Electricity Generation

"Proposal for a Council Regulation on Community Financial Measures to Promote the Use of Coal for Electricity Generation".

### Gist of the Proposal

The Commission proposes financial inducements to increase electricity production from coal. The scheme would cost a maximum of 500 m.u.a. over 12 to 15 years. Expenditure in any one year would not exceed 50 m.u.a.

A limited number of grants would be awarded to power stations which undertake to increase coal consumption over a seven-year period. The grants would cover 30% of the additional capital costs of installing coal-fired generating capacity. They would be awarded on a competitive basis to projects which add at least 100 MW capacity. The scheme would apply to both coal of Community origin and imports from third countries.

### Gist of the Opinion

The Committee adopted by 48 votes in favour and 18 abstentions its Opinion on this proposal.

The Committee approves the aim of the Commission's proposal, namely, to increase the use of coal for electricity generation. But it wonders whether the means chosen are those best suited to achieve this objective. It therefore, suggests that the system be reviewed to ensure that Community funds are used as efficiently as possible.

The scheme proposed by the Commission would cost a maximum of 500 million u.a. over 12 to 15 years. Expenditure in any one year would not exceed 50 million u.a. A limited number of grants would be awarded on a competitive basis to projects which would add at least 100 MW coal-fired electricity generating capacity. The grants would cover 30% of the additional capital costs involved.

The Committee recognizes the primacy of the need to strengthen the Community's coal industry, to attain its coal production targets and to guarantee outlets for the coal so produced. All the necessary measures to this end should, it believes, be undertaken by the Community in the context of its coal policy under the ECSC Treaty.

The Committee, however, believes that this proposal should be considered solely in an overall energy context. It believes its objective should be simply to reduce dependence on oil, i.e. maximize the use of coal irrespective of origin. It also agrees that a priority must be given to projects using principally Community coal.

The Committee feels that in its present form the scheme will have limited effectiveness in realizing coal capacity which, otherwise, would not be installed. It points out that the success of the measures depends entirely on its ability to influence electricity producers' investment decisions. The total cost of coal-firing is significantly higher than that of oil. Electricity producers will have to bear a large proportion of the extra cost.



It points out that some undertakings have already expressed a lack of interest. Moreover, where they do decide to invest in coal-fired projects, their decision is likely to be governed by other motives.

The Committee calls for greater flexibility to allow account to be taken of the differences in the cost of installing and running coal-fired units in different regions of the Community. The single rate of aid of 30% should be replaced by an upper and lower limit. The Commission should be allowed to allocate aid at rates falling within this range - the higher the investment cost of the project, the higher the rate of aid.

Finally, the Committee believes that the scheme should be reviewed after a number of years so as to keep it fully attuned to the prevailing conditions on the energy market.

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

3 to 12 : Proposals of Council Directives on the Approximation of the Laws of the Member States relating to :

### 3. Tyres

- Tyres for Motor Vehicles and their Trailers

### Gist of the Commission's Proposal on Tyres

The proposal covers the design, fitting and testing of tyres. It concerns tyres fitted on new vehicles as well as replacement tyres, though not remoulds or tyres with studs. A common procedure for granting an EEC mark is introduced and tests may be carried out in the laboratories of manufacturers under the responsibility of the manufacturers themselves. Spot checks are, however, allowed. As a precautionary measure, provision is made for any Member State to take appropriate measures if a tyre seems to be dangerous, even if it satisfies the specifications of the directive. A system for the mutual exchange of information is also provided for.

### Gist of the Opinion

The Committee approves the proposal, especially from the road safety angle. Defining characteristics which have a bearing on tyre safety (e.g. resistance to blow-outs, pressure retention, road grip) is therefore of particular importance.

It would point out, however, that the first paragraph of Article 6 may cause Member States to introduce subsequent technical barriers; this would be in conflict with the spirit of the Directive. The Committee also feels that the six-week period stipulated in Article 6(2) is too long in view of the fact that consumers would be exposed to serious safety hazards in such instances.

### 4. Car Wings

- Wheel Guards for Motor Vehicles

### Gist of the Commission's Proposal on Wheel Guards

This proposal is designed to protect other traffic users against stones, mud or water, etc., which may be thrown up by motor vehicles.

Gist of the Opinion

The Committee approves the Commission's proposal, though it is normal practice to avoid basing vehicle safety standards on design specifications, as far as this is possible. It thinks that it would be better to lay down performance requirements, the manufacturer being at liberty to satisfy these in the way he considers to be most appropriate.

5. Car Heating Systems

- Heating Systems for the Passenger Compartments of Motor Vehicles

Gist of the Commission's Proposal

The proposal stipulates that the passenger compartment of motor vehicles must be fitted with a heating system and lays down the design specifications necessary for the occupants' safety and comfort.

Gist of the Opinion

The Committee approves the Commission's proposal.

6.7.8. Rear Fog Lights - Reversing Lights - Parking Lights

- Rear Fog Lights of Motor Vehicles and their Trailers
- Reversing Lamps for Motor Vehicles and their Trailers
- Parking Lamps for Motor Vehicles

### Gist of the Commission's Proposals

Since the fitting of these lamps to motor vehicles has already been covered by the Council Directive of 27 July 1976, these proposals merely lay down how the lamps are to be designed and tested. Lamps which satisfy the requirements laid down in the annexes to the Directives and bear the EEC type-approval mark may be marketed throughout the Community. Also included in the proposals is a scheme for the reciprocal notification of all instances where type approval has been granted, refused, withdrawn or extended.

### Gist of the Opinion

The Committee approves the Commission's proposals. Rear fog lamps, the Committee urges, must be effective, however, when the weather is at its worst. In this respect it advocates the standardization of road traffic laws at Community level.

### 9. Windscreen Wipers

- Window Wipers and Washer Systems of Motor Vehicles

### 10. De-Frosting Systems

- Defrosting and Demisting Systems of Motor Vehicles

### Gist of the Commission's Proposals

The aim of these two proposals is to ensure that drivers' visibility is not impaired in bad weather conditions, and thus make a major contribution to improving road safety.

Gist of the Opinion : Windscreen Wipers

The Committee approves the Commission's proposal.

Gist of the Opinion : Defrosting/demisting systems

The Committee approves the Commission's proposal and notes in particular that technical progress might provide the manufacturers of motor vehicles in category M 1 with new methods for improving visibility, such as electrical windscreen heating.

With regard to the criteria laid down in the proposal for keeping windcreens permanently clear of mist and frost, the Committee feels that this stipulation can be met by a test at above  $-18^{\circ}\text{C}$  provided defrosting can also be guaranteed at temperatures below  $-18^{\circ}\text{C}$  when the vehicle is in motion. The Committee therefore urges the Commission to review the proposed temperature limit.

11. Interior Fittings of Cars

- Interior Fittings of Motor Vehicles (Identification of Controls, Tell-Tales and Indicators)

Gist of the Commission's Proposal

The proposal deals with the specifications for the identification of controls, tell-tales and indicators and lists in the Annex the symbols to be used for such purposes. In drafting its proposal, the Commission has drawn on work performed by international standardization organizations, such as the Economic Commission for Europe and ISO.

Gist of the Opinion

The Committee approves the Commission's proposal.

12. Weights and Dimensions of Motor Vehicles

- Weights and Dimensions of Certain Motor Vehicles

Gist of the Commission's Proposal

This proposal lays down the maximum permissible length, width and height of vehicles in category M 1 (private cars and other vehicles used for the carriage of passengers and having no more than nine seats). It also stipulates how the technically permissible maximum laden weight of a vehicle is to be determined and how this weight should be distributed between the vehicle's axles so as to ensure that the vehicle can be properly controlled even in the most adverse loading conditions. The proposed standards are :

- maximum dimensions : length 11 metres  
width 2,5 metres  
height 4 metres

- maximum laden weight : 3,500 kg.

Member States are to incorporate these EEC standards into their national legislation before 1 June 1978, and these standards will then become obligatory as from 1 January 1979. The dimensions of most existing cars comply with the proposed standards.

### Gist of the Opinion

The Committee approves the Commission's proposal.

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 MASPRONE - Italy - Employers. Mr DE GRAVE - Belgium - Workers - was the Co-Rapporteur for the Opinions on defrosting systems and tyres.

### 13. Type-Approval of Motor Vehicles

Proposal for a Council Directive Amending Directive 70/156/EEC on the Approximation of the Laws of the Member States relating to the Type-Approval of Motor Vehicles and their Trailers.

### Gist of the Commission's Proposal

A number of amendments have been made to Council Directive 70/156/EEC of 6 February 1970 in the light of experience gained since this Directive came into force in 1971 in the original Member States and in 1973 in the new Member States. These amendments concern both legal and technical aspects.

The amended Directive stipulates that when an application for type approval is made, a Member State must satisfy itself that the manufacturer filing the application is adequately equipped to test the product in question. The previous provisions, which simply stated that spot checks had to be carried out on production models to verify their conformity, have now been seen to be inadequate.

The new provisions will enhance customer safety. It will also be possible for the manufacturers of certain items of equipment to have this equipment approved without it being necessarily fitted to a vehicle. These manufacturers are therefore no longer obliged to apply through the vehicle manufacturer.

Included in the amendments to the technical specifications is the addition of an item on fuel consumption, which will thus become part and parcel of the type approval procedure for motor vehicles. This is in line with the Council's recommendation of May 1976 on the rational utilization of energy by road vehicles. Certain additions to the type approval certificates have also been made necessary by more recent Council Directives, such as the one on rear fog lamps.

#### Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this proposal.

The Committee approves the Commission's proposal and calls on the Council to discuss it at the earliest opportunity.

With regard to the type-approval procedure for vehicles made in third countries, the Committee believes that conformity to type can only be effectively verified in the manufacturing establishments and therefore suggests that the right of access to the manufacturing establishments and the methods of checking must be the subject of agreements between the Community and the third country.



Considering the Community-wide effects of a type approval granted under the terms of the directive, the Committee invites the Commission to ensure maximum coordination among Member States' authorities before type approval is granted to a motor vehicle coming from a third country.

Furthermore, the Committee asks the Commission and the Council to keep in mind the importance for the Community of obtaining reciprocal benefits from third countries exporting to the Community.

The Economic and Social 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 CLARK - United Kingdom - Employers.

#### 14. Pre-Packaged Products

Proposal for a Council Directive on the Approximation of the Laws of the Member States relating to the Ranges of Nominal Quantities permitted for Certain Pre-Packaged Products.

#### Gist of the Commission's Proposal

This proposal follows on from those already adopted by the Council on prepackaged products, viz. the Directive on the Approximation of Laws relating to the Making-up by Volume of certain Pre-packaged Liquids and the Directive on the Approximation of Laws relating to the Making-up by Weight or by Volume of certain Pre-packaged Products.

The purpose of this new proposal is to lay down, for each of the products listed, the weight or volumes that must be accepted on the markets in all Member States.

Clear ranges of prepackage sizes for the marketing of any given category of products should simplify comparisons between similar products, foster competition between producers and make the consumer's choice easier.

The proposal has three annexes, which cover three different categories of products.

The first annex deals with products prepackaged in containers that are specially manufactured for the products in question.

The second annex concerns products prepackaged in containers that are manufactured without regard to the metrological properties (volume, density) of the products in question.

And the third annex covers products sold in aerosol containers. The Council has already adopted a Directive on the resistance to pressure of the latter.

#### Gist of the Opinion

The Economic and Social Committee adopted with no dissenting votes and 5 abstentions its Opinion on this proposal.

The Committee endorses the Commission's proposal.

With regard to the Directive's scope, the Committee points out, however, that the "ultimate consumer" should cover all kinds of consumer, including institutions.

In view of the special nature of dietetic foods, the Committee asks the Commission to put forward appropriate proposals in respect of such foodstuffs.

The Committee also calls on the Commission to draft a Directive on the marketing of unit prices at the earliest opportunity.

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.

#### 15. Duty Free Allowances for Travellers

Proposal for a Council Directive on the Harmonization of Provisions Laid Down by Law, Regulation or Administrative Action Relating to the Rules Governing Turnover Tax and Excise Duty Applicable in International Travel.

#### Gist of the Commission's Proposal

The aim of the present proposal is to resolve two difficulties arising out of the application of previous directives. In the first place, price rises are tending gradually to erode the real value of Community tax exemptions granted to individuals, and secondly as a result of the present monetary situation in the

Community, the exemption amounts are not the same when converted into the various national currencies.

The proposal provides for increases in the tax exemptions granted to individuals pursuant to the provisions of the Council Directive of 28 May 1969, as amended by the Council Directive of 12 June 1972 :

- the tax exemption is raised to 200 units of account,
- for travellers under 15 years old, Member States may reduce the exemption to 50 units of account.

In addition, the exemption which Member States must allow in intra-Community trade for the duty-free importation of still wines is increased to 5 litres, and a mechanism is to be introduced to keep the real value of Community exemptions constant.

Under the mechanism envisaged, the exemption amounts expressed in units of account will be adjusted each year in line with a Community index reflecting movements in the cost of living in the Community as a whole.

#### Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this proposal.

The Committee approves the Commission's proposal. The Committee notes that currency depreciation and price increases have considerably reduced the real value of these exemptions (which have not been changed since 12 June 1972). Variations in exchange rates have also led to notable differences in the value of the exemptions

calculated in the currency of each Member State.

The index-linking of the exemptions, together with their annual review, should put an end to these shortcomings.

Furthermore, the Committee thinks that the reasons given in support of the adjustment of intra-Community exemptions in the light of economic developments, also hold for the exemptions granted to travellers returning from a non-EEC country. This exemption has remained fixed at 25 units of account since 28 May 1969.

Finally, the Committee would point out that the proposed measures can only be considered as being a provisional solution. The ultimate aim is still the harmonization of tax systems.

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

#### 16. Export Declaration Form

Proposal for a Council Regulation Instituting a Community  
Export Declaration Form

#### Gist of the Commission's Proposal

The purpose of the proposal is to introduce a Community export declaration form in the Community as from 1 January 1978. The introduction of Community transit procedures in 1970 has helped

achieve substantial simplifications in the movement of goods, but further simplifications are necessary. Work for users in the Community would be made easier if export data were located in a fixed place on forms. The resulting advantages would be greater still if the Community transit forms were aligned on the export forms; simultaneous completion of the two forms, regardless of the method of reproduction used (e.g. one-run systems) would result in a saving of time.

### Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this proposal.

The Committee welcomes the plan to introduce a Community export declaration form based on the ECE layout key. It notes that numerous documents used in international trade are already based on this key.

The Committee regrets, however, that the continued divergence of national rules with regard to taxation, statistics and trade, etc., greatly increases the number of boxes reserved for national use in the new form.

The Committee is also interested to note that users will be able to choose between two models, one being intended more specifically as an administrative document and the other belonging to the same category as invoices and other commercial documents.

Furthermore, the Committee thinks it is vital that work on the redesigning of the Community transit form, which is a

Commission responsibility, should be completed in time for the two new forms to be introduced simultaneously.

Finally, the Committee would urge the Commission and the Member States to make a real effort to reduce the amount of information which users are asked to supply.

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.

#### 17. Water for Rearing Shellfish

Proposal for a Council Directive relating to the Quality Requirements for Waters favourable to Shellfish Growth.

#### Gist of the Commission's Proposal

The proposed Directive is concerned with quality requirements for water which the appropriate national authorities designate (or have already designated) as being in need of protection in order to allow their shellfish populations to develop under favourable conditions.

It will apply to natural or artificial basins where shellfish beds occur naturally or where shellfish are farmed.

#### Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this proposal.

The Committee acknowledges that the Commission's proposed Directive satisfies the aim of preventing and combatting water pollution where naturally-occurring shellfish beds or shellfish farming is extensive and exploited for human consumption. Indirectly, the Directive will lead to better protection for the consumer, which the Committee, in any case, still believes to be insufficient.

The Committee stresses that a wider range of measures is needed in order to protect people consuming shellfish. It, therefore, urges that the Commission draft, with a minimum of delay, proposals designed to make sure that shellfish coming onto the market are perfectly healthful, irrespective of whether they come from Community water or are imported from outside.

The Committee based its Opinion on material prepared by its Section for Agriculture under the chairmanship of Mr EMO CAPODILISTA - Italy - Various Interests. The Rapporteur was Mrs EVANS - United Kingdom - Various Interests.

## 18. Sugar

Proposal for a Council Decision adopting certain Codex Alimentarius Standards for Edible Sugar

### Gist of the Commission's Proposal

The Commission proposes that the Council adopt the international standards for edible sugar which are set out in the Codex Alimentarius. Types of sugar which are fully in accordance with the



Codex but do not comply with Community law would not be authorized for sale within the Community.

### Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on this proposal.

The Committee approves the Commission's proposal, since it considers the latter is merely a ratification at international level, apart from specified exceptions, and does not involve making any changes to Community rules.

The Committee recalls its favourable attitude towards the possibility of support for an alignment of national rules on confectionery and in particular for restricting the use of sulphur dioxide to cases where it is strictly necessary.

The Committee also points to the need for further work on alignment standards concerning contaminants in sugar.

The Committee based its Opinion on material supplied by its Section for Agriculture under the chairmanship of Mr EMO CAPODILISTA - Italy - Various Interests. The Rapporteur was Mr DE GRAVE - Belgium - Workers.

### 19. Siting of Power Stations

Draft Council Resolution concerning Consultation at Community level on the Siting of Power Stations and the Proposal for a Council Consultation Procedure in Respect of Power Stations likely to Affect the Territory of another Member State.

### Gist of the Proposal

Some 110 new nuclear power station sites, as well as a number of conventional sites, will be needed by the year 2000. These must comply with an ever-increasing list of economic, technical, environmental and land-use parameters. To ensure a consistent approach, especially in frontier regions, the Commission believes that the Member States must coordinate their action.

Firstly, the Commission intends to set up a body to help develop common criteria and methodologies for site selection procedures in general throughout the Community.

Secondly, for individual sites planned in frontier regions, it is planned to set up a Community consultation procedure. The procedure could be triggered-off by the Member State responsible for the particular project, the Member State affected, or the Commission. The Member State responsible for the project would then provide the Commission with the data needed to assess the possible trans-border effects of the project. The Commission would examine the data with the help of a consultative body made up of experts from the Member States. Finally, the Commission would forward its opinion on the project to the Member States concerned.

### Gist of the Opinion

The Economic and Social Committee adopted by a large majority with 1 vote against, its Opinion on this Proposal.

The Committee accepts the idea of developing common criteria and methodologies for site selection procedures in general throughout the Community. These would give Member States some guidance when choosing and approving sites. They could also make for objective public discussion. At the same time, the Committee believes that the task of selecting and approving individual sites must remain the exclusive responsibility of the Member States. Only the national Governments can weigh up all the different technical, economic, environmental and land-use factors involved in each specific instance. It recommends that the text of the Resolution unambiguously reflect these views.

The Committee supports the creation of a body for consultation on criteria and methodologies. Its aim, it believes, should be to provide the Commission with the broadest range of the best technical advice.

The Committee goes on to approve the draft Regulation on the introduction of a Community consultation procedure on power station sites in frontier regions. It endorses the plan whereby the consultation process may be initiated for a particular site by :

- a) the Member State which considers that it is affected by the siting plans of another Member State;
- b) the Member State responsible for the project; or
- b) the Commission.

It believes that this procedure is preferable to any attempt to objectively define frontier regions.

The Committee supports the creation of a consultative panel of independent experts, nominated by the Member States. Nevertheless, it would like a clearer picture of the number of people involved, their qualifications, and the duration of their appointment. It assumes that the Member States in question will be adequately represented and that each Member State will nominate the strongest advocates to plead its particular case. It also notes that it is not necessary for all Member States to be represented for each case study and that the Commission is given flexibility to determine the make-up of the group for each case.

The Committee was concerned lest the procedure add undue delay to the decision-making process. However, it regards the time-limits specified in the Regulation (maximum total duration approx. 9 months) as acceptable.

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

## 20. Dangerous Substances - 6th Amendment

Proposal for a Council Directive, the Sixth Modification of the Council Directive of 27 June 1967 on the Approximation of the Laws of Member States relating to the Classification, Packaging and Labelling of Dangerous Substances.

### Gist of the Commission's Proposal

The Directive would make it compulsory for every new substance to be tested for potential health and environmental hazards

before being placed on the market. The manufacturer or the agency marketing the new substance would have to submit a dossier containing the results of such tests to the Member State's authorities and to the Commission. The procedure for the consideration of dossiers by the authorities is laid down. The Directive constitutes a major step forward in the drive against chemical pollution.

#### Gist of the Opinion

The Economic and Social Committee adopted by a large majority, with 2 abstentions, its Opinion on this proposal.

The Committee endorsed the proposed Directive which it considered accorded with the justified health and safety requirements of workers and the general public, such as were discussed at the recent Pan-European Trade Union Conference on the Humanization of Work.

The proposal would play an effective role in preventing accidents and pollution arising from the use of substances new on the market. But it was unfortunate that the Directive could not be extended to cover dangerous substances already on the market, because these had not had to comply with a notification requirement and the existing Directive was not intended to serve the wider environmental aim. Such an extension would involve great difficulties, however.

The Committee accepted the proposed method of compulsory notification of new substances. Though not as foolproof a system as

licensing, notification would still do much to improve our knowledge of dangerous substances and thereby help to reduce the hazards involved.

The Committee nevertheless called upon the Commission to consider the possibility of a licensing system for highly dangerous substances.

The Committee based its Opinion on material prepared by its Section for Protection of the Environment, Public Health and Consumer Affairs (Chairman Mr ROSEINGRAVE - Ireland - Various Interests. The Rapporteur was Mr EBOLI - Italy - Various Interests).

## 21. Plant Protection Products

Proposal for a Council Directive concerning the Placing of EEC-Accepted Plant Protection Products on the Market

Proposal for a Council Directive Prohibiting the Placing on the Market and the Use of Plant Protection Products Containing Certain Active Substances.

### Gist of the Opinion

The first proposal provides for what is termed EEC acceptance. This would be optional and would operate in parallel with existing national approval arrangements for plant protection products. EEC acceptance is to be granted by the individual Member State for products which satisfy a series of safety and effectiveness requirements. Anyone wishing to market plant protection products in the Community will be able to choose between applying for approval under

national law in each individual Member State or applying for blanket EEC acceptance. Once a product is EEC-accepted, Member States will be barred, as from 31 December of the year following the year of EEC acceptance, from refusing, prohibiting or restricting the marketing of the product. Exceptions may be authorized, however, under certain conditions, where there are justified objections to a given product being EEC-accepted. The Commission is to publish an annual list of plant protection products which may be marketed as "EEC-accepted".

The second proposal seeks to align national bans on restrictions on plant protection products which are dangerous to man or to the environment. Initially, the proposal is to cover plant protection products containing certain mercury or organo-chlorene active substances whose use in agriculture is now generally considered to be undesirable and is already banned in several Member States.

#### Gist of the Opinion

The Economic and Social Committee adopted unanimously its Opinion on these Proposals.

The Committee approved the first proposal, but asked the Commission to make sure there was no conflict with the Proposal for a Council Directive on the Approximation of the Laws, Regulations and Administrative Provisions of Member States relating to the Classification, Packaging and Labelling of Pesticides.

The Committee felt that the Commission should have indicated more clearly what stages are to be gone through on the way to its ultimate objective, namely, upwards alignment of the relevant national health protection regulations.

It also considered that the Commission should study the case for extending the list of approved products by adding a number of products whose use is currently approved in certain Member States. Such a measure should not, however, set back the date on which the Directive under discussion comes into force.

As for the second proposal, the Committee observed that the proposed list of prohibited substances is not yet complete. It should be updated, as and when necessary, in the light of progress in scientific and technical knowledge.

As regards the procedure for consulting interested parties, the Committee considered that the Commission should have made provision in both of the proposals, for the Consumers' Consultative Committee to be asked to give its views before decisions are taken. The Community Programme for a Consumer Protection and Information Policy expressly mentioned plant protection products (pesticides) as one area for priority action to safeguard consumers' health and safety.

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



## 22. Vinyl Chloride Monomer

Proposal for a Council Directive on the Approximation of the Laws of the Member States relating to Materials and Articles containing Vinyl Chloride Monomer and Intended to Come into Contact with Foodstuffs.

### Gist of the proposal for a directive

In implementation of the outline Directive on materials and articles intended to come into contact with foodstuffs, the Commission is now proposing a specific Directive on permissible amounts of vinyl chloride monomer in food and in materials and articles containing food.

The maximum permissible levels have been set at 1 mg/kg for materials and articles in their finished state, and at 0.050 mg/kg for the actual foodstuffs.

In drawing up its proposal, the Commission based itself on the Opinion of the Scientific Committee for Foodstuffs as well as on a certain amount of scientific research currently being carried out. On the basis of this Opinion and scientific research, the Commission intends to take precautionary measures to limit the absorption of vinyl chloride monomer.

### Gist of the Opinion

The Economic and Social Committee adopted by a large majority, with one vote against and four abstentions, its Opinion on this proposal.

The Committee approves the proposal and at the same time accepts the proposed maximum levels of vinyl chloride monomer, which have been worked out in the light of present technology and

methods of analysis. It considers these levels, however, to be a strictly temporary precautionary measure, to be reviewed later in a wider context and in the light of new scientific and technological knowledge.

The Committee feels that exposure to hazards must be limited as far as possible and that consideration should be given to other complementary measures, namely :

- recourse to, or promotion of, other plastics (including compounds) or non-plastic materials - or at the very least freedom of choice for consumers;
- use of a film to prevent migration;
- restrictions on certain uses and a temporary ban on new uses.

It would seem that the degree of migration is determined less by the nature of the liquid than by the duration of its contact with the packaging. The Committee, therefore, wonders whether the use of PVC packaging should not be confined to foodstuffs that do not keep a long time, and whether plastic compounds or other materials should not be prescribed for other foodstuffs.

Given the present state of scientific knowledge, the Section cannot accept the principle of a tolerable level for a carcinogenic substance. The existence of a "no-effect level" has never been proved.

Generally speaking, the Committee is aware of the fact that each separate packaging must be assessed from various angles, e.g. the toxicity of the constituents, hygiene, manufacturing cost, costs of disposal and recycling, and a raw material supplies'

policy. The Committee therefore asks the Commission to examine these questions as a whole, not just in isolation.

The Committee also asks the Commission to seek the opinion of the Scientific Committee for Foodstuffs on the other monomers most commonly in use in the plastics industry because current scientific work in this area would seem to suggest that there may be problems similar to those posed by vinyl chloride monomer.

The Committee finally recommends that the Commission should give wide publicity to the findings of scientific research so as to prevent risks from being under- or over-estimated.

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.

### 23. Abolition of the Two-Yearly Report on Competition in Transport

Proposal for a Decision amending Council Decision No. 65/271/EEC of 13 May 1965 on the Harmonization of Certain Provisions Affecting Competition in Transport by Rail, Road and Inland Waterway.

#### Gist of the Commission's proposal

The Commission wishes to abolish the biannual reports which are required by Article 15 of Decision No. 65/271/EEC of 13 May 1965, since they duplicate other more comprehensive reports and are no longer of much value.

Gist of the Commission's proposal

The Economic and Social Committee adopted unanimously its Opinion on this Proposal.

The Economic and Social Committee approves the Commission's proposal that the biannual reports on progress made towards aligning conditions of competition in the transport sector should be abolished since they overlap with other reports.

This should not be taken to mean that the present situation with regard to the alignment of conditions of competition is satisfactory (absence of decisions or gaps in the application of the rules with regard to the calculation of vehicle taxes, the deductibility of VAT on fuels, the financial autonomy of the railways, compensation for the public service obligations of road passenger transport and the alignment of working conditions).

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 RENAUD - France - Employers.

II

NEW REQUESTS FOR OPINIONS

The Economic and Social Committee will shortly be asked for an Opinion on :

1. Proposal for a Council Regulation (EEC) concerning Community Aid for Financing Cyclical Stocks of Hard Coal, Coke and Patent Fuel.
2. Proposal for a Council Regulation on the necessary measures to achieve comparability between the accounting systems and annual accounts of railway undertakings.
3. Proposal for a Council Decision Subscribing, on behalf of the Community, to a Joint Declaration of Intent to Implement a European Project on the Subject of Electronic Traffic Aids on Major Roads (Project COST 30).

III

PROVISIONAL FUTURE WORK PROGRAMME

April 1977 Plenary Session

Opinions requested by Commission/Council

- Equality of Treatment (Social Security)
- Treatment of Sludge
- European Social Fund

Studies

- Nuclear Safety
- Relations between Industrialized and Developing Countries

May 1977 Plenary Session

Opinions requested by Commission/Council

- Protection of Workers against Vinyl Chloride
- Bird Preservation
- Pleasure Boats

Own-Initiative Opinions

- Industrial Change
- GATT Negotiations (Additional Opinion)
- Consumers' Action Programme (Additional Opinion)
- Farm Prices (Additional Opinion)

Study

- Employment Prospects in Agriculture

June 1977 Plenary Session

Opinions requested by Commission/Council

- Economic Situation
- Social Situation
- Doorstep Selling
- Alcohol
- Data Processing
- Commercial Agents
- Defective Products
- New Regional Fund

Own-Initiative Opinions

- 1976 Report on the Regional Fund
- Small and Medium-Sized Enterprises

Study

- Agreements between the EEC and Southern and Eastern Mediterranean Countries

Subsequent Plenary Sessions

Opinions requested by Commission/Council

- Green Paper
- Double Taxation

Own-Initiative Opinion

- East-West Transport (Part 1)

Study

- Tax Harmonization



The Portuguese Prime Minister, Mario SOARES (centre) is welcomed by the Committee Chairman, Basil de FERRANTI, (right), and the Secretary-General, Delfo DELFINI (left).





The Committee Chairman (right) welcomes the Portuguese Prime Minister (left).

IV

EXTERNAL RELATIONS

1. Dr. Mario SOARES at Economic and Social Committee

On 12 March Dr Mario SOARES, Portuguese Prime Minister, was received at the Economic and Social Committee in Brussels by the Committee's Chairman, Mr Basil de FERRANTI, and other Committee members. Dr SOARES has already had contacts with the Committee - he met one of its Study Groups when it paid a fact-finding visit to Portugal last November.

The talks were attended by the two Committee Vice-Chairmen, Mr BERNIS and Mr VAN GREUNSVEN, by the Group Chairmen, by the Section Chairmen, and by other members. The two sides discussed the scope for closer contacts between the businessmen, unions, trade associations and other pressure groups of Portugal and the Community.

Dr Mario SOARES was accompanied by his Foreign Minister, Mr José Manuel de MADEIROS FERREIRA; by the President of the Portuguese Commission for European Integration, Mr Vitor CONSTANCIO; by the Portuguese Ambassador to the Communities, H.E. Mr de SIQUEIRA FREIRE; and by senior civil servants.

2. Chairman of Economic and Social Committee to make official visit to Paris

The Chairman of the Economic and Social Committee of the European Communities, Mr Basil de FERRANTI, made an official visit to Paris from 14 -16 March.

He lunched with the Prime Minister, Mr Raymond BARRE, accompanied by the Minister of the Plan and Town and Country Planning, Mr Jean LECANUET, the Economics and Finance Minister, Mr Michel DURAFOUR, and the Minister of Labour, Mr Christian BFULLAC.

The British Chairman was accompanied by the two Vice-Chairmen, Mr M. BERNS (Luxembourg), and Mr J. van GREUNSVEN (Netherlands), and the Committee's Secretary-General, Mr D. DELFINI, and Director-General, Mr R. LOUET. The ESC delegation had meetings with leaders of the biggest French businesses, trade union and professional organizations, including the President of the French National Employers' Council, the President of the General Confederation of Small and Medium-Sized Enterprises, the President of the General Confederation of Executive Staffs, the President of the National Federation of Farmers' Association, and the Secretary-Generals of the trade union federations, CFT, FO, CFDT and CFTS.

3. Delegation from Economic and Social Committee received by the French Economic and Social Council

On 15 and 16 March, a delegation from the Economic and Social Committee of the European Communities visited the French Economic and Social Council, where it discussed common problems with the Council President, Mr VENTEJOL, and his Executive Bureau.

The Economic and Social Committee delegation, led by its Chairman, Mr Basil de FERRANTI (United Kingdom), included the two Vice-Chairmen, Mr M. BERNS (Luxembourg), and Mr J. van GREUNSVEN (Netherlands), and three other members, Mr EMO CAPOLILISTA (Italy), Mr E. CARSTENS (Denmark) and Mr C. EVALIN (France), as well as the Committee's Secretary-General, Mr D. DELFINI, and Director-General, Mr R. LOUET.

The agenda for the meeting included agricultural questions, trade negotiations and the general outlook for the Community. Means of improving cooperation between the two institutions were also discussed.



The Chairman of the French Economic and Social Council, Gabriel VENTEJOL (left) welcomes the Chairman of the Economic and Social Committee, Basil de FERRANTI (centre).

4. 20th anniversary of the signing of the Rome Treaty

On the 20th anniversary of the signing of the Rome Treaty, Mr Basil de FERRANTI, President of the Economic and Social Committee, has written to the President of the Council of the European Communities to underline the high hopes for the Community's development held by the economic and social interests. The Treaty had ushered in a period of economic and social progress, he wrote, which had transformed the lives of the peoples of Europe and made real to them the possibility of building together a deeper union. The achievement was already great and the hopes endured. The Economic and Social Committee was proud of the contribution it had been able to make. Mr de FERRANTI's letter concluded : "The commemoration of origins is an occasion for looking to the future. In spite of all that we have done together the world is not an easier place for Europe than it was when we started our adventure together. Much has been done; much remains to do. Our faith and hope is that our leaders today will show the same imagination and realism of which their predecessors gave proof in the art of creation which we are celebrating today."

Mr de FERRANTI, accompanied by Mr DELFINI, Secretary-General, represented the Economic and Social Committee at the 20th anniversary celebrations held in Rome on 25 March 1977.

MEMBERS' NEWS

Appointments

The Council of the European Communities has appointed the following as members of the Committee :

Mr John KENNA, Director of Transport and Foreign Trade - Confederation of Irish Industry, to replace Mr BYRNE, who has resigned.

Mr K. STORM HANSEN, Adviser to the ~~Grosserer~~-Societetet (Danish Wholesalers' Association), to replace Mr RØMER, who has resigned.

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

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**Periodical**

- Bulletin (monthly publication)

**General Documentation**

- The Economic and Social Committee (leaflet) (January 1975)
- The Economic and Social Committee (April 1975)  
(A descriptive brochure) 16 p.
- Annual Report (1976) 80 p. (1975) 62 p. (1974) 60 p. (1973) 64 p.
- Directory (January 1977)  
(List of members) 42 p.

**Opinions and Studies**

- Research and Development (November 1976)  
(Study) 35 p.
- Systems of education and vocational training  
(August 1976) (Study) 114 p.
- Regional Policy (March 1976)  
(Opinion) 11 p.
- European Union (July 1975)  
(Opinion) 33 p.
- Progress Report on the Common Agricultural Policy  
(February 1975) (Study) 52 p.
- The Situation of Small and Medium-sized Undertakings in the  
European Community (March 1975) (Study) 69 p.