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- ** THE POLITICAL AND INSTITUTIONAL ASPECTS OF ENVIRONMENTAL MANAGEMENT IN EUROPE were the subject of an address by Mr Robert Toulemon, Director-General for Industry of the Commission of the European Communities, at an international conference organized in Washington on 15-17 January 1971 by the Atlantic Council of the United States. A brief summary of the address is given in Annex 1.
- ** A proposed directive on the HARMONIZATION OF FUEL-OIL TAXATION IN THE COMMUNITY COUNTRIES was recently forwarded to the Council by the Commission of the European Communities. Details are given in ANNEX 2.
- ** The Commission of the European Communities is to organize an information meeting with representatives of the UKAEA at the Ispra Establishment of the Joint Research Centre on 2 and 3 February 1971 for an EXCHANGE OF VIEWS ON THE DEVELOPMENT OF HIGH-TEMPERATURE NUCLEAR REACTORS.
- ** THE ECONOMIC IMPACT OF POLLUTION ON THE CHEMICAL INDUSTRY forms the subject of a study which the Commission of the European Communities has decided to have carried out in order to determine the economic effects of pollution and to devise technical solutions to the problem.

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The information and articles published in this Bulletin concern European scientific cooperation. 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 circles concerned in European cooperation in science and technology.

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- ** A research project on DEDUSTING IN CHARGING PREHEATED COAL IN COKE-OVENS has been allocated financial aid of 63,015.50 u.a. by the Commission. Since 1967 the Community has been encouraging research on the charging of preheated coal in coke-ovens; the aim of this technique is to improve productivity in coking and to use more weakly-coking coal without detriment to the quality of the coke. The aim of the new research project, which will be undertaken by Charbonnages de France, is to reduce pollution when preheated coal is charged in coke-ovens.
- ** The Commission of the European Communities is to have a study conducted on THE PROBLEMS OF STORING OIL AND OIL PRODUCTS. The implementation of a policy of maintaining stocks of oil and oil products is an essential feature of the common supply policy.
- ** Officials of the Commission of the European Communities met some forty experts at the Belgian Nuclear Research Centre in Mol on 17 December 1970 for an exchange of views on VIBRATION PHENOMENA occurring INSIDE THE PRESSURE VESSELS of water-cooled nuclear reactors.

** "THE JOINT RESEARCH CENTRE OF THE EUROPEAN COMMUNITY": This is the title of a booklet just brought out by the Scientific and Technological Information Service. It is available in Dutch, French, German, Italian and English and will be sent free of charge on application to the Scientific and Technological Information Service, 200 rue de la Loi, 1040 Brussels, Belgium. Please specify the language required and the applicant's profession.

Political and Institutional Aspects of
Environmental Management in Europe

(Summary of the address by Mr Robert Toulemon,
Director-General for Industry of the Commission
of the European Communities, at the meeting organized
by the Atlantic Council of the United States in
Washington on 15-17 January 1971.)

There is no doubt that Europe is lagging behind America in its awareness of environmental problems. The characteristics of Europe in this connection are quite different from those of the United States.

Europe is still appreciably less wealthy and less developed economically than the United States. In 1969, GNP per head of the population in the Six at current prices and exchange rates was approximately 50% lower than that of the United States. Per capita energy consumption was about one third that of the United States.

Thus, despite the very high population density in Western Europe, the threat to the environment there is still not as great as in the United States. The primary reason for this is the lower consumption of energy, energy production being one of the major factors in pollution and one of the most difficult to prevent or remove. Moreover, the size of its rural population and traditional farming methods mean that Europe has so far been spared the phenomena of erosion, soil destruction and climatic changes which have made their appearance in other areas of the globe. Similarly, urban problems in Europe are less acute than in the United States.

However, the most original feature of Western Europe compared with the situation in the United States or Canada is that it is divided into states which have retained the essence of their political sovereignty but are nevertheless engaged in a process of integration which has already reached an advanced stage in the economic sphere.

Because of their geographical proximity and because of the existence of the Common Market, each European country is immediately affected by what happens in the others. It is not just a matter of air and water crossing frontiers. The main thing is that the capacity of our industries to compete is affected by any legislation designed to combat pollution. Thus, no European country can hope to solve the problem of protecting its environment by acting in isolation. This is one of the reasons why Europeans have been so slow in organizing this protection.

Most countries have tightened up their legislation to combat certain of the various categories of pollution. Most of them have created interministerial bodies to examine the problems and to coordinate action. However, not one country in Europe today has developed an overall approach to the problem, a comprehensive environment policy.

The European Communities have a very important role to play in elaborating and implementing a policy of this kind, by what they do themselves and through their collaboration with countries which are not members of the Community and with the international organizations.

Admittedly, the Treaties, which form a sort of constitution of the Communities, did not give the Communities general responsibilities in this field, for at that time the problem of the environment had not yet come to the fore as it has done in recent years. The Euratom

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Treaty, however, contained provisions which made it possible to establish Community standards on protection against ionizing radiation. Much more important, because of their wider scope, are the provisions in the EEC Treaty regarding the harmonization of legislation and the abolition of distortion of competition. Likewise, the decision taken in 1967 to coordinate research policies may open the way to joint action in the matter of environmental management.

In order to remove obstacles to the free movement of goods in the Common Market, the Community has already decided to harmonize laws imposing safety rules for a large number of consumer products, vehicles and capital goods. A general programme was adopted in May 1969. This programme sets time-limits and establishes the principles for the elimination of technical obstacles to trade. However, it appeared essential to prevent new national regulations from introducing further obstacles. Accordingly, the general programme also includes an agreement on a status quo arrangement under which the Commission has to be informed of any new project. The period during which the status quo is maintained can thus be used to hammer out harmonized regulations.

In actual fact so far, the Community's action has remained very limited as regards distortions of competition as well as research. But the new Commission, in particular Mr Spinelli, who is responsible for scientific research, technological development and industrial policy, intends to draw up an overall Community plan for environmental protection in the Community.

This plan will be based on the following considerations:

1. Free movement of goods and free competition would be impaired if the Member States took uncoordinated measures. In a common market all producers should be subject to rules and restraints which, if not identical, should at least be harmonized, account being taken of special local or regional needs.

2. In order to avoid the risk of divergent national policies and also in order to secure better employment of public funds, any very costly research needed must be coordinated at Community level. Certain research projects should even be carried out jointly.

3. The implementation of policies decided on jointly must be undertaken by joint bodies.

4. The harmonization of taxes in the Community must take into account the possible use of taxation in the field of pollution.

5. The Member States, regions and provinces, towns and municipalities will be given or maintain wide powers in environment matters. Here the Community's responsibility will generally be a subsidiary one.

6. European policy on the environment will, however, have to cover fields other than the direct campaign against nuisances and pollution. In particular, a big effort will have to be made, using all the means at the Community's disposal, to ensure a better distribution of economic activity throughout Community territory.

7. The Community will endeavour to cooperate as closely as possible with the other international organizations and with non-member countries.

This latter point is worth developing further. It must be stressed first of all that the Community is not an international organization of the traditional type because its aims and responsibilities and the powers of its institutions by far exceed those of such organizations. That is why the Community's activities in no way duplicate those of the traditional international organizations, but must dovetail with them.

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By the time the Community has worked out and begun to implement the common policy I referred to above, it will probably consist no longer of six Member States but of ten. Then, the United States will be able to cooperate far more easily with Western Europe organized as a Community than under the present circumstances. In the field of environment, as in all others, European integration, far from complicating cooperation with non-member countries, in particular the United States, can only facilitate it.

Like collective security, protection of the environment cannot be sacrificed much longer to maintenance of the absolute sovereignty of individual nations. The way must be prepared for a better organization of the world in this and other spheres. It is a long-term task, but we must start straightaway to take steps to ensure that protection against pollution does not turn into protection against foreign competition and does not become a source of new restrictions to trade or of international conflict. The more united Europe becomes, the better it will be able to face up to its worldwide responsibilities in this as in all other fields.

Towards Harmonization of Fuel-Oil Taxation

The Commission of the European Communities has sent the Council of Ministers of the Community a proposal for a directive on the harmonization of fuel-oil taxation in the Community Member States. This measure forms part of the guidelines for a Community energy policy proposed by the Commission in 1968 and approved by the Council in 1969.

Oil currently covers two-thirds of the Community's energy requirements. The prices of the main oil products used for energy purposes, and their fluctuations, thus have appreciable repercussions on industrial production costs - and therefore on the international competitiveness of industry - and, ultimately, on the cost of living.

Specific taxes on fuel oils constitute an important item in the retail cost of these products. Differences in rates of taxation between the Member States may distort conditions of competition inside the Community.

Moreover, differing taxation of the various forms of energy (oil, natural gas, electricity) within any one Member State affects the conditions of competition between various types of energy and influences the free choice of the consumer.

It is, moreover, quite certain that the proposed harmonization which the Commission would like to introduce would also affect national revenue. For this reason the Commission's proposal provides for the gradual approximation of specific taxes on fuel oils in the various Member States, due account being taken of the requirements of budgetary policies. According to the actual draft, the Member States will have sufficient time to adjust to any transition necessary.

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Complete approximation, as proposed, will not become effective until 1 January 1976. However, to prevent differences in fuel-oil taxation between the Member States from persisting or increasing during this period (even if only temporarily), the Commission's draft directive further suggests that, when the taxation rates applied in a Member State exceed the maximum value proposed by the Community, this difference should be reduced to at least 50% as from 1 January 1974.

The table below shows how the maximum tax rates proposed by the Community are situated in relation to those now in force in the various Member States.

	Specific consumer taxes in force on 1 January 1970 (u.a./metric ton)	
	Heavy fuel oil	Heating oil - Light oil
Belgium	2.0	10.8 8.4
France	-	4.0 4.0
Germany	6.8	2.7 2.7
Italy	4.0	8.0 5.9
Luxembourg	2.0	9.1 3.6
Netherlands	3.8	- -*
	Maximum taxation rates proposed as from 1 January 1976	
All countries	2.0	5.0

* Domestic heating oil is exempt from excise duty; heating oil for business use is subject to excise duty of 14.6 u.a./metric ton.