

Brussels, 18 January 1972

No. 128

** BETWEEN 1965 AND 1970 OVER A THOUSAND MILLION u.a. WERE INVESTED IN THE STEELMAKING PLANTS OF THE EASTERN BASIN OF FRANCE. This represents about 60% of total investments in steelmaking in France during this period. It seems appropriate to draw attention to this achievement, in which the European Coal and Steel Community (ECSC) was instrumental, at a time when the employment situation in this region is causing a certain amount of anxiety. Details can be found in ANNEX 1.

** In 1970 THE ELECTRICAL ENERGY CONSUMPTION OF THE COMMUNITY reached 521 thousand million kWh, an increase of 7.9% over 1969. A brief note giving details of electrical energy consumption in 1970 is contained in ANNEX 2.

** THE 1972 FRENCH SCIENTIFIC AND TECHNOLOGICAL RESEARCH BUDGET was the subject of a report which Mr Aigrain, "délégué général" for scientific research recently gave to the PREST Group on Scientific and Technological Research Policy. A summary appears in ANNEX 3.

This bulletin is published by the Directorate General Press and Information of the Commission of the European Communities

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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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** In a reply to a written question from Mr Vredeling, a Dutch member of the European Parliament, on the subject of the symposium on the POLLUTION OF THE NORTH SEA held in Oslo and attended by the member nations of the Convention on the North-East Atlantic Fisheries, the Commission of the European Communities expressed regret at not having been invited to attend. It considered it highly desirable that the pollution of the seas around Europe should form the subject of Community action. Its presence at the symposium would have enabled the Commission to keep abreast of the progress already achieved in this field and to key the work already carried out into an overall Community policy. There is no doubt in this connection that the forthcoming enlargement of the Community should help the Community to examine and adopt measures aimed at reducing the pollution of its coastal waters.

** On 13 January Mr Haferkamp, a Vice-President of the Commission of the European Communities with special responsibility for energy, received REPRESENTATIVES OF THE ENERGY SECTION OF THE EUROPEAN CENTRE FOR PUBLIC UNDERTAKINGS (CEEP) in order to put the finishing touches to plans for close and regular collaboration in this sector between the Commission and this organization. Cooperation of this type with the other interested parties is already in existence.

** For the first time the Commission of the European Communities has just given the go-ahead to a JOINT RESEARCH AGREEMENT BETWEEN TWO COMPANIES OPERATING ON A GLOBAL SCALE by granting its approval, valid for a period of five years and subject to certain obligations, for the setting-up by Henkel, Germany, and Colgate-Palmolive, USA, of a joint subsidiary which would carry out research for both partners into certain textile washing products. In reaching this decision the Commission is of the opinion that under certain circumstances (e.g., participation by large companies and the oligopolistic structure of the market) R&D agreements come under the anti-trust regulations. However, they can be authorized within the limits set by the Community regulations provided the joint research is not accompanied by any restriction at the production and distribution stage and on condition that the exploitation of the outcome of this research does not involve an ultimate risk of practices inhibiting competition.

This decision is of particular importance because it will help towards the preparation of the anticipated regulations governing exemption by category whereby the Commission provides an overall solution to the problems relating to joint research. The Commission has proposed a regulation to the Council of Ministers authorizing it to pass legislation to this effect (see "Industry, Research and Technology" No. 116).

** SAFETY CAMPAIGNS IN COAL MINES are to be organized at the Community level. The permanent body dealing with safety in coal mines has decided to support a project of this kind (see "Industry, Research and Technology" No. 124) and to this end has asked the Commission of the European Communities for the necessary funds. The initial campaign will be carried out in the collieries in the Ruhr and at Aachen. It has received a Community grant of BF 500,000 and the preparatory phase has just begun. The subject chosen is continuous underground and surface transport. The plant affected will be modified from a technical point of view in order to be able to meet the most exacting safety requirements. The psychological campaign will be launched at all levels of the undertaking around September 1972. Similar campaigns will be carried out in other mining areas at a later date.

**The Commission of the European Communities has just reached a favourable decision concerning a MUTUAL EXCLUSIVITY AGREEMENT between the "Société d'optique, précision, électronique et mécanique" (SOPELEM), Paris, and Langen and Co. of Düsseldorf. The agreement covers the servocontrol equipment manufactured by both firms and is aimed at coordinating the development of these products and their marketing in Germany and France, thus enabling each partner to concentrate his development and production on the types of equipment best suited to his experience and plant and to the interests of his customers.

**Under the Community programme aimed at IMPROVING AND STANDARDIZING METHODS OF OXYGEN ASSAY IN NON-FERROUS METALS, which has been conducted over the past two years by the Commission of the European Communities with about fifty experts from the industries concerned and from specialist laboratories, the breakdown of the results obtained in 1971 and the 1972 programmes covering lead, aluminium, copper, zirconium and surface testing were discussed by experts at a meeting held in Brussels on 10-12 January 1972. The level of development achieved by the participating laboratories has enabled a series of short-term programmes to be drawn up: in the course of 1972 the Commission of the European Communities will prepare three oxygen standards for commercial zirconium and six batches of preliminary reference samples (OFHC copper, phosphorized, deoxydized copper, industrial copper, brass, lead and molybdenum). It will publish a certain number of conclusions for the use of industry. Finally, in 1973, it will carry out the extra work required for the programming of the standards for the oxygen in titanium. The current programme could likewise be extended to include the assay of nitrogen (refractory metals, semiconductors) and carbon (semiconductors, alkaline metals).

ANNEX 1STEELMAKING IN THE BASIN OF EASTERN FRANCE

Over 1000 million u.a. were invested in the steelworks of the basin of Eastern France between 1965 and 1970. These represent about 60% of total French investments in steelmaking over this period. It seems appropriate to draw attention to this achievement, in which the European Coal and Steel Community (ECSC) was instrumental, at a time when the employment situation in this region is causing a certain amount of anxiety.

As is shown by the table below, which is based on figures provided by the companies during the annual surveys conducted by the ECSC, the investment outlay in Lorraine over the period 1955-70 represented 15.3% of total investments in the Community as a whole and this percentage has remained constant over the periods 1955-64 and 1964-70.

Periods covered	Investment outlay (in u.a. x 1 million)		
	Lorraine (1)	Community (2)	1/2 (3)
1955-64	1,375.9	8,956.0	15.3%
1964-70	923.4	6,039.1	15.3%
1955-70	2,299.3	14,995.1	15.3%

During the same period steel production in Lorraine accounted, on average, for 14.6% of total production within the Community. However, during 1955-64 this share was 15.7%, and it dropped to 13.4% in the period 1964-70.

This fall in output, accompanied as it was by remarkable stability in the level of investment, stems from the nature of the investments: these have tended to concentrate production on the most modern and competitive equipment, and hence improving the quality of the products.

At the same time and in addition to the sizable loans granted by the European Coal and Steel Community to the mining and steelmaking companies in the area, the Community has shared in nine operations involving the setting-up of new industries in Lorraine, these representing total investments of about \$125 million in this area (and creating some 5,600 new jobs).

ELECTRICAL ENERGY CONSUMPTIONBreakdown for 1970

The 521 thousand million kWh of electrical energy (excluding grid losses) consumed inside the Community in 1970 signified an increase of 7.9% over the figure for 1969. This corresponds more closely to the traditional rate of increase than the +9.2% recorded during the previous year, a period characterized by a remarkably high level of economic expansion.

As far as the satisfying of electrical energy requirements is concerned, 98% were met by plants inside the Community, as in 1969.

Petroleum fuels accounted for 26% of the total electrical energy generated within the Community, as compared with 23% in 1969, while natural gas provided 8.5% versus 6.3%. These increases took place essentially at the expense of coal, its 31% share of the market in 1969 having dropped to about 25%, i.e., the level reached by petroleum products. Consumption of electrical energy in the domestic and tertiary sectors - areas less sensitive to market fluctuations - rose by almost 11%. Over the last five years the proportion of total energy consumption within the Community taken up by domestic tertiary users has risen from 30% to 35%.

In industry, where trends in electrical energy requirements are governed by activity, which slackened off in 1970 as compared with 1969, consumption rose by only 6.4% as against 8.1% in 1969. Movements in the principal sectors can be summarized as follows:

Energy producers and converters (excluding electric power plants)

Very modest increase (+2.4%) stemming from a 'swings and roundabouts' effect due to a sharp upswing in the petroleum and natural gas industries, and a noticeable drop in coalmining, but also in coking plants, gas works and briquette factories.

Other industries

Increase of 6.8% (+8.6% in 1969), mainly due to the four high-consumption sectors, which together account for about 63% of total industrial consumption, holding their own. In order of importance these are: chemicals (+6.2%), where demand rose, especially in Germany, Italy and the Netherlands; steelmaking (+5.2%), where for the second year running a rise of 20% has been recorded, in line with the recent increases in production capacity; metal working (+9.5%), characterized in particular by marked increases in the motor industry and heavy electrical plant construction in Germany, France and Italy; non-ferrous metals (+9.2%), the only one of the four sectors mentioned to have recorded an increase greater than that in 1969, largely because of the good performance of the aluminium industry in France and Germany.

In contrast to the trends in these sectors, which are for the moment largely encouraging, electrical energy consumption in the consumer goods industry as a whole has tended to slacken off.

In the transport sector also, the reduced activity compared with 1969 led to a flattening-out of demand for electrical energy, i.e., +7.0 instead of +9.6%. The recent electrification of stretches of railway line was not sufficient to offset a reduced rate of growth in the tonnage transported as against 1969.

Electrical energy consumption in the Community

	1970	Increase over 1969 (%)
Gross output (kWh 10 ⁹)	580.4	+ 7.0
Gross domestic consumption "	593.2	+ 7.6
Domestic consumption "	520.6	+ 7.9
Industry "	317.5	+ 6.4
Transport "	19.0	+ 7.0
Household "	97.4	+12.6
Tertiary "	86.7	+ 8.6
Consumption per head of population:		
Total, domestic market (kWh)	2,743	
Household "	513	

Electrical energy consumption by the various sectors

Consumer sectors	1970		Increase over 1969
	GWh	%	
Total domestic market	520,617	100%	+ 7.9%
Industry ¹	317,441	61.0%	+ 6.4%
Transport	19,074	3.7%	+ 7.0%
Household, commercial, cottage industries	184,102	35.4%	+10.7%

¹Excluding electric power plant auxiliary service requirements

THE FRENCH SCIENTIFIC AND TECHNICAL RESEARCH BUDGET FOR 1972

The broad outline of the French scientific and technical research budget for 1972 formed the basis of a report recently submitted by Mr Aigrain, "Délégué général" for scientific research, to the PREST group on Scientific and Technical Research Policy.

This budget covers (a) 1972 capital investment credits of some FF 3,848 million and (b) planned operating credits totalling FF 2,420.87 million.

1. Capital investment

The figures proposed for the various sectors reveal very clear-cut choices in favour of:

(a) Research into life and human sciences

The funds allotted to the Ministry of Public Health's research budget go up by almost 54%, and those of the Ministry of Agriculture by 46%. Research into the human sciences receives large increases via the national education budget - its principal source of funds - as well as from other budgets (funds for research, cultural affairs).

(b) Research in socio-economic and industrial fields

This aims at improving economic growth potential and overcoming the resultant problems such as town planning, transport, pollution and the relationship between man and his environment in general.

Wide-ranging priority programmes have thus been earmarked for construction and transport (relating to construction, town-planning, urban transport and road safety) and the funds made available to the Ministries of Housing and Supply and Transport are increased by 90%.

The grants earmarked for research into pollution and nuisances by the new Ministry of the Environment have trebled, rising from FF 4.2 to 13 million. Added to these are large sums of money included in the budgets of other departments (industrial and scientific development, public health, supply, transport).

In addition, the great strides made by industrial research are reflected in the growth of development aid grants (over 35%) and of the funds transferred to the directorates for industry within the MDIS (Ministry of Industrial and Scientific Development), the average rise being 90% (notably in favour of the procedure of pre-development, the grants for which have risen from FF 4 million to 9 million.)

Almost a third of the funds in the provisional budget (of about FF 1,100 million) will have to be spent in the form of contracts (sub-contract research, contractual obligations). As for the remainder, priority will be given to the renewal and modernization of existing equipment. Projects for new constructions and equipment have been concentrated in the priority sectors and restricted to operations which are either urgent or already planned (a case in point is the investments made by the National Ocean Exploration Centre, CNEKO).

Finally, as regards the funding of large-scale programmes this will level out somewhat in the 1972 budget. The subsidy granted to the French Atomic Energy Commission (CEA) from civil funds will thus increase by only 9% and will largely be accounted for by salary increases. The funds earmarked for computers increase by 7.4%; these cover the obligations entered into by the State under the new agreement with the Compagnie Internationale de l'Informatique (CII) and will otherwise go to pay for the renewal of existing arrangements. The programme of investment in the Centre National d'Expériences Spatiales (CNES) has been stepped up by 2.3%, rising from FF 581.5 to FF 595 million. (The latter figure was decided on in the light of the uncertainty surrounding the European launcher programme and will be readjusted in accordance with the outcome of the forthcoming decision on this programme).

2. Operation

The operating budgets of the various research bodies are fairly stable, and any increases in them are accounted for by adjustments for rising costs. The balance is to be used to meet a twofold requirement:

- 1) To guarantee above-average growth for priority sectors. The increase has been set at 20% for public health, supplies, housing, transport and CNEOX, 40% for the environment and 70% for cultural affairs.

- 2) To step up job efficiency rather than recruit extra staff. The cost of creating jobs or of redeploying existing personnel accounts for no more than about 37% of the total amount of these grants, as against 54% taken up by operating expenses, the balance accruing to scheduled research contracts.

3. By way of an example, the sector-by-sector trends of budgetary authorizations can be seen from the table below. The figures are quoted in FF million.

	1970 budget ¹	1971 budget	Increase (%)	1972 budget	Increase (%)
Study of matter and radiation	485.10	520.85	+ 7.4	606.22	+16.4
Study of the earth, the sea, the atmosphere and space	356.12	424.41	+19.2	408.46	- 3.9
Life sciences	203.52	236.22	+16.1	273.85	+15.9
Human sciences	14.80	12.43	-16.1	26.10	+110.0
Generation and distribution of energy	819.10	807.70	- 1.4	860.26	+ 6.5
Environment, town-planning and transport	216.68	227.85	+ 5.2	324.03	+42.2
Data processing, applications of electronics and telecommunications	445.60	502.56	+14.4	602.65	+18.3
Industrial research	196.95	230.67	+17.1	288.80	+25.2
Methods of calculation employed for R&D	19.35	31.26	+61.6	54.81	+75.3
Mathematics: pure and methodology	5.90	2.13		2.69	
Scientific and technical information	-	1.02		4.90	
Not apportioned	50.85	32.20		55.05	
Total R&D	2,813.97	3,036.30	+ 7.9	3,507.82 ²	+15.5

¹Preliminary budget before amending financial law.

²The telecommunications budgets of the National Telecommunications Centre (CNPT) (over 300 million) should be added to this figure in order to obtain the complete capital investment budget for 1972.