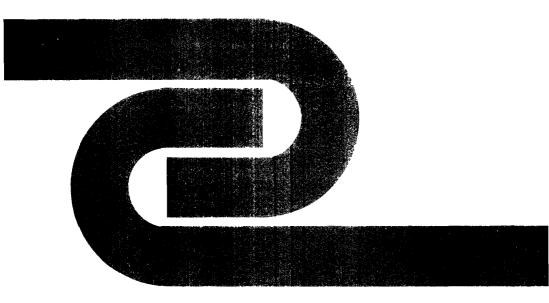
ECONOMIC AND SOCIAL COMMITTEE OF THE EUROPEAN COMMUNITIES

BULLETIN



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CONTENTS

Page

219th PLENARY SESSION	3
Summary of Mr Ceyrac's address	3
Opinions adopted	4
1. SOCIAL DEVELOPMENTS IN 1983	4
2. TECHNOLOGICAL CHANGE AND SOCIAL AD- JUSTMENT	5
3. OCCUPATIONAL MEDICINE (Own-initiative Opin- ion)	8
4. COMMUNITIES' SYSTEM OF OWN RESOURCES	10
5. AIDS TO SHIPBUILDING	12
6. FISHING/TORREMOLINOS CONVENTION	14
7. COMMON SYSTEM OF VALUE ADDED TAX	15
8. VETERINARY — HEALTH INSPECTIONS OF FRESH MEAT	16
9. THIRD DIRECTIVE — SUMMERTIME	17
10. MILK DESIGNATIONS	18
11. RETURNED GOODS	19
12. YUGOSLAVIA (Own-initiative Opinion)	20
EXTERNAL RELATIONS	22
Meeting between François Ceyrac and Pierre Pflimlin	22
Study Group visit to Mannheim	22
Visit by Secretary-General to Madrid	22
Meeting between ACP-EEC economic and social organiza- tions	23
NEW CONSULTATIONS	24
PROVISIONAL FUTURE WORK PROGRAMME	26
MEMBERS' NEWS	28

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219th PLENARY SESSION

The 219th Plenary Session of the Economic and Social Committee of the European Communities was held in Brussels on 4 and 5 July 1984. The Chairman, Mr François Ceyrac, presided.

SUMMARY OF Mr CEYRAC'S ADDRESS

Mr Ceyrac pointed out that the decisions taken at the Fontainebleau Summit had awakened fresh hopes for the Community's future. However, the Ministers of Finance were now encountering difficulties when it came to implementing these decisions — a setback which once again sparked off gloomy mutterings.

In his view, such pessimism was an over-reaction. The Ministers of Finance would manage to achieve consensus. However, little time was left for solving the budget problem, failing which the Community would run out of funds. The momentum would then come not so much from the politicians as from representatives of the socio-economic interest groups — for which the Committee acted as mouthpiece — since they (especially farmers) would be the first to be hit.

A compromise must be reached, even if certain features fell short of perfection. He had talked in Strasbourg to the new President of the European Parliament, Mr Pflimlin, who seemed to share his "tempered optimism".

Outside the financial sphere, Mr Ceyrac mentioned two decisions of the Fontainebleau Summit which were of particular interest to the Committee: the setting up of two "ad hoc" committees (one to push ahead with the vital discussions on institutional matters and the other to seek out ways of bringing the Communities closer to the people of Europe).

The first of these committees (the "Dooge Committee"), which had encountered some hiccups at the start, was of key interest to the ESC in that it would pinpoint the Committee's status and role. Mr Ceyrac had therefore asked the President of the Council, the Irish Prime Minister, to involve the Committee in its work and, in any event, to admit a Committee observer. The second committee (working for a "Community aimed at Europeans") was also of particular relevance since one of the Committee's tasks was to involve all socio-economic groups (i.e. a substantial section of the population) in the operation of the Community. Here the Committee could primarily make its impact felt by exercising its imagination, in the shape of practical suggestions. The Secretariat has already started to explore proposals voiced in recent ESC Opinions that could be of interest to this second committee. Some Members might also, in their personal capacity, have recommendations to make in this sphere. If so, they were encouraged to do so.

In conclusion, Mr Ceyrac mentioned that all these points would be raised when he met representatives of the Irish Government during his forthcoming visit to Dublin on 2 and 3 October 1984.

Opinions adopted

1. SOCIAL DEVELOPMENTS IN 1983

Gist of the Commission document

As in previous years, the Commission asked the Committee to issue an Opinion on social developments in the Community over the past year, taking as its basis the Commission's Report on Social Developments in 1982.

Gist of the Committee Opinion⁽¹⁾

The Committee adopted its Opinion by 85 votes to 34 with 10 abstentions.

Despite improvements in GDP, unemployment in the Community again increased in 1983 to reach 12.5 million, or 10.8% of the workforce, confirming a structural employment problem that cannot be solved by market forces alone. At the same time, 30 million citizens throughout most countries of the Community are forced to live on less than half the average per capita income, while income in general is becoming increasingly concentrated in ever smaller sectors of the population in some countries.

The combined pressure of rising unemployment, slow growth, technological restructuring, demographic trends, imbalances in social pro-

⁽¹⁾ Doc. CES 853/84

tection, budgetary restraints and a lowering rate of increase in social spending makes it unlikely that satisfactory social provisions can be guaranteed.

There is a vital need for an economic and social policy which gives real priority to employment and supports and restructures investment and consumption to help economic revival, and which is a necessary condition for political stability.

The Opinion stresses that, given the necessary flexibility, social policy can revive and support the economy in the same way and at the same time as the economy can provide a guarantee of adequate social conditions. This is especially the case at Community level, where the "multiplier" effects of concerted action can encourage broader, faster and more reliable growth; and it is in this Community joint economic and social context that the need for a social action programme is seen as essential.

Statement of minority views by the Employers' Group

The members of the Employers' Group — who either voted against the Opinion or abstained — think that the employment situation would be improved only slightly by a social action programme. Preference should be given to outline programmes at Community level. These members are particularly worried by the Opinion's call for maximum state intervention and guidance in order to improve the employment situation. Government employment programmes and intervention and controls in the economic sphere are no substitute for market-oriented entrepreneurship.

This Opinion was drawn up in the light of the paper produced by the Section for Social Questions, chaired by Mr Houthuys (Belgium -Workers). The Rapporteur was Mr Beretta (Italy - Workers).

2. TECHNOLOGICAL CHANGE AND SOCIAL ADJUSTMENT

"Communication from the Commission to the Council on Technological Change and Social Adjustment"

Gist of the Commission's Communication

The purpose of this Communication is to propose a Community strategy for new technologies which, complementing those already launched in the sphere of industry, research, development and innovation, will bring a positive response to the social challenges. After reviewing briefly the social implications of technological change and the need for joint action, it sets out a certain number of proposals on the development of existing activities and new measures.

These proposals come under three priority headings:

Education and training

The Council Resolutions of June 1983 concerning the introduction of new information technologies into education and vocational training for new information technologies already provide a basis for Community action. However, the most determined efforts in the fields of research, development and industrial policy will be hampered and might even fail unless they are matched by similar efforts in initial and continuing training for high level specialists and technicians. The Commission envisages new measures to set up and help finance "partnership programmes" between industry and higher education, training and research establishments tailored to local or regional needs, in order to expand high level training and help it to adapt to the changing needs of industry.

Management of working time and organization of working and living conditions

In the context of technological innovation the reduction and reorganization of working time and the promotion of forward looking manpower policies, especially at local level, take on particular importance. The Commission intends to give priority to the development of knowledge concerning the impact of new technologies at enterprise and sectoral level on employment, working time, remuneration and other elements of living and working conditions.

It also proposes concerted action aimed at improving the ergonomic aspects of equipment and its methods of use as well as the development of Community standards for health and safety.

Participation in technological change in the firm

Following through the conclusions of the Standing Committee on Employment of November 1981, the Commission intends to carry out further research and to promote the formulation by the social partners at European level of common principles which should enable agreements to be concluded between them on procedures for the implementation of new technologies consequent upon their introduction in the firm. It also intends to support initiatives to enhance the expertise of the social partners in matters of technological innovation. The actions in these three fields should be reinforced by the promotion and dissemination of innovatory projects and by more systematic use of existing funds and financial instruments, of which the aspects most relevant to reconversion and technological innovation are described.

The innovatory projects should relate in particular to the development of local employment initiatives involving new technologies and new goods and services based on these technologies which meet social needs, for example those concerning handicapped or elderly people.

Gist of the Committee Opinion(1)

In a unanimously adopted Opinion, the Economic and Social Committee endorsed the Commission proposals.

It points out that technological change has the following social effects:

- the current elimination of more jobs than are created (it should not be forgotten that even more jobs can be lost if improved competitiveness through the new technologies is disregarded);
- probable employment fluctuations between the tertiary sector and new quaternary branches;
- discrepancy in employment between new highly-skilled and lowerskilled workers;
- the replacement of physical stress at work by new forms of mental and nervous stresses;
- centralization or alternatively decentralization, of corporate planning and decision-making procedures, with accompanying improvements in workers' rights regarding information, consultation and participation;
- more flexible forms of work organization, calculated to facilitate the restructuring and reduction of working time plus the probable extension of shift-work.

The ESC believes that the following areas in particular provide scope for tackling the challenge posed by technological change:

 better training, retraining, further training, broadly-based and multi-skill training, work-training linkage facilities, adjustment aid and special pilot schemes particularly for disadvantaged employment groups, and the setting up of socially-oriented "workforce pools";

⁽¹⁾ Doc. CES 850/84

- more research into and the promotion of specialized and social skills needed for the humane planning and application of new technologies;
- the reduction and reorganization of working time, compatible with training programmes and the maintenance of competitiveness;
- effective measures to ensure health and safety at work;
- proper workers' involvement in the planning and introduction of new technologies and the necessary measures for establishing humane working conditions;
- data-protection and individual privacy provisions;
- the setting-up of a top level EC group, supported by the ESC, mandated to assess and advise on the long-term consequences of the new technologies on the structure of European society.

In the final analysis, these questions concern the survival of European industry and the maintenance of its competitiveness. The Economic and Social Committee has therefore decided to hold a broadlybased conference on technology on 6 and 7 November where the issues listed above will be discussed separately.

This Opinion was drawn up in the light of the paper produced by the Section for Social Questions chaired by Mr Houthuys (Belgium -Workers). The Rapporteur was Mr Nierhaus (Germany - Workers).

3. OCCUPATIONAL MEDICINE (Own-initiative Opinion)

Aim of the Own-initiative Opinion

In the Proposal for a Council Resolution on a Second Programme of Action of the European Communities on Safety and Health at Work (COM(82) 690 final), the Commission stated in Action 11 that it was necessary:

"To undertake a joint study of the principles and methods of application of industrial medicine with a view to promoting better protection of workers' health."

In its Opinion of 28 April 1982 on this Proposal (CES 440/83), the Committee stated that it intended to mount a debate on industrial medicine in the Community, and how to improve it.

In accordance with Article 20, paragraph 4, of the Rules of Procedure, the Section for Social Questions was authorized on 26 and 27 October 1983 to drawn up an Own-initiative Opinion on Industrial Medicine. The Opinion could take a look at the current national laws governing industrial medicine which provide workers with adequate protection. It would also be possible to examine whether a Community instrument could be formulated in this sector.

Above all, the situation in the Member States could be used as a starting point for examining the following points:

- whether and to what extent all workers are covered by industrial medicine;
- the possible need for a multidisciplinary approach to industrial medicine;
- the preventive role which must be assigned to industrial medicine;
- the desirability of having medical services at the workplace, including in the SME sector;
- to what extent the medical services, including doctors, should be independent;
- the possible involvement of workers and their representatives in the organization, management and operation of the medical services;
- the consultation of specialists and workers, prior to the introduction of new products or production processes, with regard to those aspects which might affect workers' health.

Gist of the Committee Opinion(¹)

All workers without exception should be covered by occupational health services. This is one of the key points made in the Economic and Social Committee Own-initiative Opinion adopted by 75 votes to 8 with 2 abstentions.

The Committee noted that despite constant technical progress there has been no reduction in accidents at work and occupational diseases. Millions of industrial accidents and cases of occupational disease occur in the Community each year. The victims are workers, who suffer not only impairment of their physical and mental health but also loss of income. These diseases and accidents cause interruptions in production. They are a financial burden on firms and society at large. Constant development of measures to prevent accidents at work and occupational diseases is therefore vital.

There is universal agreement on the contribution that occupational medicine can make in this area. Efficient occupational health services,

⁽¹⁾ Doc. CES 858/84

with the appropriate human and technical resources at their disposal, help greatly to reduce risks at the workplace.

The ESC accordingly came out in favour of occupational health service coverage for all workers, regardless of the sector or size of firm in which they are employed.

To this end, the ESC called for the adoption of a binding Community Directive and made proposals regarding the content of such a Directive.

According to the ESC the primary role of occupational medicine must be to prevent occupational risks. To do this, occupational health services must act to improve working conditions and not merely be content with carrying out periodic medical examinations. This requires a regular presence at the workplace. Occupational health services must also be consulted before new technologies and any resultant new types of work organization are introduced. Their action must also be multidisciplinary, which implies the use of specialists from various fields (ergonomists, chemists, etc.).

In organizing and operating occupational health services, account must be taken of the experience of workers in direct contact with working conditions. For this reason the ESC proposed that workers' representative organizations be consulted. The cost of occupational health services must be borne by the undertakings.

The authorities have a role to play in monitoring the health of workers who, after having been exposed to health hazards at the workplace, change employers or retire. The authorities must also ensure the organization of adequate training in occupational medicine.

The ESC considers that its overall conception of occupational medicine should serve as a basis for a Community Directive.

This Opinion was drawn up in the light of the paper produced by the Section for Social Questions, chaired by Mr Houthuys (Belgium -Workers). The Rapporteur was Mr Mourgues (France - Workers).

4. COMMUNITIES' SYSTEM OF OWN RESOURCES "Amended proposal for a Council Decision on the Communities' System of Own Resources"

Gist of the Commission document

On 6 May 1983 the Commission submitted to the Council a proposal on new own resources, on which the ESC has delivered an Opinion.

Since then there have been a series of developments, particularly the adoption of the 15th VAT Directive, which authorizes Greece to defer the introduction of VAT until the end of 1985, and the agreement reached at the European Council on 25/26 June 1984.

Under that agreement the VAT ceiling is to be raised from 1% to 1.4% and a mechanism is to be introduced to correct budgetary imbalances by adjusting the VAT payments of the Member States.

The amended proposal now submitted by the Commission takes account of these developments and provides that the option of financing Euratom research programmes either by the Communities' own resources or by financial contributions from Member States be extended to the financing of research programmes in general.

According to the proposal a budget correction should be applied now in the case of the UK.

Gist of the Committee Opinion⁽¹⁾

In an Opinion on the own resources — i.e. income — of the European Communities adopted by 87 votes to 11, with 7 abstentions, the Economic and Social Committee underlines the importance of the principle whereby "any Member State bearing an excessive budgetary burden in relation to its relative prosperity should benefit at the appropriate time from a correction". However this principle of a correction — which has been taken over by the Commission from the conclusions of the Fontainebleau Summit — has been expressed in terms which permit numerous interpretations. What, for instance, is the relative prosperity of a Member State wishes to apply the corrective mechanism the principle is likely to be invoked frequently in the future.

In implementing this principle of a correction (which should remain an exception) Europe's leaders will need to display a very high level of political wisdom in order to prevent financial instability — something which would be detrimental to the development of the Community. The Economic and Social Committee, which has been unable to hold an indepth discussion on the whole question is concerned about the way the decision-making process is operating in the Community. It therefore calls upon the leaders of the Community and of the Member States to find enough political will within the framework of the Institutions, to enable the Community to tackle its real internal and external problems.

The corrective mechanism is a temporary arrangement and the Committee would refer to the line taken in the previous Committee

⁽¹⁾ Doc. CES 856/84

Opinion regarding the possible use of indicators such as per capita GDP and the share of each Member State in the Community's net operating surplus.

The Committee considers that any future solution should be based on financial, economic and social solidarity as well as on an equitable apportionment of budgetary burdens and benefits. At all events, the real solution lies in the even-handed development of common policies. So far some of these policies have only been sketched out in rough. The Committee would again emphasize that membership of the Community should not be viewed in purely financial or budgetary terms. Some of the advantages of membership — even in the economic sphere cannot be expressed in figures at all.

The Committee also considers that the proposed corrective mechanism will affect budgetary receipts. The only Member States that will not reach the ceiling of 1.4% will be those receiving a rebate. As soon as the ceiling has been reached, and this applies to all Member States, the system will have to be reviewed. The solution is thus temporary and in the relatively short term the 1.4% ceiling could prove to be inadequate.

To sum up, the Committee considers that the proposed solution undoubtedly safeguards the key features of the own resources arrangements, and provides for an increase in own resources. This is what the Committee has itself advocated. The Committee is, however, worried about certain consequences connected with the complexity of the system, its transient nature and the circumstances in which a correction might be made in the future. The Committee hopes that with the experience gained, the next review will be able to alleviate these negative aspects.

This Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions, chaired by Mr Marvier (France - Various Interests). The Rapporteur was Mr Van Der Mensbrugghe (Belgium - Employers).

5. AID TO SHIPBUILDING

"Proposal for a Council Directive amending Directive 81/363/EEC on Aid to Shipbuilding"

Gist of the Commission Proposal

Given the aggravation of the crisis in the shipyards, it is difficult to envisage reducing direct and indirect aids for the sector over the next two years. The European Commission has therefore proposed to the Council to extend until the end of 1986 the 5th Directive regulating State aids to the shipbuilding industry and not to replace it by a more restrictive 6th Directive until the beginning of 1987.

In adopting this proposal, the Commission took into account the aggravation of the situation in the shipyards while retaining the objective of achieving a genuine rationalization of the sector by 1986 and strictly reducing aids for shipbuilding from 1987.

To respond to the particular requirements of the situation, the Commission proposes to apply a two-year moratorium to the principle of gradually reducing the aids in the new aid plans. In exchange, the restructuring measures must comprise additional significant capacity cuts. The Commission would therefore approve aids which are relatively intensive (covering production) but subject to a time limit, on three conditions: that they are linked to restructuring plans and capacity cuts, that they do not affect competition and that they do not serve to stimulate demand for new ships artificially.

Gist of the Committee Opinion⁽¹⁾

In its Opinion, adopted by a large majority with 9 votes against, the Committee feels that the efficiency and scale economies of some nonmember countries' shipbuilding seem likely to prevent Community shipyards from reducing the current yawning gap between market prices and production costs; and there is no short or medium-term prospect of a stable, substantial recovery in demand, which would help improve the current cut-throat competition climate.

While accepting the need to continue with restructuring, by reducing the number of production units rather than reducing the production level of each one, it should also be clear that the extension of the Directive is an emergency measure. The selective reduction of production capacity must be part of a common policy for the shipbuilding industry. The Committee hopes that the Commission will soon submit proposals on this matter. When applied, these measures must bring in sufficient orders, this being a sine qua non for the success of the programmes to reduce and rationalize national production capacities.

Given the gravity of the situation and the short time available, the ESC recommends that work start at once on a Community shipping policy aimed at safeguarding the Community shipbuilding industry, so that before long it is modern, efficient, and the right size at least to renew the Community fleets, which also need to be safeguarded. Suit-

⁽¹⁾ Doc. CES 854/84

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr de Wit (Netherlands - Employers). The Rapporteur was Mr Arena (Italy -Employers).

6. FISHING/TORREMOLINOS CONVENTION

"Proposal for a Council Decision on the Ratification of the Torremolinos International Convention for the Safety of Fishing Vessels and the Application of the Provisions thereof by the Member States pending the Entry into Force of the Convention at International Level"

Gist of the Commission proposal

The Torremolinos Convention on the safety of fishing vessels of, or over, 24 metres in length was drawn up under the acgis of the International Maritime Organization (IMO), and has not yet entered into force. This Convention will undoubtedly make a substantial contribution to improving the standards of construction and fitting-out of vessels, and to the protection of crews.

Ratification of or accession to the Torremolinos Convention by all the Member States may speed up its entry into force and will constitute a first stage in attaining the Community's goal of improving the safety of fishing vessel crews.

Several Member States have already ratified the Torremolinos Convention and adopted the national measures needed to apply its provisions. As uncoordinated application of the Convention is liable to affect the terms of competition within the Community and thwart the safety measures taken by some Member States, the Commission is proposing that those Member States which have not yet done so ratify the Convention as soon as possible, and by 30 June 1986 at the latest.

Gist of the Committee Opinion(¹)

In an Opinion, adopted unanimously, the Committee hopes that the Council will adopt the draft decision. It feels that this is the first step towards the introduction of a social component in the fisheries sector,

(1) Doc. CES 849/84

something which those working in the field have been demanding for many years.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Emo Capodilista (Italy - Various Interests). The Rapporteur was Mr Morselli (Italy - Various Interests).

7. COMMON SYSTEM OF VALUE ADDED TAX

"Proposal for a Twentieth Council Directive on the Harmonization of the Laws of the Member States relating to Turnover Taxes — Common System of Value Added Tax: Derogations in connection with the Special Aids granted to Certain Farmers to Compensate for the Dismantlement of Monetary Compensatory Amounts applying to Certain Agricultural Products"

Gist of the Commission proposal

Under Regulation 855/84 of 31 March 1984 the system of MCAs is to be dismantled with effect from 1 January 1985.

In order to compensate for the effects of this measure on prices, it was also decided to authorize the Federal Republic of Germany to grant national aids to which the Community will contribute on a temporary and degressive basis.

The amount of this aid will be 5% of the ex-VAT price of the agricultural product, with effect from 1 July 1984.

The VAT system has been adopted as the instrument for granting this special aid and the present proposal defines the Community procedure for implementing the Council's decision.

Gist of the Committee Opinion⁽¹⁾

In an Opinion adopted by a majority with 10 votes against and 4 abstentions, the Economic and Social Committee can approve the use of VAT for granting the proposed special aid, provided that the implementing procedures laid down by the Commission are supplemented as follows.

The proposal should stipulate that the effects of the compensation must not exceed those arising out of the dismantling of the MCAs.

⁽¹⁾ Doc. CES 859/84

The proposal should be applied only to products which are genuinely affected.

The Federal Republic should be required to submit the implementing rules which it has adopted as soon as possible to the Commission for its opinion; it should also submit a report on the outcome by the end of the year.

The Commission must ensure that the proposal does not result in new distortions of competition on the Community markets.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Emo Capodilista (Italy - Various Interests). The Rapporteur was Mr De Bièvre (Belgium - Employers).

8. VETERINARY — HEALTH INSPECTIONS OF FRESH MEAT

"Proposal for a Council Directive on the financing of health inspections and controls of fresh meat"

Gist of the Commission proposal

The inspections and controls provided for in Directive 64/433/EEC are at present financed in different ways in the individual Member States. These differences are liable to affect the conditions of competition between lines of production which are for the most part covered by common organizations of the markets.

In order to remedy this situation, the Commission puts forward harmonized rules on the financing of the inspections and controls and in particular proposes that the Member States should collect, or order the collection of, a contribution payable upon the slaughter of domestic bovine animals, swine, sheep, goats and solipeds on their territory and upon importation of such meat from non-Member countries.

Gist of the Committee Opinion⁽¹⁾

The Committee adopted its Opinion unanimously.

It considers the Commission proposal to be appropriate for removing the distortions of competition caused by the diversity of Member States' systems regarding the cost of checks and their financing.

(1) Doc. CES 848/84

However, it would have liked the Commission to have presented the technical implementing provisions simultaneously with this proposal.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Emo Capodilista (Italy - Various Interests). The Rapporteur was Mr Wick (Germany - Employers).

9. THIRD DIRECTIVE — SUMMERTIME

"Proposal for a Third Council Directive on Summertime Arrangements"

Gist of the Commission proposal

The first Council Directive 80/737/EEC of 22 July 1980 on summertime arrangements (¹), which applied in 1981 and 1982, laid down only a common starting date.

The second Council Directive 82/399/EEC of 10 June 1982(²) covering the years 1983-1985 introduced a common date and time for the start of summertime but two different dates for the end of this period, viz. one for the Member States on the European continent and another for the two island Member States.

The present proposal is to apply in 1986-1988 and its aim is to take harmonization a step further. To this end the Commission is proposing a common start and a common end to summertime, with the second Sunday in September being suggested for the latter date. This is a compromise between the two dates put forward by the Member States, i.e. the last Sunday in September (the date put forward by the continental Member States) and the Sunday after the fourth Saturday in October (the date put forward by the two island Member States).

Gist of the Committee Opinion⁽³⁾

The Committee adopted its Opinion unanimously.

This Opinion was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mrs Weber (Germany - Workers). The Rapporteur was Mr Binnenbruck (Germany -Employers).

⁽¹⁾ OJ No. L 205 of 7 August 1980, page 17

⁽²⁾ OJ No. L 173 of 19 June 1982, page 16

^{(&}lt;sup>3</sup>) Doc. CES 851/84

"Proposal for a Council Regulation (EEC) on the Designations Used in the Marketing of Milk and Milk Products"

Gist of the Commission proposal

There are structural surpluses on the market in milk and milk products and the disposal of these products should be improved by the promotion of consumption. In the interests of Community producers and consumers, the natural composition of milk and milk products should be protected.

The Commission feels that this may be achieved by rules which ensure that the products are appropriately labelled and the consumer is not misled.

To prevent distortions of competition, products imported from non-member countries must comply with Community standards. On the other hand, the provisions applying in non-member countries may, in some cases, justify derogations in order to permit exports from the Community.

Gist of the Committee Opinion(¹)

In its Opinion adopted by 56 votes to 11 with 6 abstentions, the Committee approves the proposal which, in its opinion, would afford a considerable degree of protection to consumers.

The adoption of the proposed Regulation could be a first step towards the harmonization of compositional standards of milk and dairy products offered for sale in the various Member States of the Community. While greater harmonization may be desirable it will be essential to ensure that the regional varieties of various dairy products currently on offer to consumers can be maintained.

The Committee agrees that substitutes and imitation products should not carry the same names as the genuine dairy products.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Emo Capodilista (Italy - Various Interests). The Rapporteur was Mr Strauss (United Kingdom - Various Interests).

⁽¹⁾ Doc. CES 855/84

11. RETURNED GOODS

"Proposal for a Council Regulation Amending Regulation (EEC) No. 754/76 on the Customs Treatment Applicable to Goods Returned to the Customs Territory of the Community"

Gist of the proposed Regulation

Article 2 of the basic Regulation stipulates that goods previously exported from the customs territory of the Community under outward processing arrangements are not to be regarded as returned goods. This is because the tariff treatment laid down in the Regulation applies only to goods re-imported in the unaltered state.

As goods temporarily exported under outward processing arrangements are sometimes re-imported in the same state in which they were exported, the Commission feels that Regulation No. 754/76 should also cover goods re-imported in the unaltered state under outward processing arrangements.

Paragraph 1 (b) of the same Article states that goods whose export led to refunds or other amounts granted on export within the framework of the Common Agricultural Policy are not to be regarded as returned goods either. This exclusion does not apply to a number of support measures introduced to facilitate the disposal of Community products in non-member countries. The Commission therefore feels that the scope of Paragraph 1 (b) needs to be extended to cover these goods.

Lastly, the Commission proposes deleting Article 9 of the basic Regulation. This stipulates that the Regulation is to apply to returned goods only where they are returned by or at the instance of the previous exporter. However, where circumstances so warrant, the competent authorities may permit derogations from this rule. According to the Commission, experience has shown that the disadvantages of applying this Article outweigh the advantages. It therefore proposes its deletion.

Gist of the Committee Opinion(¹)

In its unanimous Opinion, the Committee endorses the amendments to the customs provisions set out in the basic Regulation. The new proposal constitutes a welcome move towards achieving uniform legal and administrative treatment of a subject hitherto covered by separate

⁽¹⁾ Doc. CES 852/84

provisions. It also represents a practical alignment on other cases dealt with in a similar way.

The law would however be more in line with practical requirements if Article 13, which covers monetary compensatory amounts, were to permit the re-importation of goods into a Member State other than the exporter under less stringent conditions.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr de Wit (Netherlands - Employers). The Rapporteur was Mr Broicher (Germany - Employers).

12. YUGOSLAVIA

(Own-initiative)

"Relations between the European Community and Yugoslavia"

Objectives

In July 1978 the Committee completed a study on relations between the Community and the State-trading countries. In December 1979 the Committee became more particularly interested in the links between the Community and Yugoslavia.

These have developed since then. Yugoslavia is a major Community partner on several counts. It is currently facing serious economic problems and problems with its trade balance. Its debt problem is also alarming. A major economic recovery programme has been launched. There is an increasing trend in Yugoslav political circles to turn to the Community for help in implementing this programme.

New contacts have been forged at various levels and on 2 April 1980 a cooperation agreement was signed by the Community and Yugoslavia. The agreement came into effect on 1 April 1983.

Following a semi-official referral by the Commission, the Committee agreed to issue an Own-initiative Opinion suggesting how EEC economic and social interest groups could help strengthen existing contacts with their Yugoslav counterparts.

Gist of the Committee Opinion⁽¹⁾

In an Opinion adopted by a large majority with 3 abstentions, the Committee expresses itself convinced that the Community can contri-

⁽¹⁾ Doc. CES 857/84

bute to a relaunching of the Yugoslav economy through strengthening cooperation, as provided for under the 1980 Cooperation Agreement.

Firms are actively involved in this cooperation, which should be supported by the Community, more particularly by improving the supply of information. However, the Committee stresses that Yugoslav firms must abide by contractual undertakings concerning delivery dates, prices, quality, etc. and refrain from practices which could disrupt cooperation.

The Committee insists that the Yugoslavs make improvements in the tourism sector as regards the quality of facilities and services; it would like the Community to give support to the training of managers.

It welcomes the granting of further loans by the EIB for developing Yugoslav road and rail infrastructure and initiatives in the areas of energy and raw material processing.

The Committee stresses that the Community should ensure that the forthcoming enlargement does not lead to a further reduction in the number of outlets for traditional Yugoslav agricultural products.

Finally, with future negotiations between Yugoslavia and the Community in mind, the Committee draws attention to several important points which should be taken into consideration.

This Opinion was drawn up in the light of the paper produced by the Section for External Relations, chaired by Mr Zinkin (United Kingdom -Employers). The Rapporteur was Mr Stahlmann (Germany - Employers).

EXTERNAL RELATIONS

Meeting between François Ceyrac and Pierre Pflimlin

The ESC Chairman, François Ceyrac, accompanied by the Secretary-General, Roger Louet, met the European Parliament's President, Pierre Pflimlin, in Strasbourg on 12 September 1984.

Their talks focussed on the furthering of relations between the two institutions, and also on the Parliament's and the Economic and Social Committe's contributions to the proceedings of the ad hoc committee on institutional affairs (also known as the "Spaak No. 2 Committee").

Study Group visit to Mannheim

On 10 and 11 September 1984 the ESC Study Group currently considering European Action to tackle the problem of pollutant emissions from combustion plants visited Mannheim, Germany, where it was shown round a large thermal power plant. This Group, consisting of 20 delegates and experts from all Member States, was welcomed by Mr Roland Gerstner, Baden-Württemburg, Secretary of State for Food, Agriculture and the Environment, and by the mayor of Mannheim, Mr Gerhard Widder. The Committee has not confined its attention to the technical aspects of the matter but has also explored ways of fostering cooperation between both sides of industry and the public authorities.

The Study Group was headed by its Chairman, Mr Kölble (Germany); Mr Vercellino (Italy) acted as Rapporteur.

Secretary-General's Visit to Madrid

The Secetary-General, Mr Roger Louet, visited Madrid on 17 and 18 September at the invitation of the Spanish Minister for Labour and Social Security. He also met other Government officials and leaders of the main socio-economic organizations. The talks centred primarily on the prospect of these organizations being represented on the Economic and Social Committee and the question of a similar body being set up in Spain. The Secretary-General commented on the Opinion adopted by the Committee last July which, amongst other things, expressed the hope that the accession of Spain and Portugal would come about on 1 January 1986. He was also briefed on the current tripartite negotiations on establishing a social plan for the next two years.

Meeting between ACP-EEC economic and social organizations

On 14/15 September 1984 the ESC welcomed representatives of ACP-EEC economic and social organizations in Brussels.

This meeting forms part of the consultations of socio-economic interest groups that have been taking place since 1977 at the instigation of the ACP-EEC Joint Committee. The session discussions concentrated on the role and involvement of the economic and social partners in ACP-EEC industrial cooperation.

This meeting also provided an opportunity for a briefing and an exchange of views on the progress of the negotiations on the next Lomé Convention, particularly as regards subjects of interest to the socioeconomic organizations.

After the welcoming speech by Mr François Ceyrac, the meeting was addressed on 15 September by Mr Ganga Zandzou and Mr Giovanni Bersani, Co-Chairmen of the Joint Committee of the ACP-EEC Consultative Assembly. These speeches were followed by statements by Mr Edgard Pisani, Member of the Commission of the European Communities, and by H.E. Mr Yaya Diarra, President of the Committee of ACP Ambassadors, as well as by introductory talks on ACP-EEC industrial cooperation by Mr Thomas Okelo-Odongo, Secretary-General of the Working Party of the ACP States, and by Mr Hans-Werner Staratzke, member of the Economic and Social Committee.

NEW CONSULTATIONS

Since the last Plenary Session the Council has requested the Economic and Social Committee to deliver Opinions on the following subjects:

"Proposal from the Commission to the Council Fixing the Community's Generalized Tariff Preferences Scheme for 1985" (COM(84) 378 final)

"Proposal for a Council Decision on Specific Community Action to Combat Poverty" (COM(84) 379 final)

"Proposal for a Sixteenth Council Directive on the Harmonization of the Laws of the Member States relating to Turnover Taxes — Common System of Value Added Tax: Common Scheme for Certain Goods on which Value Added Tax has been finally Paid and which are Imported by a Final Consumer in one Member State from Another Member State" (COM(84) 318 final)

"Proposal for a Seventeenth Council Directive on the Harmonization of the Laws of the Member States relating to Turnover Taxes — Exemption from Value Added Tax on the Temporary Importation of Goods other than Means of Transport" (COM(84) 412 final)

"Proposal for a Council Decision on the Coordination of the Activities of the Member States and Community Institutions with a view to Setting Up a Community Inter-institutional Information System (INSIS)" (COM(84) 380 final)

"Report from the Commission to the Council on Microbiological Controls in the Hygiene Production of Fresh Meat, and on the

"Proposal for a Council Directive amending Directive 64/433/EEC on Health Problems affecting intra-Community Trade in Fresh Meat" (COM(84) 439 final)

"Proposal for a Council Regulation concerning Financial Support by the Community in favour of Industries producing Solid Fuels" (COM(84) 469 final)

"Proposal for a Council Directive Amending Directive 78/1015/EEC on the Approximation of the Laws of the Member States relating to the Permissible Sound Level and Exhaust System of Motorcycles" (COM(84) 438 final) "Proposal for a Council Directive on the Protection of Workers by the Proscription of Specified Agents and/or Work Activities" (COM(84) 456 final)

"Proposal for a Council Regulation (EEC) amending Regulation (EEC) No. 337/79 on the Common Organization of the Market in Wine"

"Proposal for a Council Regulation (EEC) amending Regulation (EEC) No. 338/79 laying down Special Provisions relating to Quality Wines Produced in Specified Regions"

"Proposal for a Council Regulation (EEC) introducing a Derogation to the Scheme provided for in Regulation (EEC) No. 456/80 on the Granting of Temporary and Permanent Abandonment Premiums in respect of Certain Areas under Vines and of Premiums for the Renunciation of Replanting"

"Proposal for a Council Regulation (EEC) on the granting for the 1985/86 to 1989/90 Wine Years of Permanent Abandonment Premiums in respect of Certain Areas under Vines" (COM(84) 515 final)

"Proposal for a Council Directive on the Harmonization of the Laws of the Member States relating to Tax Arrangements for the Carry-Over of Losses of Undertakings" (COM(84) 404 final)

"Proposal for a Council Regulation on Customs Debt" (COM(84) 395 final)

"Proposal for a Council Directive Amending Directive 74/63/EEC on the Fixing of Maximum Permitted Levels for Undesirable Substances and Products in Feedingstuffs, Directive 77/101/EEC on the Marketing of Straight Feedingstuffs and Directive 79/373/EEC on the Marketing of Compound Feedingstuffs" (COM(84) 445 final)

"Proposal for a Council Regulation Amending Regulation (EEC) No. 3796/81 on the Common Organization of the Market in Fishery Products" (COM(84) 483 final).

PROVISIONAL FUTURE WORK PROGRAMME

OCTOBER 1984 PLENARY SESSION

Opinions upon consultation

- Consumer protection in non-food matters
- Food labelling: prices
- 13th Competition Report
- Migration of substances
- Radioactive waste
- Generalised scheme of Preferences

Own-initiative

- Social security
- Migrant workers

SUBSEQUENT PLENARY SESSIONS

Opinions upon consultation

- Equal treatment for men and women
- Action to help women
- 3rd programme for young workers
- Combatting of poverty
- Limitation of air pollution
- Food sampling methods
- Environmental protection Mediterranean basin
- Medical examination of persons handling fresh meat
- Health protection action programme
- Migration of substances
- Telecommunications standards
- INSIS

- Biotechnology
- Thermonuclear fusion programme
- Oil R & D programme
- Plant Pests
- Hormone use in animal breeding
- Annual Report on the Economic Situation
- Railway infrastructure
- Monitoring equipment in transport
- Air transport
- Mediterranean policy of the enlarged Community
- 16th VAT Directive
- Economic and social situation in the regions
- Lead in petrol
- 17th VAT Directive
- Strengthening of EEC/Latin American relations

Own-initiative

- Community research priorities

Information Reports

- Hydrocarbon exploration
- Fisheries
- Demographic situation
- Development of upland areas
- National regional development aids
- Energy options environmental constraints
- European Monetary System (EMS)
- Clwyd integrated operation
- Shared-cost research programmes

MEMBERS' NEWS

Resignations

Mr Eelsen (France), Mr Bordes-Page (France) and Mr Laur (France) have resigned from the Economic and Social Committee.

Member honoured

Mr Brian Roycroft, a Member of the Economic and Social Committee, has been awarded the CBE.

PUBLICATIONS OBTAINABLE FROM THE ECONOMIC AND SOCIAL COMMITTEE

Periodical

- Bulletin (monthly publication)

General Documentation

- The Economic and Social Committee (leaflet) (January 1980)
- The Economic and Social Committee (December 1982) (A descriptive brochure) 16 p
- Annual Report 1983

Opinions and Studies

- Inaugural Conference "1983" the European Year of Small and Medium-sized Enterprises (Proceedings) (December 1983) (ESC 83-016)
- The Economic and Social Situation in the Community (2 Opinions) (July 1983) (ESC-83-013)
- Youth Employment (Opinion) (June 1983) (ESC-83-011)
- Transport policy in the 1980s (Opinion) (March 1983) 99 p. (ESC 83-003)
- Inaugural Conference 1983 The European Year of SME (February 1983) 27 p (ESC 83-002)
- Guidelines for Mediterranean Agriculture (4 Opinions) (September 1982) 64 p (ESC 82-010)
- The Leonomic and Social Situation of the Community (2 Opinions) (July 1982) 57 p. (ESC 82-008)
- The Promotion of Small and Medium-sized Enterprises (Opinion) (June 1982) 70 p. (LSC 82-007)
- Agricultural Aspects of Spain's Entry into the L.C. (Opinion) (February 1982) 107 p. (LSC 81-017)
- The ELC's External Relations Stocktaking and Consistency of Action (Study) (January 1982) 139 p
- Genetic Engineering (Colloquy) (October 1981) 120 p (ESC 81-014)
- Economic Pointers for 1982 (Opinion) (August 1981) 32 P (ESC 81-010)
- Problems of the Handicapped (Opinion) (September 1981) \pm 46 p (ESC 81-013)
- Present situation in the Community's Building Sector (Opinion) (September 1981) \pm 24 p (ESC 81-011)
- Community Competition Policy (Opinion) (ESC-81-008)
- Development Policy and Working Conditions (September 1980) (Opinion) 61 p (ESC 80-012)
- The Organisation and Management of Community R&D (February 1980) (Study) 168 p. (ESC 80-001)
- Agricultural Structures Policy (November 1979) (Opinion) 90 p. (1:SC 79-003)
- Enlargement of the European Community Greece-Spain-Portugal (September 1979) (Study) 75 p. (LSC 79-002)
- The Community's Relations with Spain (June 1979) (Study) 112 p. (ESC 79-001)
- Community Shipping Policy Flags of Convenience (April 1979) (Opinion) 170 p
- Youth Unemployment Education and Training (November 1978) (5 Opinions) 97 p
- The Stage reached in aligning labour legislation in the European Community (June 1978) (Documentation) 60 p
- Monetary Disorder (June 1978) (Opinion) 98 p
- Industrial Change and Employment (November 1977) (Opinion) 98 p
- EEC's Transport Problems with East European Countries (December 1977) (Opinion) 164 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

Obtainable from GOWER Publishing Co. Ltd., 1 Westmead, Farnborough, Hants GU 147RU:

- Community Advisory Committee for the Representation of Socio-Economic Interests (£8.50)
- European Interest Groups and their relationship to the Economic and Social Committee ($\pounds 25$)

Obtainable from EDITIONS DELTA, 92-94 Square Plasky, 1040 Brussels:

- Action by the European Community through its financial instruments (Brussels 1979) (425 BF)
- The Economic and Social Interest Groups of Greece (350 BF)
- The Right of Initiative of the ESC (400 BF)

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