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- ** A EUROPEAN SYSTEM FOR THE GRANTING OF PATENTS could be adopted in 1973. At its last meeting at Luxembourg on 19-30 June 1972, the Intergovernmental Conference for the institution of a European system for the granting of patents adopted a draft convention on this subject which will be transmitted to the governments of the 21 European countries participating in the negotiations. A diplomatic conference will meet during 1973 with a view to the adoption of the European patent. A short note on this subject will be found in ANNEX 1.
- ** With a GNP of \$637,000 millions (as against \$933,000 million for the USA and \$288,000 million for the USSR) and a population of 257 million, the Europe of the Ten is strong enough to make its major economic and industrial partners accept THE TRANSFORMATIONS WHICH IT MUST SOONER OR LATER IMPOSE ON ITS PRODUCTION AND CONSUMPTION SYSTEM in order to satisfy the social aspirations of its peoples and the needs of the environment. In this

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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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essential effort to improve the quality of life and of the environment in Europe, the Community should play an important part, particularly by providing a general framework for the evaluation and regulation of efforts made by regional and national authorities. This was emphasized by Mr Carpentier, Head of the "Environmental Questions" Division of the Commission of the European Communities, in an address to the Conference on "Industry and the Environment" organized in London on 27 and 28 June by International Business Communications Limited. Mr Carpentier reviewed the objectives of a joint environmental policy and the broad lines of the action programme in this field presented by the European Commission (see IRT Nos. 109, 138 and 149). A short extract from his address will be found in ANNEX 2.

- ** Pending the emergence of a genuine joint policy for encouraging the DATA PROCESSING sector in the Community, particularly by means of R&D and industrial restructuration, the European Commission considers that national funds may usefully support the efforts of Community firms in the computer market, which is at present largely dominated by the US. For this reason it recently came out in favour of STATE AID FOR DATA PROCESSING in West Germany and France. A short note on this subject will be found in ANNEX 3.

- ** At its meeting in Strasbourg on 3-6 July the European Parliament called for firmer and faster COMMUNITY ACTION ON THE ENVIRONMENT. It adopted a report on an environmental programme for the European Communities presented on behalf of the Parliamentary Commission for Social Affairs and Public Health by Mr Jahn (see IRT No. 143). Extracts from the resolution adopted by the European Parliament will be found in ANNEX 4.

- ** At the same session, the European Parliament adopted a draft resolution inviting the European Commission to prepare proposals

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for REDUCING THE LEAD CONTENT IN PETROL for motor vehicles, the maximum permissible rate to be initially fixed at 0.4 g per litre. This reduction is necessary and economically justifiable. The European Commission has promised to present formal proposals to the Council in the near future for reducing the lead content to 0.4 g per litre in all Member States.

** Within the Community SOCIAL BENEFITS REPRESENT ONE QUARTER OR MORE OF HOUSEHOLD INCOMES (from 22% in Italy to 30% in the Netherlands). In 1970, social benefits per inhabitant ranged from 16,000 FB (Italy) to 30,000 FB (West Germany). Total social assistance, which between 1962 and 1970 doubled in absolute figures in West Germany and more than trebled in the Netherlands, represents almost one-fifth of the GNP of the Member States.

These facts are taken from the statistics presented in the new complete edition of "Comptes sociaux (1962-1970)" just published by the Statistical Office of the European Communities.

Among the conclusions which emerge from this document are the following:

1. The spectacular rise in social expenditure in the Netherlands.
2. The increasing share of "sickness" benefits in the total expenditure of all countries.
3. The levelling out and even the relative downward trend in family allowances.
4. Lastly, the general increase in the contribution of households to the financing of social expenditure.

- ** The negotiations between Euratom and the International Atomic Energy Agency with a view to concluding an AGREEMENT ON THE VERIFICATION OF THE EURATOM FISSIONABLE MATERIAL SAFEGUARDS SYSTEM, in the context of the Treaty on the Non-Proliferation of Nuclear Weapons, should be successfully completed during this summer. This was stated by the Commission of the European Communities in a reply to a parliamentary question (see IRT No. 126).
- ** In a memorandum to the President of the Council CONCERNING THE SUMMIT CONFERENCE, Mr P. Huvelin, President of the Union of Industries of the European Community (UNICE), has made the following statement:
- "Industry is an essential factor in the economic and social progress of a Community whose resources are largely industrial. In order to ensure the optimum utilization of these resources in a market economy, Community policy and funds SHOULD CONCENTRATE ON THE PROMOTION OF EUROPEAN INDUSTRY, and particularly on the industrial aspects of economic integration and regional development. The attainment of these objectives in an enlarged Community implies a progressive transfer of national authority to Community level. This will call for a strengthening of the powers of decision of Community institutions, thus rendering the existing Community mechanisms more efficient. It will also be necessary to reinforce the powers of the European Parliament in line with the advance towards economic and monetary union."
- ** MEDICAL RESEARCH and PUBLIC HEALTH RESEARCH are among the subjects studied by the experts from member countries responsible for promoting scientific and technical research in the Community (PREST Group), who have just adopted a report indicating the broad lines which medical research should follow in Europe, and suggesting research topics.

The priority objectives set for medical research are the prevention and early detection of diseases, and the rehabilitation of the sick. In order to attain these objectives it will be necessary:

- (a) To provide adequate training for biomedical research workers.
- (b) To improve and accelerate the transfer of knowledge from the basic sciences, such as biology, physics and data processing, to medicine.

New simple, effective and low-cost methods for the early detection of disease should be developed with the aid of recent scientific advances in epidemiology, medical biology and biomedical techniques.

In the light of these objectives, the following six subjects are proposed for medical research:

1. Psychosomatic and metabolic factors in cardiovascular diseases.
2. Environmental and genetic factors in respiratory diseases.
3. Psychosomatic, metabolic and environmental factors in digestive diseases.
4. Embryotoxic, genetic and environmental factors in congenital diseases.
5. Psychological, physiological and metabolic aspects of aging.
6. Psychological, toxic and environmental factors in traffic accidents.

The Prest Group experts have decided to set up a Committee for Medical Research and Public Health, to be composed of persons responsible for medical research in Community countries. This Committee will hold its first meeting in September 1972, when it will compare the medical research programmes of Community countries and consider the proposed research topics in greater detail.

** A directive on the LIMITATION OF RADIOELECTRICAL INTERFERENCE BY MOTOR VEHICLES has just been adopted by the Council. It lays down regulations for the manufacture and installation on motor vehicles of suppressors capable of ensuring that in normal conditions the vehicle will not disturb the reception of radio and TV broadcasts by outside sets; it also defines precise interference limits and inspection techniques. This is the eleventh motor vehicle directive adopted under the General Programme for the Elimination of Technical Obstacles to Trade in Industrial Products (see IRT Nos. 139 and 140).

** In 1970 and 1971 THE GROSS OUTPUT OF NUCLEAR ELECTRICAL ENERGY in the world (excluding the USSR, Eastern Europe and China) was as follows:

Country	1970	1971	Variation 1971/1970
The Six	15,342 GWh	18,918 GWh	+23.3%
UK	26,286 "	27,642 "	+5.2%
US	23,574 "	39,494 "	+67.5%
Japan	3,233 "	6,758 "	+109.0%
Spain	924 "	2,523 "	+173.0%
Sweden	56 "	90 "	+60.7%
Switzerland	1,945 "	1,912 "	-1.7%
Canada	1,055 "	4,279 "	+306.0%
India	2,178 "	1,790 "	-17.8%
Pakistan	-	3 "	+100%

Within the Community the GNP figures were as follows:

Country	1970	1971	Variation 1971/1970
West Germany	6,030 GWh	5,813 GWh	-3.5%
France	5,711 "	9,336 "	+63.5%
Italy	3,176 "	3,365 "	+6.0%
Netherlands	368 "	404 "	+9.9%
Belgium	57 "	-	-100%

The following table gives the balance-sheet of nuclear electrical energy production throughout the world (excluding the USSR, Eastern Europe and China), and the contribution of different types of reactor:

Type of reactor	Number of reactor	Gross production in GWh		
		1970	1971	Accumulated end 1971
TOTAL	89	74,593	103,409	439,551
		1971/70: +38.6%		
	100%	100%	100%	100%
Gas reactors (GCR)	36 40.4%	32,228 43.2%	36,141 34.9%	243,037 55.3%
Boiling water reactors (BWR)	22 24.7%	17,480 23.4%	29,765 28.8%	74,294 16.9%
Pressurized water reactors (PWR)	17 19.1%	19,879 26.6%	29,160 28.2%	93,431 21.3%
Others	14 15.7%	5,006 6.7%	8,343 8.1%	28,789 6.5%

** The Organization for Economic Cooperation and Development (OECD), in conjunction with the Commission of the European Communities and the European Conference of Ministers of Transport (ECMT), has just ordered a STUDY ON FUTURE TRANSPORT NEEDS BETWEEN LARGE EUROPEAN CONURBATIONS, with the object of helping the member governments to develop compatible transport systems for the years 1980-90 and beyond. Austria, France, Germany, Ireland, Italy, the Netherlands, Spain, Switzerland and the United Kingdom will participate. Other OECD countries may join later.

The study has been inspired by the programme for cooperation in the field of scientific and technical research (COST) of the European Communities. It was confirmed at a meeting of ministers in Brussels on 23 November 1971 (see IRT No. 120) when it was

suggested that it should be entrusted to the OECD, in conjunction with the European Commission and the ECMT.

In order to meet their growing transport needs, West European countries are already preparing vast programmes for the improvement and development of their transport systems. They plan to build roads, railways and airports, and also to develop advanced techniques for aircraft and high-speed rail transport (advanced passenger train in the UK, Turbotrain and Aerotrain in France and magnetic suspension vehicles in West Germany - see IRT No. 144).

The main aim of the OECD programme is to ensure that key decisions on planning, development and capital investment taken in each country are compatible and likely to promote the development in Europe of a balanced and integrated transport system. The project will enable the participant countries to estimate the consequences of the various possible transport strategies, to evaluate the potential offered by new systems and technologies and to examine the financial repercussions of the various investment options.

A EUROPEAN SYSTEM FOR THE GRANTING OF PATENTS
could be adopted in 1973

A European system for the granting of patents could be adopted in 1973. At its last meeting in Luxembourg on 19-30 June 1972, the Intergovernmental Conference for the Institution of a European System for the Granting of Patents adopted a draft convention which will be transmitted to the governments of the 21 European participant countries. A Diplomatic Conference will meet in Munich during 1973 with a view to the adoption of the European patent.

The expansion of industrial markets beyond national frontiers and the resulting intensification of technological competition have outdated traditional national patent systems, under which patent procedures varied from country to country and provided varying degrees of protection. Hence, at the beginning of 1969 the Member States invited a certain number of European countries to participate in negotiations with a view to a European convention on the granting of patents (see IRT No. 105).

The draft convention just adopted institutes a European Patent Organization with headquarters in Munich. This Organization will include the European Patent Office, also situated in Munich, which will be responsible for granting European patents and deciding on objections to these patents, and the Administrative Council composed of representatives of the contracting states, whose function will be to control the activities of the Office. The International Patents Institute at The Hague will be integrated into the European Patent Office as its Directorate-General for Research, with headquarters in The Hague.

The European patents will be considered as national patents in the Contracting States, and will be subject to the provisions of their respective national laws. The duration of the patents is fixed uniformly at 20 years, and the criteria governing revocation are established for all the contracting countries. These countries will, however, be able to make use of the right of reservation provided for a period of 10 years from the entry into force of the convention as regards the duration of the European patent and certain national criteria governing revocation.

The patent-granting procedure covers four stages, namely:

1. The formal examination.
2. The novelty search, which will be made at the same time as 1.
3. The examination of the basis of the application, leading to the grant of the European patent.
4. The procedure for opposition and appeal.

Each application for a European patent will be filed with the appropriate branch of the European Patent Office in The Hague, and will be examined for conformity with the prescribed formalities; at the same time a novelty search will be officially initiated. The application, generally accompanied by the novelty search, will be published at the end of a period of 18 months from the time of filing, or at the end of a priority period if priority is claimed.

The examination of the basis of the application (i.e., its patentability: novelty, inventive content and industrial applicability) is conducted only at the applicant's request. This request must be filed not more than six months after the date on which the publication of the European research report is mentioned in the European Patents Journal.

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The European Patent may be the subject of opposition during a period of nine months from the date of issue. The opposition procedure is centralized at the European Patent Office.

The decisions of the European Patent Office may be the subject of appeals to the appropriate departments of the European Patent Office (Board of Appeal, Main Board of Appeal).

A special provision in the draft convention enables a group of contracting states to conclude special agreements among themselves. During the preparation of these provisions consideration was given to the idea of a special convention to be concluded among the Member States of the European Communities and to relate to a European Patent for the Common Market; this is now in preparation.

Another part of the draft governs the detailed procedures for dealing with international applications (in the sense of the Patent Cooperation Treaty, or PCT, signed at Washington on 19 June 1970) lodged with the European Patent Office.

The rapid introduction of the European patent system is desired by all the contracting states. However, it raises problems of adaptation, and transitional measures have been proposed for this purpose. For example, national offices will be able to **scrutinize European Patent** applications for a period of 15 years, this function gradually being phased out.

According to the most probable estimates, if the convention setting up a European system for the granting of patents is signed in 1973, the European Patent Organization could be in operation by 1977.

THE EUROPEAN COMMUNITY AND ENVIRONMENTAL PROBLEMS

(extracts from an address given by Mr Carpentier, Head of the "Environmental Questions" Division of the Commission of the European Communities, to the Conference on "Industry and the Environment" organized in London on 27 and 28 June 1972 by International Business Communications Limited)

In the face of the steady deterioration of the physical environment, and the ever more strongly expressed public desire to enjoy the benefits of an improved social environment, it is not surprising that the governments of the industrialized states, and in particular those of the Member and Applicant States of the European Community, should be concerned with this problem, and that the Commission and representatives of the Member States of the Community of Ten should already be making efforts to lay the foundations of a common European environmental policy.

The environment is composed of a variety of physical and social (material and non-material) elements, which it must be analysed and defined carefully before deciding what measures are most suitable for solving the problems raised and what bodies are most appropriate for implementing these measures.

The following problems can be distinguished:

1. Pollution and nuisances: effects on man and the natural environment.
2. The preservation of natural resources.
3. Rural and, in particular, urban planning.
4. Guiding future progress towards the satisfaction of man's real needs - not only quantitative but qualitative; improvement of working and living conditions.

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The solution of these problems calls for the selection and implementation of projects in a wide variety of fields, such as industry, agriculture, energy, transport, housing, public health and town and country planning.

Manifold problems still arise in connection with organization and structure, the maintenance of balance between authorities responsible for coordination, planning and implementation of environmental projects, and the relationship between overall and regional policies. Judgments have to be made between preoccupations which inevitably conflict, because they express different scales of value concerning matters such as efficiency and output, solidarity and security, responsibility, human personality and nature.

But it is self-evident that the change from a scale of values giving first place to efficiency to one giving an ever higher place to other values such as responsibility towards present and future generations and towards their natural and social environment cannot be accomplished effectively and without serious upheavals in industrialized countries with a free economy unless it is generally accepted by these countries.

In this respect Europe of the Ten, whose trade represents 41% of world exports and imports, is at once vulnerable and strong.

It is vulnerable because the high percentage of exports - a vital asset - depends on low prices and high productivity.

It is strong, because its present economic power (GNP \$637,000 million as against \$933,000 for the USA and \$288,000 million for the USSR, population 257 million, a powerful industry, world's greatest steel production and merchant fleet), in conjunction with the expected

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progress to fuller economic, monetary and political union, should enable it to persuade its great economic and industrial partners to accept the transformation of its production and consumption system which will sooner or later be necessary in order to meet the social aspirations of its peoples and the requirements of environmental protection.

In view, however, of the complexity of the criteria to be applied to environmental reform, and the political, economic, social and general consequences of such measures, they must frequently form part of an overall political and economic policy.

It will therefore be necessary to specify the roles to be played by local, national, Community and international authorities in preparing and implementing these decisions.

In the Commission's opinion it should be the Community's task to provide a general framework of assessment and control, i.e.:

1. To assist in the joint recognition and statement of problems.
2. To provide regulations in areas where:
 - (a) Public health is threatened.
 - (b) Living conditions are inadequate.
 - (c) The free movement of goods is impeded.
 - (d) Conditions of competition are deliberately distorted.
3. To lay down common principles governing the use of regulatory or economic measures in combating pollution, so as to avoid economic and social difficulties which might give rise to conflict between Member States (e.g., differences between

standards resulting from differing estimates of the risks attendant upon pollution, and different forms of financial incentive).

4. To provide the following services at European level:
 - (a) Studies.
 - (b) R&D.
 - (c) Creation of new legal facilities (Joint Undertaking, Association Contracts).
 - (d) Cooperation in the fields of education and forward planning.
 - (e) Provision of a forum for the discussion of practical problems of administrative organization.
 - (f) Other matters.

As a general rule, the implementation of measures should be left to regional and national authorities, without prejudice to the role of the Court of Justice. The natural conditions and social characteristics of the various regions will have to be taken as fully into account as possible.

The Commission of the European Communities comes out in favour of
STATE AID FOR THE DATA PROCESSING SECTOR

Pending the emergence of a genuine common policy for the development of data processing in the Community, including an R&D effort and some industrial reorganization in this sector, the Commission considers that national aid may give valuable support to Community undertakings operating on the data processing market, which is at present largely in US hands. For this reason the Community has just come out in favour of state aid to the data processing sector in West Germany and France.

The Commission's declaration concerns the following matters:

1. The second French "Computer Plan", which envisages study contracts in both the hardware and software fields, together with preferential loans.
2. The second West German Data Processing Programme, which includes aid to industrial research, technical development and the preparation of software (see IRT No. 144).

The Commission has declared itself largely in favour of these forms of aid because of the importance of the data processing sector in the Community. The Commission emphasizes the growing role of data processing in the Community's economic development, due to reasons such as:

1. Its inherent importance and rapid growth in the fields of hardware production, software preparation and leasing.
2. Its entrainment effect on sectors such as the electronics industry.

3. The increasingly widespread incorporation of numerical devices in engineering equipment and the control of complete production units by means of computers.
4. The applied research necessitated by the data processing industry.

In addition, the growing use of data processing techniques makes possible a fuller exploitation of factors of production, more efficient company management, the rationalization of public services and the development of scientific research.

Financial considerations have also influenced the Commission. The firms concerned have to carry very heavy financial loads in order to ensure the investments necessary for hardware development, the preparation of a software library and the hiring of computers, particularly since European companies have to force their way into a market largely dominated by the US.

The Commission therefore considers that pending a genuine Community approach the granting of state aid may ease the task of mobilizing private capital.

EUROPEAN PARLIAMENT-REQUESTS STRONGER COMMUNITY ACTION ON THE ENVIRONMENT

(extracts from the resolution adopted by the European Parliament at its session in Strasbourg on 6 July 1972, on the basis of a report on the European Community's environmental programme presented by Mr Jahn on behalf of the Parliamentary Commission on Social Affairs and Public Health)

The European Parliament

1. As regards the Council's draft resolution concerning a programme for the reduction of pollution and nuisances and the preservation of the natural environment
 - (a) Supports the Commission's efforts to obtain from the Council a resolution undertaking to respect an action programme aimed at defining Community measures for the reduction of pollution and nuisances and the preservation of the natural environment.
 - (b) Insists that in view of the urgency of all these measures, the Commission and Council should at all costs respect the deadlines laid down in the action programme, and therefore requests the Council to cease dragging its feet (as is its custom nowadays in the matter of legislation), and to adopt a more rapid method of work in order to speed up the decision-taking process.
 - (c) Emphasizes that the objectives contained in the programme can be achieved only if the institutional measures necessary for a Community environmental policy are also taken.

2. As regards the Commission's communication on a Community environmental programme

- (a) Emphasizes that the environmental protection measures required in a modern industrial society must be taken at least at Community level, and as far as possible at world level, if they are to be effective and not to waste money.
- (b) Requests an extension of the "pay as you pollute" principle to make the polluter not only pay the cost of the damage he has caused, but also repair it and eliminate the causes of the pollution.
- (c) Requests the Commission to introduce a Community environmental label for those durable goods which can easily be reintegrated into the production process and cause only slight environmental pollution both at the production and consumption stages, and to ban the circulation of products which do not satisfy the conditions for the award of this label.
- (d) Again expresses itself in favour of the principle of not allowing a product to be marketed unless the manufacturer has proved that it conforms with health requirements.
- (e) Again emphasizes that it is necessary for the EAGGF to make an appropriate contribution to the financing of environmental protection measures, and requests the Commission and Council, when fixing Community agricultural prices (which determine farmers' income), to take into account the effects of environmental protection measures on agricultural productivity and on the cost prices of agricultural products.

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- (f) Once more requests the creation at the earliest possible date of a European Institute of the Environment, to be responsible for coordinating research in this field so as to avoid disparate or contradictory initiatives on the part of Member States, or wasteful duplication of effort.

