



WEEKLY

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\*\* In 1972, the EUROPEAN INVESTMENT BANK carried out lending and investment transactions to the value of 526.8 million u.a., compared with 502.5 million u.a. in 1971. It was set up by the Treaty of Rome and its main task is to contribute to the balanced development of the common market. ANNEX 1 gives details of its activities.

\*\* The creation of an OCEANOGRAPHIC AND METEOROLOGICAL BUOY NETWORK IN EUROPEAN WATERS would give valuable help to certain government departments and industries concerned with marine technology (such as maritime navigation, tourism and the exploitation of undersea resources) and would at the same time make it possible to collect data for pure and applied research on meteorology and oceanography. The installation of such a network was therefore proposed in the context of European scientific and technical cooperation

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*The information and articles published in this Bulletin concern European scientific cooperation and industrial development in Europe. Hence they are not simply confined to reports on the decisions or views of the Commission of the European Communities, but cover the whole field of questions discussed in the different circles concerned.*

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(COST), which was initiated in 1968 by the Member States of the Community and in which, at their invitation, the acceding states and ten European non-member countries subsequently joined, (see IRT No. 190).

During their meeting on 9 and 10 July 1973, the representatives of these 19 countries decided to put in hand, in a preparatory stage, a study of the legal problems, mainly in the field of maritime law, raised by the implementation of this project.

They also began to work out a cooperation agreement on electronic traffic aids on main roads.

Signature of the agreement on the creation of the European Weather Forecasting Centre (see IRT Nos. 169 and 180) has been postponed.

ANNEX 2 contains details of the Oceanographic and Meteorological Buoy Network to be created in European waters.

\*\* Despite the rapid expansion of demand in recent years, THE SYNTHETIC FIBRE INDUSTRY has shown itself to be liable to serious crises originating in a long-term excess of supply over demand, but further aggravated by cyclical factors. These crises, and their inevitable consequences, substantially reduce profitability of investment, and are a constant threat to the livelihood of workers in this sector, who in certain regions and branches may be hit by mass redundancies.

The competent departments of the Commission have therefore prepared a working document on the basis of which they have held consultations with synthetic fibre producers, government experts and trade union

representatives, with a view to finding ways of improving the adaptation of supply to the real possibilities offered by the Community market. Suggestions have included advance notification of investments in new production capacities and the forecasting of market trends by producers on a joint basis.

ANNEX 3 contains a short note on the situation of the synthetic fibre industry.

- \*\* Giving its views on the Community's social policy, the Union of Industries of the European Communities (UNICE) emphasized in particular that on the problem of improving WORKING AND LIVING CONDITIONS there should be closer Community cooperation, even though the application of jointly defined guidelines is still largely a matter for the individual Member States. The UNICE thus aligns itself with the views expressed by the Commission of the European Communities in the Community action programme on the environment which it submitted last April (see IRT No. 185).
- \*\* In its reply to a written question from Mr Vredeling, a member of the European Parliament, concerning RESEARCH ON URANIUM ENRICHMENT, the Commission of the European Communities states that it has learned from the specialist international press that the American company General Electric decided in December 1972 to undertake studies on gas centrifuge enrichment techniques.

Furthermore, on the initiative of the French Atomic Energy Commission (CEA) - which officially informed the Commission accordingly - a study syndicate called "EURODIF" was set up for the purpose of examining the possibility of building a gaseous diffusion uranium enrichment plant in Europe. This syndicate comprises firms and organizations from France, Italy, Sweden and Spain.

In addition, URENCO and CENTEC, the two companies set up under the tripartite Agreement between Germany, the Netherlands and the United Kingdom to promote the industrial use of the gas centrifuge enrichment technique, announced at the end of 1972 their intention of setting up a study syndicate, with a similar aim to that of EURODIF, in the centrifuge field. The governments of the three countries concerned informed the Commission of this step. The constitutive meeting, which was attended by representatives of industrial firms and organizations in twelve European and non-European countries, took place in London on 26 March 1973.

The European Commission considers that in these circumstances it is still necessary to set up at Community level an instrument to permit a general evaluation of the techniques being developed under the present arrangements and the alignment of decisions concerning the installation of enrichment facilities in the Community (see IRT Nos. 181 and 195).

\*\* Some 250 specialists from 17 countries and five international organizations attended the European colloquium on THE PROBLEMS OF CONTAMINATION OF MAN AND HIS ENVIRONMENT BY MERCURY AND CADMIUM held in Luxembourg on 3-5 July 1973 under the sponsorship of the Commission of the European Communities.

This conference provided the opportunity for a review of the situation and work in this field. It emerged that the mercury problem is less acute than some information released to the public has suggested, although local problems sometimes occur. While there is at present a tendency towards an appreciable reduction in the quantities discharged into the environment, there is nevertheless a need for vigilance and for continued rational monitoring of mercury waste discharge and the resulting contamination

of the environment, since mercury is widely used in various industries and agricultural activities.

Cadmium appears to pose more serious problems which are still insufficiently understood. The sources of contamination of the environment by this pollutant are many and varied. Foodstuffs, drinking water, ceramics, the air and tobacco constitute the principal channels through which it is transferred to man.

Considerable research is still necessary on cadmium in particular, but also on mercury, to investigate certain fundamental aspects of human toxicology and the channels of transfer to man through the ecosystems, in the field of marine microbiology.

In his closing address, Dr Recht, Chairman of the Organizing Committee stressed the importance of coordination on a Community scale and announced that joint consultation at the scientific level on other micropollutants, including pesticides, would continue.

The analytical approach adopted by the Commission towards the principal environment pollutants has been acknowledged as the only one which will make it possible to establish adequate rules taking into account more detailed knowledge of the health and ecological effects of pollutants.

**\*\* THE MEMBER STATES' FINANCIAL AID TO THE COAL INDUSTRY increased in 1972, contrarily to the initial estimates; the total amount of aid was 15.5% more than in 1971 and the amount per ton of coal produced was up by 25.8%.**

The following table shows the total amounts of direct and indirect aid for the whole of the Community (in millions of units of account):

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	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
1. Direct aid under Decisions Nos. 3/65 and 3/71	427.7	332.4	372.0	415.2
2. Aid for coking coal	74.2	87.4	45.5	73.4
3. Indirect measures	98.4	84.3	91.9	100.0
Total amounts	600.3	504.1	509.4	588.6
Change on previous year	-1.1%	-16.0%	+1.1%	+15.5%
Amount of aid per ton produced	3.40	2.96	3.10	3.90

The breakdown of aid by country in 1972 is as follows:

	Aid under Arts. 6 and 7	Aid under Art. 9	Total
Germany	94.4	14.7	109.1
Belgium	5.5	98.5	104.0
France	26.1	161.3	187.4
Netherlands	0.9	13.8	14.7
Community	126.9	288.3	415.2

The total amounts of aid per ton produced were 2.46 u.a. in Germany, 5.07 u.a. in the Netherlands, 6.45 u.a. in France and 11.03 u.a. in Belgium.

\*\* At a recent meeting held in Brussels by the competent departments of the Commission, the directors of the eight PLASTICS Centres and Institutes established in various Community countries had an exchange of views and information on the basis of the results of three technico-economic studies. These studies concerned:

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- The measurement of ageing of plastics and the calibration of ageing units using an actinometric standard.
- The quantified analysis of the nature and origin of the waste produced by the processing of plastics and the technical and economic justification for the introduction of a monitoring system to cut down such waste substantially.
- The quantified description of and changes in plastics in household waste and litter. Evaluation of any problems arising from the presence of plastics in the processing of household waste (tipping, composting, incineration). A first evaluation of the solutions offered by the recycling of plastics or the use of photo-or biodegradable plastics.

The reciprocal information concerning the work in hand and future programmes of the various Institutes brought to light certain problems of priority interest as regards the environment and public safety, for which a supporting effort by the Commission's staff was felt to be necessary to facilitate collaboration and exchange of information between the Community plastics Centres and Institutes.

- \*\* An international scientific and technical popular review on "OUT-OF-SCHOOL SCIENTIFIC AND TECHNICAL EDUCATION" is published in four languages (French, English, Spanish and Arabic), with the aid of UNESCO, by the International Coordinating Committee for the Presentation of Science and the Development of Out-of-school scientific Activities (ICC, 125 rue de Veeweyde, 1070 Brussels).
- \*\* The proceedings of the International Symposium on ENVIRONMENTAL HEALTH ASPECTS OF LEAD, held in Amsterdam on 2-6 October 1972, have recently been published by the Commission of the European

Communities. This multilingual volume of 1,168 pages, costing FB 1,500, can be obtained from the Sales Department of the Official Publications Office of the European Communities.

\*\* The proceedings of the Symposium on ACCIDENT PREVENTION, held in Luxembourg on 21-23 October 1970, have recently been published by the Commission of the European Communities in French, German, English, Italian and Dutch. This document can be obtained, under reference EUR 4825, for FB 300 from the Sales Department of the Official Publications Office of the European Communities (Post Box 1003, Luxembourg).

THE EUROPEAN INVESTMENT BANK

In 1972, the volume of lending and investment transactions carried out by the Bank was 526.8 million units of account, compared with 502.5 million u.a. in 1971. This rate of expansion is nevertheless appreciably lower than for the previous year, when it was 42% up on 1970.

The European Investment Bank was set up by the Treaty of Rome establishing the European Economic Community, which came into force on 1 January 1958. It is a non-profit-making independent public-law institution within the Community. The members of the European Investment Bank are the Community Member States. Since 1973, the new acceding states - Denmark, Ireland and the United Kingdom - have become members of the Bank; their accession brings the subscribed capital of the Bank to 2,025,000 million units of account.

The Bank's main task is to contribute to the balanced development of the common market. To this end, it funds, by granting long-term loans or giving guarantees to private or public undertakings, whatever their legal form, to local authorities and to financing institutions, investments aimed at the improvement of less-developed regions or regions undergoing transition, or investments in the common European interest.

In general, the Bank lends only for the purpose of implementing specific initiatives (individual loans); however, it also grants "overall loans" to financing organizations which break them down and apportion them among industrial investments on a small and medium scale after approval of each case on its merits by the Bank (allocations from overall loans).

The Bank's loans can finance only part of the cost of a project, supplementing the beneficiary's own funds and other resources. The

Bank rarely lends more than 40% of the cost of fixed assets. As a general rule, its aid is between 2,000,000 and 16,000,000 units of account, and has so far not exceeded 30 million units of account. The Bank makes the grant of loans subject either to the guarantee of a Member State or to other adequate safeguards.

Since the European Investment Bank finances its loans by borrowing on the capital markets in and outside the Community, and since it is non-profit-making, the rates of interest on its loans approximate to the average rates charged on the capital markets. The rate applicable to each loan is that in force at the date on which the contract is concluded; it is not subject to revision at a later date. It is independent of the currency in which the loan is made available and of the State where the project is located. The rates in force in April 1973 were 7.375% per annum when the term of the loan was not more than nine years and 7.75% per annum when the term was more than nine years. The duration of the loan (as a rule, between eight and 12 years for industrial projects and up to 20 years for infrastructure projects) and the repayment conditions are in each case geared to the characteristics of the project.

The Bank's sphere of activity, which was initially confined to the territory of the European Community Member States, has been progressively extended, under agreements of association, to Greece, the 18 Associated African and Malagasy States, (AAMS), certain Overseas Countries Territories (OCT) and Turkey. In these countries it grants, besides its ordinary loans, assistance under special conditions, within the scope of its special section, on the instructions and on behalf of the Member States or the European Economic Community.

During the financial year 1972, a total of 501.6 million u.a. was granted in the form of ordinary long-term loans from the Bank's own resources, 488.8 million u.a. being for investment projects within the Community and 12.8 million u.a. for projects located in the Associated African and Malagasy

States (AAMS). In giving its guarantee, the EIB made possible a loan equivalent to 17.1 million u.a., granted jointly by two German mortgage banks to finance a chemical plant in Bavaria. Furthermore, in conjunction with the Commission of the European Communities, the Bank entered into five transactions (four loans and one equity participation) totalling 8.1 million u.a. for projects located in the AAMS and financed from the resources of the European Development Fund.

In 1972, loans totalling 216.2 million u.a. were granted by the Bank for projects located in Italy. Projects located in France came next in order, with loans amounting to 144.9 million u.a., followed by Germany with 113.3 million u.a. (to which must be added a guarantee of 17.1 million u.a.), and Belgium with 14.4 million u.a. These figures show that the bank is continuing to concentrate a large part of its loans in Italy.

In accordance with the task assigned to the Bank, the financing of regional development occupied a dominant position in 1972, accounting for more than two-thirds of the total credit granted. Emphasis should also be laid on the considerable expansion of loans of common European interest, which amount to almost 30% of financial assistance granted and principally concern energy or communications infrastructure.

The Bank's calls on the capital market in 1972 amounted to 479.5 million u.a., compared with 412.9 million in 1971 and 168.9 million in 1970. Loans issued totalled 462 million u.a. In addition, the Bank has pioneered a new type of fund-raising operation by offering institutional investors and banks participation certificates accompanied by its guarantee. In this way it raised 17.5 million u.a.

At 31 December 1972, the balance-sheet total stood at 2,760 million u.a., compared with 2,330 million u.a. at 31 December 1971, a rise of 18.4% over the year.



THE CREATION OF AN OCEANOGRAPHIC AND METEOROLOGICAL BUOY NETWORK IN  
EUROPEAN WATERS

as part of European scientific and technical cooperation (COST)

The creation of an Oceanographic and Meteorological Buoy Network in European Waters would provide valuable help to a number of government departments and industries concerned with marine technology (such as maritime navigation, tourism and the exploitation of undersea resources), and would at the same time make it possible to collect data for pure and applied research on meteorology and oceanography.

The creation of such a network was therefore proposed in the context of European Scientific and Technical Cooperation (COST), which was initiated in 1968 by the Member States of the Community, and in which, on their invitation, the acceding states and ten non-member European countries subsequently joined (see IRT No. 190).

By "buoy network" is meant both anchored and drifting buoys, together with stationary ships and fixed platforms (resting on the bottom or anchored) designed for the production of oil and natural gas or for oceanographic and meteorological research. The network would be equipped with sensors capable of measuring various parameters in line with precise operational requirements, namely:

1. Air temperature
2. Atmospheric pressure
3. Wind speed and direction
4. Water temperature at the surface and at various depths
5. State of the sea
6. Current speed and direction at various depths
7. Humidity
8. Variations in sea level
9. Salinity at the surface and at various depths
10. Dissolved oxygen at the surface and at various depths

These data would be transmitted at regular intervals to land-based receiving stations. The information thus provided would make possible various improvements, including those in:

1. Plans for forecasting swell, and flood warning plans
2. Weather forecasts, including warnings of gusts of wind
3. Projects for coastal works
4. Design and operation of sea platforms for drilling and the production of oil and gas
5. Sea routes
6. Shipbuilding
7. Knowledge of the marine environment in relation to fishing problems
8. Monitoring of marine pollution.

These networks would be set up by the States participating in this project in the various European maritime zones (North Sea, Baltic, Mediterranean and Atlantic).

One of the difficulties consists in the development of buoys equipped with sensors having a sufficient working life (minimum one year) and efficient transmission systems. Various national buoy-development programmes are already in progress in the COST member countries. These programmes should be coordinated under a European action plan. Competition between countries in regard to the network components is scarcely practicable for such a small scale of production. It would therefore be advisable to secure interchangeability of equipment by means of a modular standardization. The establishment of standards and cooperation with industrial circles and the choice of equipment best meeting the criteria laid down will inevitably create intractable problems of evaluation where national interests are liable to be affected.

The senior officials responsible for scientific and technical research in the COST-project countries have already expressed their agreement in principle with the creation of this buoy network, which is of obvious benefit to all the maritime countries of Western Europe. In order to fill in usefully the long period which will elapse before the effective entry into force of an intergovernmental agreement still to be prepared, they have decided that in a preparatory stage an advisor will be instructed to collect, compare and evaluate the technical specifications in the existing national systems, make recommendations concerning the technical specifications in the system to be adopted, and gather and evaluate information on existing European products, including prototypes.

The setting-up of a European buoy network should be carried out in three stages (partially overlapping):

1. Technical development and testing of components of existing buoy systems or new components, in a concerted project could start towards 1975.
2. Setting-up and testing of small experimental and operational networks in five selected zones (North Sea and Baltic, Bay of Biscay, Faroes and Shetlands, Western Mediterranean and Azores). Testing, which could begin in 1976, would enable the participating countries to obtain valuable practical experience of the operation and maintenance of a data-collecting buoy network on an international basis.
3. Extension of the regional pilot networks, and their gradual integration into a single European network (towards the end of the decade).

# THE HISTORY OF THE

REIGN OF KING CHARLES THE FIRST

BY JOHN BURNET

IN TWO VOLUMES

THE SECOND VOLUME

AND THE HISTORY OF THE

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IN TWO VOLUMES

THE SECOND VOLUME

THE SYNTHETIC FIBRE INDUSTRY

Despite the rapid expansion of demand in recent years, the synthetic fibre textile industry has shown itself to be liable to serious crises originating in a long-term excess of supply over demand, but further aggravated by cyclical factors.

These crises and their inevitable consequences, substantially reduce profitability of investment, and are a constant threat to the livelihood of workers in this sector, who in certain regions and branches may be hit by mass redundancies.

The competent departments of the Commission have therefore prepared a working document on the basis of which they have held consultations with synthetic fibre producers, government experts and trade union representatives, with a view to finding ways of improving the adaptation of supply to the real possibilities offered by the Community market. Suggestions have included the advance notification of investments in new production capacities and the forecasting of market by producers on a joint basis.

The trend of the synthetic fibre market

Synthetic fibres at first enjoyed remarkable success throughout the world, and during an initial period of about 16 years (1950-66) the market in these products was characterized by a demand exceeding production capacity, despite massive investment efforts, both in Western Europe and in other industrialized countries. (In Western Europe, for example, consumption of synthetic fibres rose from 9,000 tonnes in 1950 to 216,000 tonnes in 1960 and 1,400,000 tonnes in 1970.)

There followed a period of uncertainty, after which, from 1969 onwards, capacity increased out of proportion to demand, this increase being much greater than the margin of technical overcapacity often required to meet the characteristics of a demand particularly sensitive to numerous cyclical, fortuitous and in many cases very specific factors.

Despite considerable progress in productivity, the surpluses thus created have led to a substantial reduction in the profitability of investment, due both to underutilization of capacity and to the relative fall in selling prices.

Owing in particular to the fall in the prices of chemical fibres during 1971 and the first six months of 1972, producers have contemplated drastic measures (some more so than others) aimed at cutting down on the least profitable lines of production and those in which there are the biggest surpluses. In addition, they have envisaged, in order to check investment, particularly in polyester yarn and fibres, a sort of understanding at Community level which on first examination did not appear to the Commission to be compatible with the Treaty rules on competition.

While the market has gradually improved since the end of 1972, this improvement is related more to cyclical or short-term phenomena (temporary rise in the natural fibres market, replenishment of users' stocks) than to structural equilibrium.

It therefore appears that a harmonious development of the synthetic fibre industry, such as to avert long-time crises with all their repercussions on workers' well-being, can be achieved only provided a better medium-term and long-term balance is obtained between supply and the real capacity of the market, not only as a whole but for the main groups of products. This balance should serve to eliminate

structural surpluses and thus bring about reasonable market prices while improving the rate of capacity use. At Community level, this balance must be sought without discouraging the investment efforts necessary to maintain the technical advance which is essential to international competition. It would also be necessary to keep a close watch on the effects of structural changes on employment, more particularly in the event of the rate of increase of productivity in certain lines considerably outrunning that of production.

While it would obviously be desirable to achieve a satisfactory balance between supply and demand at world level, in view of the interdependence of markets, it seems necessary to tackle the problem first of all on a Community scale. A more complete solution could be sought at world level during the GATT negotiations, as the measures decided on within the Community could not but facilitate the conclusion of wider international arrangements.

