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** WORKERS' PARTICIPATION in the constitution of the body responsible for supervising the management of companies with over 500 employees is advocated by the European Commission, which has just forwarded to the Council a new proposal for a directive on the COORDINATION OF THE LAW RELATING TO LIMITED LIABILITY COMPANIES in the Member States.

The European Commission proposes extending to all such companies the dualist system under which there must be, in addition to the management body, a supervisory body, responsible for supervising it. Details of this proposed Directive are given in ANNEX 1.

** BY 1985, THE CAPACITY OF THE NUCLEAR POWER PLANTS IN THE COMMUNITY OF SIX SHOULD BE AT LEAST 100,000 MWe and account for 33% of the total electricity output; this is the low-key objective proposed by the European Commission in the SECOND ILLUSTRATIVE NUCLEAR PROGRAMME for the Community, which it has just published in accordance with the Euratom Treaty. Details of the guidelines proposed in this programme will be found in ANNEX 2.

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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** THE MEMBER STATES HAVE SHOWN THEMSELVES TO BE POWERLESS to translate into action the unity of views affirmed at the Hague Summit Conference on 1 and 2 December 1969 concerning the need for the Joint Research Centre to have a multiannual research programme. This is stated by the European Parliament in a resolution adopted at its session on 9-13 October. The European Parliament therefore calls on the heads of state and government, together with the heads of government of the applicant countries, to reach a final and satisfactory solution to this problem at the forthcoming Summit Conference on 19-21 October 1972.

** It is a matter of ever-increasing urgency to ensure SECURITY OF ENERGY SUPPLIES FOR THE COMMUNITY, and this raises many problems which must be solved if the objectives of the Treaty establishing the European Economic Community are to be attained. A resolution passed by the European Parliament at its session on 9-13 October reaches this conclusion in the light of a report prepared by Mr Friedrich Burgbacher. The European Parliament therefore recommends a series of measures to be taken at Community level, and calls on the Council and Member States to create the desired powers in order that the Community and the Member States may be secured against any misjudgment in this sector.

** The delay in implementing the PROGRAMME FOR THE ELIMINATION OF TECHNICAL OBSTACLES TO TRADE IN INDUSTRIAL PRODUCTS, adopted by the Council in 1969, and recently the subject of a supplementary proposal by the European Commission (see IRT Nos. 127 and 139), was deeply regretted by the European Parliament at its meeting in Strasbourg on 9 October 1972. The Parliament particularly urges the granting of priority to directives for the improvement of ENVIRONMENTAL PROTECTION. It also requests the European Commission to consider instituting an "environmental label" for low-pollution products, and to supplement its programme on foodstuffs by the inclusion of deep-frozen products and babyfoods. Lastly, as regards automobile safety, the Parliament calls on the Commission to consider creating a "joint office for automobile safety".

** In reply to an oral question on the EXCESS CAPACITY OF THE EUROPEAN POLYESTER FIBRE INDUSTRY, put on behalf of the Socialist Group by Mr Vredeling at the meeting of the European Parliament in Strasbourg, Mr Coppé, Member of the European Commission with special responsibility for social affairs, stated that the Commission is undertaking a study of the synthetic fibre industry and an analysis of its structures. In order to avoid the creation of excess capacity, it would be helpful for the Commission to have an exact knowledge of investment projects in this industry. As regards the problem of mass dismissals, the Commission has requested the Council to undertake the harmonization of conditions governing mass dismissal within the Community. The Standing Committee on Employment will study the problem at its next meeting, and the Council will be called upon to reach a decision on the matter at the beginning of November.

** A study on THE METHODS EMPLOYED IN THE MANAGEMENT OF RESEARCH PROGRAMMES AND APPROPRIATIONS BY DECENTRALIZED PUBLIC AND SEMI-PUBLIC BODIES has just been published by the Commission of the European Communities in its "Research and Development" series (No. 5).

The object of this study, which was awarded in 1971 by the European Commission to the Compagnie Francaise d'Organisation (COFROR), is to make an assessment of the experience acquired in the field of research management and to draw the relevant conclusions for the Community.

The first step was a documentary analysis of the organization of research, both in Europe and elsewhere, which made it possible to select eight bodies representative of the various research concepts and forms of organization. A thorough-going study was then carried out at five of these bodies. By the use of a common analytical model it was possible to ascertain the variables accounting for their success at both institutional and organizational level, and to indicate the respective advantages and disadvantages of centralized and decentralized methods of managing research allocations.

The full study comprises three volumes, and a summary report, which proposes various possible methods of action at Community level having regard to the aims of a European research organization.

The summary report, published under reference EUR 4876 (50 pages - FB 70) can be obtained in French, English, German, Italian and Dutch from the Office for Publications of the European Communities (P.O. 1003 - Luxembourg 1). Volumes in I, II and III of the study will shortly be published in French.

** In the context of measures to be employed for a COMMUNITY SUPPLY HYDROCARBON POLICY, the European Commission is forwarding to the Council two proposals concerning respectively the steps to be taken in case of difficulty in oil supplies and the establishment of a "transport obligation" for large pipelines crossing Member-State frontiers, with a view to the unification of the hydrocarbon market.

As regards measures designed to alleviate the effects of difficulties affecting hydrocarbon supplies, the European Commission proposes a directive obliging Member States to pass laws or regulations empowering them to take action whenever necessary on market supply conditions. These measures must neither give rise to discrimination nor go beyond what is strictly necessary in order to attain the objectives in view. Consultations will be organized at Community level in order to ensure Community-scale coordination of the measures in question.

Gas and oil pipelines crossing frontiers between Member States must be progressively integrated into a Community network. The Commission therefore proposes a regulation under which pipelines can be recognized as "of common interest from a European standpoint" by Council decision, thereby obliging transporters to transport oil or gas on behalf of outsiders at prices and on terms which are non-discriminatory. This would facilitate exchanges of hydrocarbons between member countries of the Community.

** With a total of 74,131 million tons from 1 January to 31 August 1972, THE COMMUNITY'S CRUDE STEEL PRODUCTION registered an increase of 6.5% over the same period in 1971 (69,609 million tons).

** A PROPOSED MULTIANNUAL PROGRAMME FOR THE JOINT RESEARCH CENTRE (JRC) has been forwarded to the Commission by the JRC's Director-General. It would cost 189 million units of account (1 unit of account = approx. 1 dollar) over a period of five years. This programme, to be performed in the JRC, will be supplemented on the part of the Commission by proposals for "indirect action", to be carried out under contract. It is expected that the entire "package" will be submitted to the Council at the beginning of November IN ORDER THAT A DECISION MAY BE TAKEN BEFORE THE END OF THE YEAR.

** The information seminar on the FIGHT AGAINST DUST IN MINES, held in Luxembourg on 11-13 October 1972 (see IRT No. 159), is a suitable occasion for recalling that the Coal and Steel Community (ECSC) has since 1955 been providing financial backing for research on this subject and on the grave diseases (silicosis and pneumoconioses) caused by dust in mines. Three successive research programmes have been undertaken in this field; the last was begun in 1971, is scheduled to last five years and has as its subject "Health in Mines".

Out of a total of 37 million units of account allotted by the ECSC to the social sector (industrial medicine, physiology and psychology, and industrial hygiene), 11 million units of account have been earmarked for the single purpose of the fight against dust. In addition about 7,000,000 units of account have been assigned to medical research on respiratory disorders.

** The progress of work in Europe on the CONTINUOUS AUTOMATIC MONITORING OF THE VITAL FUNCTIONS OF THE SERIOUSLY ILL and the medical and technical problems to be solved in connection with the coordination of this work at European level were examined at a meeting held in Brussels on 5 and 6 October 1972 on the initiative of the Standing Committee on the Monitoring of the Seriously Ill set up under the Committee on Scientific and Technical Research Policy (PREST Group) (see IRT Nos. 90 and 151).

More than 30 specialists from the Community countries and the United Kingdom attended this meeting, which should lead to concrete proposals on the organization of cooperation between the various European research groups in the fields of physiopathology, the development of adequate measuring instruments and the formulation of mathematical methods for the analysis and synthesis of the numerous data being fed into the computer monitoring the vital functions of the seriously ill.

** As part of the EXCHANGES OF EXPERIENCE WITH NUCLEAR POWER PLANT OPERATORS which the European Commission has been organizing since 1966, the Working Party on the "CHEMISTRY OF WATER" recently held a meeting at the Ispra Establishment of the Joint Research Centre which was attended by 31 delegates from 12 nuclear power plants and 7 research institutions in eight countries.

Among the subjects discussed were the behaviour of the primary and secondary circuits of pressurized water reactors and the testing, improvement and comparison of devices for the surveillance of water-steam circuits and condensate purification installations. The Joint Research Centre also reported the results of studies carried out on solid corrosion products in the Trino Vercellese, Obrigheim and Gundremmingen power plants.

The Coordination of the Law Relating to Limited Liability Companies is the subject of a new proposal for a directive from the Commission of the European Communities.

Workers' participation in the constitution of the body responsible for supervising the management of companies with over 500 employees is advocated by the European Commission, which has just forwarded to the Council a new proposal for a directive on the coordination of the law relating to limited liability companies in the Member States.

The European Commission proposes the extension to all limited liability companies of the dualist system existing in several Member States, under which it is obligatory to set up alongside a management body a supervisory body, responsible for supervising the management body.

The management body

The management body is responsible for the management of the undertaking. Its members (who must be physical persons) appointed for a period not exceeding six years, but will be eligible for re-election. They can be dismissed by the supervisory body, and may not pursue any paid or unpaid activity in another undertaking without authorization from the supervisory body.

The management body must provide the supervisory body at least every three months with a report on the progress of the company. It must also submit the draft annual accounts to the supervisory body within three months after the end of each financial year.

The supervisory body

The supervisory body will exercise control over the management body. No-one may simultaneously be a member of the management

body and of the supervisory body, nor may anyone be a member of the supervisory body in more than ten companies.

The members of the supervisory body will be appointed for a period of not more than six years, and will be eligible for re-election.

The supervisory body may at any moment ask the management body for a special report on the company's affairs or on certain of these affairs, together with any relevant information or documents.

The supervisory body's authorization must be requested at least in respect of decisions by the management body concerning the closure or transfer of the undertaking, or of important parts of the undertaking, major restrictions or extensions of the undertaking's activity, substantial modifications in its organization, or the establishment or termination of long-term cooperation with other undertakings.

As regards workers' participation in the constitution of the supervisory body, the European Commission proposes a minimum regulation, based on the existing law of several Member States, for joint stock companies with 500 or more employees. This regulation lays down the general principles, and leaves to Member States the responsibility for drawing up more detailed rules and for choosing between the two systems proposed, namely:

1. One-third at least of the members of the supervisory body will be appointed by the workers or their representatives, or on a proposal from the workers or their representatives. The other members of the supervisory body will be appointed by the general meeting. The laws of the Member States may, however, lay down other qualifications for the appointment of those members of the supervisory body who are not appointed by the general meeting (for example, representatives of the general public).

2. The members of the supervisory body will be co-opted; the general meeting or the workers' representatives may, however, oppose the appointment of a proposed candidate. The appointment can then be made only after the opposition has been declared unfounded by an independent body governed by public law.

The Commission's proposal also contains rules on the civil liability of the members of the management or supervisory bodies.

The general meeting

The proposed directive provides for the coordination of provisions concerning the powers and also the rights and duties of the general meetings. In this connection regulations are laid down concerning the convening of the general meeting, the relevant time-limits, the information to be given to shareholders, the right of access to the general meeting and also the powers of shareholders at a meeting of the general meeting. The board of the company and the banks are required to state the names of the shareholders from whom they have received a proxy. The shareholders thus represented must be requested in writing to give their proxy (valid for one meeting only) and their instructions as regards exercising the right to vote.

The proposed directive also lays down the majority necessary for resolutions to be passed by the general meeting. It also provides for appeals against resolutions which are or can be declared void.

The Second Illustrative Nuclear Programme for the Community

By 1985 the capacity of the nuclear power plants in the Community of Six should total at least 100,000 MWe and supply 33% of the total electricity output. Nuclear energy would then cover 10% of the Community's total primary energy needs.

This is the minimum objective proposed by the European Commission in the Second Illustrative Nuclear Programme for the Community, which it has just published in accordance with the Euratom Treaty, in order to take account of the development of nuclear techniques and of the general energy context since the publication of the First Illustrative Nuclear Programme in 1966.

The Second Illustrative Programme first seeks to assess the future role of nuclear energy in the light of the Community's energy prospects, it then indicates the lines along which a special effort must be made for nuclear energy to fulfil this role in a satisfactory manner.

The role of nuclear energy

The aims which the Community's energy policy seeks to accomplish are to provide resources which are both reliable and adequate, cheap and non-polluting. Nuclear energy satisfies all these conditions.

1. Security of supply

Uranium deposits are plentiful and widely distributed throughout the world, thus providing considerable latitude of choice, and hence having a stabilising influence on supplies. The resources are to a large extent located in the Community or else under the control of Community undertakings. All the stages in the processing of nuclear fuels can be carried out in the Community if the latter provides itself with a sufficient uranium enrichment capacity. Lastly, nuclear fuel raises less difficult transport and storage problems than do fossil fuels.

2. Competitive costs

The gap between the overall costs of electricity production in conventional and in nuclear power plants has steadily diminished and the trend has actually been reversed, firstly through the adoption of higher unit powers, and secondly through the rise in the price of fossil fuels, which seems likely to continue both because of the general international energy situation and of the heavier costs involved in the fight against pollution. Nuclear energy is thus becoming capable of exerting pressure on the prices of competitive energies.

3. Respect for the environment

Since it was first used for peaceful applications, nuclear energy has been subject to very strict regulations, subsequently steadily improved, in order to protect man and his environment against radiation and radioactive contamination. Basic standards for maximum permissible concentrations have been laid down at international, and in particular at Community level, and are continually being improved. The problem of the final storage of radioactive wastes is still the subject of study in depth, as is that of thermal pollution by cooling water (which arises to a lesser degree where conventional power plants are concerned).

The medium-term task of these increasingly reliable and powerful nuclear power plants is to cover electricity needs demanding a high utilization factor at stable and even potentially decreasing costs. From this standpoint the nuclear capacity of the Community of the Six might be expected to exceed 150,000 MWe in 1985.

The European Commission has, however, struck a balance between the desirable development and the difficulties in its way (compartmentalization of markets, fragmentation of industry, still unsecured, enriched uranium availabilities, etc), and has preferred to fix a low-key objective for the Community, in terms of an operational nuclear capacity of 100,000 MWe in 1985.

Development of the nuclear power plant market

At the present moment the most technically and commercially developed type of reactor is the light-water enriched-uranium type, in its boiling water (BWR) and pressurized water (PWR) variants; the considerable success which it is enjoying should continue up to 1985. A massive contribution to electricity production by high-temperature and fast reactors cannot be expected until after that date.

The table below shows the estimated average annual investments, based on technical development forecasts and the trend of light-water power-plant costs, required in order to attain the objectives of the Second Illustrative Nuclear Programme.

Breakdown of annual investments in nuclear power plants between 1971-1980

<u>Periods</u>	<u>1972-1975</u>	<u>1976-1980</u>
Average capacity ordered each year	6,700 MWe	11,000 MWe
Average number of power plants ordered each year	5-8 800-1200 MWe/unit	6-9 1200-2000 MWe/unit
Total annual investments (in millions of 1970 units of account)	1140 1470	1700 , 2090

The total financial outlay required on the part of Community electricity producers in order to attain the desired power increase will be about 15,000 million units of account for the power plants, and 7,000 million units of account for the fuel (in terms of constant currency).

The rather modest flow of orders, which will not amount to 6-9 power plants per year until the end of the present decade, should not raise any major problems for the European industry; it even seems desirable for this industry to capture export markets.

The efforts required at Community level

The European Commission attaches particular importance to reducing difficulties of all types which may hamper the industrial-scale application of nuclear energy. In the Commission's opinion efforts must be made simultaneously in several directions, and have the following main objectives:

1. Creation of a genuine common market in electrical engineering equipment for nuclear purposes.
2. Harmonization of standards and criteria, particularly with regard to safety.
3. Re-organization of the electrical engineering and nuclear industries so as to form a few powerful transnational units.
4. Stimulation of the market by aid to investment and the organization of demand at Community level, through such measures as thorough-going interconnection of electricity networks and a policy of site reservations.
5. Achievement of secure and stable nuclear fuel supplies.
6. Provision of detailed and frank information on the subject of nuclear energy to the general public.

The Second Illustrative Programme was designed for the Community of the Six. The enlargement of the Community ought not, in the medium term, modify the present Community's objectives as regards the production of electricity from nuclear sources. As regards the means to be employed in order to promote a nuclear policy, on the other hand the enlargement will involve major changes, due mainly to the remarkable technological and industrial potential possessed by the United Kingdom.