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ECONOMIC AND SOCIAL COMMITTEE

Public Relations Division

2, rue Ravenstein B-1000 Brussels

Tel.: 519 90 11
Fax: 513 48 93

Telegram: ECOSEUR
Telex: 25 983 CESEUR

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I — 305th Plenary Session of 28 and 29 April 1993

The 305th Plenary Session of the Economic and Social Committee was held in Brussels on 28 and 29 April under the chairmanship of Mrs Susanne Tiemann.

The Commission President, Mr Jacques Delors, addressed the Session on Thursday 29 April on the *Commission's work programme and economic and social cohesion*. On Wednesday 28 April, Mr Raniero Vanni d'Archifari, the Commission member responsible for the internal market and enterprise policy, attended the Session debate for the ESC Opinion on a package of Commission proposals for small firms, including the multiannual programme (1993-1996) of measures to intensify the priority areas of enterprise policy and the 1994-1997 action programme to ensure the continuity of this policy.

In his address, Mr Delors expressed deep anxiety about the economic situation: as in the 1970s, Europe faced a stark choice - survival or decline. And he noted that this was a matter of particular concern for the ESC.

In order to prevent the gloomy climate from putting a brake on the Community's development and economic recovery, the Commission had decided to consolidate the internal market and to launch the economic growth initiative; it hoped that this would create a modest improvement in the psychological climate. As regards the internal market, steps were still needed to guarantee free movement for people and further action was needed on taxation, to allow European businesses to cooperate with each other, and on the taxation of income from movable assets.

Turning to social policy, Mr Delors noted that failure to adopt two or three key measures - such as the European company statute - would signal the death of the social dialogue.

He felt that the trans-European networks scheme held particular promise.

Lastly, Mr Delors mentioned the small firms sector, which had to find a new niche in response to the internationalization of the economy.

The Community had to give more serious thought to the present state of the European economy. It was not a matter of a world economic crisis, but of a crisis facing the three richest groups: the United States, Europe and Japan. In addressing the problem, it was important not to get bogged down in dogma. One had to decide what could be done to retain a minimum number of jobs and social security cover. It was time to sound the alarm. Although the wave of technical progress was not over, the problem of unemployment and the place of work in our society had to be reconsidered.

Replying to members' questions, Mr Delors explained that:

- *As regards GATT*, a partial agreement was not on the cards. The US "pre-agreement" on agriculture would have to be incorporated in the GATT conclusions, and an overall agreement would then be required on the 15 negotiating areas. The Commission was also waiting for the United States to establish their stance.
- *As regards subsidiarity*, transparency and democratization: the Commission was revising all existing legislative texts in order to consolidate and simplify them. The operation should lead to a 30% cut in the volume of Community legislation.
- *As regards the CAP reform*: Mr Delors was aware that the reform was a "culture shock" for farmers, who had been told for 30 years that they should be fully-fledged businessmen. "But who had the courage to say so?", Mr Delors asked. The CAP reform was the best possible under the circumstances. Since January 1987, he had been proposing that rural development be made a goal.
- *As regards the future of the ESC*: Mr Delors made several references to the present and future role of the ESC - a body which guaranteed that differing interests worked together at Community level. Faced with the rise in specialist committees and lobbies, the ESC could continue to grow by ensuring that its work was marked by a high degree of expertise. He supported the ESC's work on the citizens' Europe - Europe's citizens also included the employers, workers, consumers and other groups represented on the ESC.

The following Opinions were adopted at this Plenary Session.

1. SECURITY/HEALTH/TRANSPORT ACTIVITIES

Proposal for a Council Directive concerning the minimum safety and health requirements for transport activities and workplaces on means of transport (COM(92) 234 final - SYN 420)

Gist of the Commission proposal

The proposal has been drawn up with a view to improving the safety and health protection of workers by laying down minimum requirements relating to workplaces on means of transport, and to creating a social impetus for improved working conditions in transport activities within the framework of the internal market.

The regulations contained in other individual Directives pursuant to Article 16 of Directive 89/391/EEC apply also to workplaces on means of transport and to transport activities. On the other hand, the provisions contained in Directive 89/654/EEC concerning the minimum safety and health requirements for the workplace specifically exclude means of transport used outside the undertaking and/or the establishment, or workplaces inside means of transport. Consequently, there is a need for a special directive to cover this field, given that the sector in question is one of the most dangerous ones, as evidenced by Member States' accident statistics.

Furthermore, the proposal aims to adapt some of the principles set out in Directive 89/391/EEC to the particular characteristics of transport activities, such as health surveillance and workers' rights to leave the workplace in the event of serious, imminent and unavoidable danger. The proposal provides for worker consultation on these points, and on all issues specific to the means of transport or transport activities.

This is a very wide field and the legal provisions governing it inevitably vary from Member State to Member State, and from one transport mode to another:

- in general terms, the transport industry is subject to a large number of international agreements. These will continue to apply and will, where appropriate, be supplemented by the minimum requirements laid down in the proposal;

- there are already many provisions of national law governing safety at work in the transport industry. Some are implemented in the form of agreements between the social partners, others are implemented, at least in part, on a voluntary basis. There are also cases where these provisions are largely or even totally ignored;
- minimum requirements under domestic law concerning working areas and, more particularly, sanitary facilities, rest rooms and living areas on means of transport are often only rudimentary and apply only to certain transport modes.

The proposal contains minimum requirements for safety and health protection, as provided for in Article 118a of the EEC Treaty. It is a proposal for an individual Directive within the meaning of Article 16 of Directive 89/391/EEC. The aim of the proposed measures is to guarantee improved protection of workers employed on means of transport and in transport activities.

The scope of the proposal extends to workplaces on means of transport and to transport activities in a wide range of transport modes.

The provisions of the proposal cover workplaces on means of all types of air, road, rail and waterway transport.

The transport activities covered by the proposal include all activities on the means of transport and certain particularly dangerous activities performed in their immediate vicinity.

Gist of the Committee Opinion (CES 466/93)

The Committee recognizes the necessity for an effective Directive concerning minimum safety and health requirements for workers engaged in transport activities.

This should apply the main provisions of the Framework Directive to the particular circumstances of transport and should contain in its Annexes specific safety and health standards for each of the transport modes.

The latter should reflect the relevant provisions of international instruments where such exist and the Directive itself should urge their ratification and implementation by all Member States.

For transport modes where no such international instruments obtain, the Annexes should reflect the current best practices determined by the rele-

vant authorities in the various Member States for adoption by all Member States in accordance with the principle of subsidiarity.

The Committee regrets that the Annexes to the proposed Directive fail to meet the above criteria. They are both inaccurate as regards their application to the various transport modes and inadequate as a comprehensive corpus of good safety and health practice.

Accordingly the Committee believes that the proposed Directive should be modified by the Commission through the preparation of new Annexes to meet the above criteria. The respective Joint Transport Committees should be consulted as part of this process.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mrs Giacomina Cassina (Italy - Workers). The Rapporteur was Mr Francis J. Whitworth (United Kingdom - Employers).

2. POLITICAL ENTERPRISE (SMEs) IN THE EUROPEAN COMMUNITY

Enterprise dimension essential to Community growth - Community measures to intensify and to ensure the continuity of the policy for enterprise, in particular SMEs, in the Community

Proposal for a Council Decision on a multiannual programme (1993-1996) of Community measures to intensify the priority areas of policy for enterprise, in particular SMEs, in the Community (presented by the Commission)

Proposals for a Council Decision on a multiannual programme (1994-1997) of Community measures to ensure the continuity of policy for enterprise, in particular SMEs, in the Community (presented by the Commission) (COM(92) 470 final)

Gist of the Commission proposal

The European Council in Edinburgh agreed to take action on a wide scale to support growth in the Community. It asked the Commission to accelerate the measures to help SMEs which had proved their worth at EC level.

The proposed programme to help enterprises seeks to reinforce immediately those areas for priority action which could provide an immediate response to the need for enterprises to adapt in a period of uncertainty. It will also have to ensure the continuity of supporting measures, whether of a general nature or designed to assist specific categories of enterprises.

The Commission is submitting two Proposals for Decisions to the Council:

Intensification of priority enterprise policy measures in order to stimulate growth in the Community (1993-1996)

The principal objectives are as follows:

- to develop the Euro Info Centres to facilitate access by enterprises to Community information;
- to develop the partner-search networks BRE and BC-NET;
- to step up activities to put businessmen in direct contact with one another under the EUROPARTENARIAT and INTERPRISE programmes and to promote cross-border SUBCONTRACTING;
- to improve the administrative and legal environment of enterprises;
- to promote Community instruments.

Ensuring the continuity of a policy for enterprise, in particular SMEs, in the Community (1994-1997)

The programme has the following objectives:

- to encourage the adjustment to structural change of sectors under development, such as craft industry, the distributive sector, cooperatives, mutual societies, non-profit associations and foundations;
- to promote the achievement of an improved financial environment for enterprises;
- to promote better observation of the economic development of enterprises as part of the dynamic of effective implementation of the internal market.

Gist of the Committee Opinion (CES 467/93)

The proposed measures can be broken down into micro and macro measures, although this distinction is not applied consistently by the Commission itself.

The figures show that the "micro measures" such as BC-NET, Europartenariat and Euro-Info-Centres are to be given a significantly larger budget than the "macro measures" designed to benefit SMEs as a whole, or important sectors, such as trade and craft industries. The Committee greatly deplors this imbalance.

Intensification of priority enterprise policy measures in order to stimulate growth in the Community (1993-1996)

The Committee agrees with the Commission that one of the most important objectives of the policy is to enable enterprises to take advantage of the possibilities arising from the newly established internal market. Instruments which may help to further this aim, such as Euro-Info-Centres (EICs) and the cooperation instruments BC-Net and BRE will thus have a useful role to play. Maintenance of this role is however contingent on ongoing ready access to the information.

The Committee sympathizes with the objectives and the pragmatic approach of programmes such as Europartenariat and Interprise which endeavour to bring enterprises into direct contact with each other. But the goal which they set out to achieve, and by the same token their impact, have most regrettably, been only modest, given the work involved and the resources employed. This begs the question of whether such activities must remain an EC responsibility, now that the initial measures have been taken.

The participation of SMEs and their sectoral organizations in the establishment of standards, also at EC level, must be expanded and supported, if the position of small sub-contractors is not to be eroded.

The improvement of the administrative and legal environment of enterprises is once again given priority treatment by the Commission. The measures which were set out in the Sutherland Report¹ - and which were also reflected in the conclusions of the Edinburgh Summit - must be translated into action in the near future. The assessment of the impact of proposed legislation must play an important role in this respect and there must be joint consultations with the representatives of enterprises and other parties involved.

¹ "The internal market after 1992, meeting the challenge", Report to the EC Commission by the High Level Group on the Operation of the Internal Market, Brussels, 19 October 1992

The Committee supports the Commission's view that the provision of information on existing legislation should be extended by putting greater emphasis on communications and promotional work.

The Committee supports the efforts to achieve a high level of SME participation in EC programmes for research and technological development.

Attention should be drawn to the need to resolve the problems facing SMEs as regards, for example, securing seed capital and access to the capital market and the problems arising from the reprehensible practice of failing to meet agreed payment deadlines.

The Committee urges that when the new European Investment Fund is being set up, its objectives be defined in such a way as to enable it to make a genuine contribution to financing necessary investments in SMEs throughout the EC. The Committee would deplore any move to limit access to the Fund exclusively to SMEs in "less-developed areas" of the EC.

Ensuring the continuity of a policy for enterprise, in particular SMEs in the Community (1994-1997)

The Committee is disappointed by the extremely limited proposed level of funding.

The Committee's proposal that a craft sector unit be set up within Commission DG XXIII has been completely ignored as has the idea of establishing a European academy for the craft sector; the idea of improving statistics on craft industries and improving information on legislation relating to craft industries has not been accepted by the Commission at all; the major issue of public contracts has - quite wrongly - been overlooked; and, to the Committee's complete surprise, no action whatsoever has been taken on its many important recommendations in respect of training for entrepreneurs and their workforces.

The measures proposed by the Commission with regard to trade, distribution and craft industries, are completely inadequate and the Committee calls for a review of both priorities and funding so as to fully comply with the Committee's well-founded and eminently reasonable proposals.

Fortunately, the Committee can adopt a different stance on the Commission's proposals on the financial position of SMEs. In this highly important matter, the Commission has demonstrated a good understanding of the requirements of businesses.

The Committee congratulates the Commission on its decision to fund the "observatory" which will monitor trends and developments in the field of SMEs.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr C. W. M. Lustenhouwer (Netherlands - Various Interests).

3. SATELLITE EARTH STATION EQUIPMENT

Proposal for a Council Directive on the approximation of the laws of the Member States concerning satellite earth station equipment, extending the scope of Council Directive 91/263/EEC
(COM(92) 451 final - SYN 444)

Gist of the Commission proposal

In the Green Paper on a common approach in the field of satellite communications in the European Community¹ issued in November 1990, the Commission proposed the mutual recognition of type approval for satellite earth station equipment as a major precondition for the creation of a corresponding Community market.

The subsequent Council Resolution of 19 December 1991 on the development of a common market for satellite communications services and equipment² confirmed the above and established the need for standardization of the essential requirements in this sector.

Community measures for satellite earth station equipment should be based on the principles already contained in Directive 91/263/EEC on the approximation of the laws of the Member States concerning telecommunications terminal equipment including the mutual recognition of their conformity³.

¹ COM(90) 490 final of 20 November 1990

² OJ No. C 8 of 14 January 1992

³ OJ No. L 128 of 23 May 1991, page 1

The present Draft Directive is intended to supplement the above Directive by creating harmonized conditions for putting satellite earth station equipment on the market. In addition, it should promote the efficient use of orbit resources and the radio spectrum, in order as far as possible to avoid possible radio disturbances between space- and ground-based communications equipment and other technical systems.

In this context the development and availability of European standards are of decisive importance. This point has already been emphasized by the Economic and Social Committee in its Opinion on Directive 91/263/EEC¹.

Gist of the Committee Opinion (CES 468/93)

The Committee generally thinks that the procedures and provisions governing telecommunications terminal equipment² should also apply to satellite earth station equipment as far as possible. There should be no exceptions unless the specific circumstances peculiar to satellite earth station equipment are different.

The following should be added to the objectives specified by the Commission:

- the provision as soon as possible of a uniform licensing procedure for the operation of transit-receive satellite earth station equipment in the Community;
- the exemption of new satellite receive only equipment from operating licence procedures ;
- the avoidance of multiple authorization procedures.

Given these objectives, the Committee gives its express approval to the proposal.

However, the use of uniform standards in the Community on the basis of international standards is a vital prerequisite for the planned harmonization procedures and proofs of conformity.

The Committee points out that it will be necessary to avoid the risk in future, too, of not being able to exploit rapid technical advances in the field of telecommunications because of cumbersome administrative and standardization procedures.

¹ ESC Opinion of 4 October 1989, OJ No. C 329 of 30 December 1989, page 1

² Cf. Directive 91/263/EEC, OJ No. L 128 of 23 May 1991, page 1

Moreover, the planned Directive's implementation should be sought as quickly as possible since otherwise the market would take a turn in the wrong direction by itself.

Even though the proposal does not address the problem of standardizing user licences, the Committee would take the precautionary step of stressing the great importance of this problem and the urgent need to find a solution for the future.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Herbert Nierhaus (Germany - Workers).

4. COMMON ORGANIZATION OF MARKET/SUGAR

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No. 1785/81 on the common organization of the markets in the sugar sector (COM(92) 573 final)

Gist of the Commission proposal

The Commission is proposing that the present organization of the sugar market be extended for the 1993/94 marketing year. This includes the systems currently governing the production and supply of sugar, including the existing arrangements for isoglucose and the supply of raw sugar to Portuguese refineries in the light of their close link with the production system. It also proposes that the future system be extended to include a new sweetener, inulin syrup. The Commission has decided to allow a year for reflection before carrying out a fundamental revision of the common organization of the sugar market incorporating a system of production based on quotas which would normally be due on 30 June.

This extension will enable the Commission to draw up in the meantime the system to be applied after 1 July 1994 in the hope that by then the effects of the new guidelines for the Common Agricultural Policy (in particular in the cereals sector) will be felt in the industrial and agricultural sugar sectors and that there will have been progress on conclusion of the Uruguay Round negotiations, at present still incomplete. The Commission already plans to apply the future common rules to the production and marketing of inulin syrup, taking the 1992/93 marketing year as the point of reference for drawing up quotas. This new high-fructose

sweetener of agricultural origin is obtained from chicory roots or Jerusalem artichokes. It is comparable to isoglucose and liquid sugar as they serve the same markets and are manufactured industrially and marketed in the Community. As it is not covered by the current common organization of the market, however, inulin syrup commands prices similar to those for sugar without being subject to sugar levies.

Gist of the Committee Opinion (CES 469/93)

The Committee approves the Commission proposal, although it points out that the short duration of the Regulations creates a climate of uncertainty for farmers and processors.

The Committee also recommends that inulin syrup be brought within the same common market organization as sugar as soon as possible.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Charles Pelletier (France - Various Interests)

5. CORRECT APPLICATION OF CUSTOMS AND AGRICULTURAL LAW

Proposal for a Council Regulation (EEC) replacing Regulation (EEC) No. 1468/81 on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs or agricultural matters
(COM(92) 544 final)

Gist of the Commission proposal

The proposal is aimed at strengthening cooperation between Member States and between the latter and the Commission in combating customs and agricultural fraud and improving the flow of information from the Member States to the Commission.

It does not affect the respective powers of the Member States and the Commission as currently defined by Regulation 1468/81, but lays down the rules required at Community level to guarantee the uniform and effec-

tive working of administrative cooperation with due regard for these respective powers.

The proposal includes:

- a) an update of Regulation (EEC) No. 1468/81 to bring it into line with current practice in administrative cooperation and to take account of other developments in Community law;
- b) provision for Commission officials to be present during national enquiries where necessary in order to coordinate a Community-level enquiry;
- c) a definition of the concept of administrative enquiry and of the obligations of the Member States in areas where administrative enquiries and legal procedures might overlap;
- d) provisions to ensure that the findings of officials of one Member State and the information exchanged in the course of mutual administrative assistance can be used in legal or administrative proceedings in another Member State;
- e) the establishment of a central database - the customs information system (CIS) - comprising information entered by the Member States and the Commission and accessible, on a need-to-know basis, to the Member States and the Commission.

Lastly, the proposal provides for the Commission to be notified of the sanctions applied by the Member States.

Gist of the Committee Opinion (CES 470/93)

The Committee basically endorses the Commission proposal, but it does, however, suggest that mechanisms and procedures be simplified.

The Committee also stresses that certain measures may be difficult to implement, bearing in mind the relation between EC provisions and national legal systems, and the need to protect the individual's right to privacy.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Guiseppe Pricolo (Italy - Employers).

6. POTATO RING ROT

Proposal for a Council Directive on the control of potato ring rot
(COM(93) 58 final)

Gist of the Commission proposal

Certain provisions of Directive 80/665/EEC, which lays down minimum measures to combat potato ring rot, have been found to be inadequate as understanding and detection of ring rot have developed. In the Commission's view, further specification of measures is therefore necessary.

Moreover, the Community regime on the control of potato ring rot in its present form will no longer be appropriate for the circumstances of the Community, portrayed as an area without internal frontiers.

This proposal repeals Directive 80/665/EEC and aims to set up an improved control regime against potato ring rot, taking into account the better understanding of the biology of the organism, the new development in the detection of the disease, and the concept of the internal market.

Gist of the Committee Opinion (CES 471/93)

The Committee endorses the objectives and general content of the Commission proposal.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Antoon Stokkers (Netherlands - Various Interests)

7. EUROPEAN TELECOMMUNICATIONS EQUIPMENT INDUSTRY

Communication from the Commission on the European telecommunications equipment industry: the state of play, issues at stake and proposals for action
(SEC(92) 1049 final)

Gist of the Commission document

The Commission Communication notes that Europe's telecommunications industries are in a generally favourable position. However, they

must eliminate certain insufficiencies in leading segments of the market and come to terms with potential threats resulting from imperfect competition in the world.

Action needs to be taken in order to restore these industries competitiveness and to remedy the structural problems they face.

This action is in the first place, the responsibility of the industries themselves. An important strategic angle for them involves making those changes which will allow them to make maximum use of the new opportunities offered by the setting-up of the internal market.

Community action regarding the different areas of the sector should aim at four fundamental objectives:

- *The establishment of a real internal market* to act as a base for the development of the telecommunications industry and provide a permanent stimulus for dynamic demand conditions.
- *The support of technological development* - essential in a sector where technical progress is very rapid and which should aim at putting advanced services at the disposal of the European economy as well as allowing industry to remain strongly competitive on the world market.
- *The improvement of the industry's position in the terminal equipment sector*, a growing segment of the telecommunications equipment market.
- *The search for level playing conditions of competition in the world market* allowing European industry access to any third country markets, especially where difficulties are currently experienced: this is of vital importance both for its further development and for it to enjoy the full advantages of economies of scope and scale.

The Community and the Member States should take initiatives to provide industry with a favourable business environment, while respecting the principle of subsidiarity.

This Commission Communication follows on directly from the general industrial policy guidelines approved by the Commission¹, ESC² and Council³.

¹ COM(90) 556 final of 16 January 1990

² Opinion of 27 November 1991, OJ No. C 40 of 17 February 1992, p.31

³ OJ No. C 325 of 14 December 1991, p. 2

Gist of the Committee Opinion (CES 472/93)

The Committee welcomes the Commission's initiative and considers that the proposed measures represent a good basis for further development.

This Opinion thus supplements the Committee's Opinion¹ on the Communication of 16 November 1990 on Industrial Policy in an Open and Competitive Environment².

The strategic importance of the telecommunications market extends far beyond its current share - barely 3% - of gross domestic product. There is already a visible trend towards linking all economic activities by data processing systems. Experts estimate that the telecommunications sector's share of national product in the Community will more than double by the year 2000, accounting for some 7% of gross domestic product and directly or indirectly affecting about 60% of all jobs. Whilst the economic potential of the European telecommunications equipment industry is comparatively good, industrial policy measures are needed in the course of the unification of the European market in order to ensure an efficient, low-cost exchange of information between all EC regions.

Technological and product innovations and the opening-up of the formerly hermetic national markets are creating major upheavals in the European telecommunications industry. In terms of product groups, the telecommunications sector can be broken down into: terminal equipment; services and networks and switching systems. Major technical changes are currently taking place in all three sub-sectors.

The Commission report identifies the four above-mentioned objectives, which a package of measures tailored to the needs of the telecommunications industry is designed to further. The Committee would also stress the following aspects:

- fair world trade conditions
- research and development
- standardization
- R&D financing
- technical design and assessment of technological implications
- programmes aimed at improving infrastructure at Community level
- qualifications, job security and training policy.

¹ OJ No. C 40 of 17 February 1992, p. 31

² COM(90) 556 final

The main aim, in the Committee's view, is to put into effect a clear and consistent EC strategy aimed at

- pressing ahead with standardization;
- harnessing R&D resources to assist European companies;
- encouraging the development of Europe's major companies and a stronger supporting base for SMEs;
- promoting the training and retraining of a skilled workforce in all relevant areas of productive activity.

This Opinion, adopted unanimously was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Paul Flum (Germany - Workers).

8. VAT ON GOLD

Proposal for a Council Directive supplementing the Common System of Value Added Tax and amending Directive 77/388/EEC - Special Scheme for Gold (COM(92) 441 final)

Gist of the Commission Proposal

The proposal forms part of the Commission's work on harmonizing the basis of assessment for VAT, begun in 1977 with the adoption of the Sixth Directive and recently continued with the July proposal for a follow-up to the Eighteenth Directive. The Directive on gold also comes in response to a request made by the Council in December 1991.

Special exemption scheme for investment gold

The proposal defines taxable gold and lays down two different schemes, one with exemption from VAT and the other with the tax level depending on the use or destination of the gold. Investment gold will be exempt from VAT while gold other than investment gold will attract tax, as it does throughout the Community at the moment.

The Directive covers gold of a purity equal to or greater than 900 thousandths and gold coins of the same degree of purity quoted on a Community market.

Investment gold means central bank gold and investment gold used by financial institutions and individuals, e.g. in the form of securities (gold certificates) or deposits (gold accounts, etc.), provided that the transaction does not give rise to the physical delivery of the gold and is carried out by licensed professionals.

The proposal makes provision for zero-rating (exemption with a right to deduct input tax) in the case of investment gold, mainly in order to prevent double taxation and to avoid impeding the flow of transactions. Such an exemption would also reduce the risk of gold being diverted to third countries and would make it easier to keep gold in the legal circuit and to monitor commercial flows.

However, investment gold is to be taxed where the gold is physically delivered to an individual, in order to reduce the risk of fraud, parallel markets and deflection of the gold towards another use which would attract tax (e.g. coins melted down for industrial purposes or jewellery), with a right to a refund at a later date in the event of the individual reselling the gold.

Taxation of non-investment gold

Industrial gold covers:

- gold used in certain industrial processes as an intermediate product (electronics, motors, alloys, etc.);
- gold used as a finished product (jewellery).

For non-investment gold, the scheme involves charging VAT, as is currently the case throughout the Community.

However, in order to guarantee fair taxation and prevent fraud, Member States will be able to levy VAT not on the seller but on the purchaser of non-investment gold, with the possibility of deducting VAT being available to the latter.

This arrangement (known as the "reverse charge" mechanism) is often used to ensure that VAT is collected properly where there is a substantial risk of fraud, as in the case of gold.

Member States may apply this mechanism during the transitional period, i.e. up to 1 January 1997 in principle, until a further decision is taken.

Gist of the Committee Opinion (CES 473/93)

The Committee has tried to reflect the concerns of gold market professionals as far as possible, including their unanimous view that it is impossible for the EC to adopt any solution which infringes the operating rules of the international gold market.

The distinction between gold as an investment instrument and gold as a raw material of a processing industry is a fundamental one, but movement from one category to the other is inevitable and in keeping with the specific nature of the metal.

The zero-rate taxation of investment gold, defined more widely than it is by the Commission, is essential given the international nature of the gold trade. The Committee feels here that the solution proposed by the Commission is not really satisfactory: it would lead, almost inevitably, to gold trading and gold processing being switched to non-EC countries, and the importance of both these industries to the EC economy is not something to be overlooked.

However, it would be unjustified to exempt gold from the general VAT system once it is processed into a consumer product, such as jewellery, or used for industrial purposes. Such an exemption could even seem shocking when essential staple goods are taxed.

The Committee therefore proposes a solution whereby a zero VAT rate is used to reintroduce gold into the normal VAT scheme right from the first stage of processing, with VAT being levied at the normal rate on goods resulting from gold processing operations.

A counter-Opinion tabled by Mr Ronald Janssen (Belgium - Workers) was defeated by 80 votes to 60, with seven abstentions. Issued as a minority statement, Mr Janssen's text endorsed the proposal and the Commission's approach of exempting from VAT certain very specific financial transactions connected with gold investment operations. He felt that a zero VAT rate for unprocessed gold would make it difficult to detect fraud. He proposed extending the exceptional arrangements to give the authorities sufficient means to check on and prevent abuse. For all other transactions, the Commission's proposals would suffice.

This Opinion, adopted by 78 votes for, 56 against and 9 abstentions, was drawn up in the light of the paper produced by the Section for Economic, Financial and Monetary Questions, chaired by Mr Jean Pardon (Belgium - Employers). The Rapporteur was Mr Robert Pelletier (France - Employers).

9. STOCK EXCHANGE LISTING

Proposal for a Council Directive amending Directive 80/390/EEC coordinating the requirements for the drawing up, scrutiny and distribution of the listing particulars to be published for the admission of securities to official stock exchange listing, with regard to the obligation to publish listing particulars
(COM(92) 566 final - SYN 451)

Gist of the Commission proposal

The proposal is designed:

- a) To simplify the cross-border listing requirements of the securities of large, high-quality companies of international standing which have been listed in the Community for at least three years and which have a good record of compliance with EC listing directives.

Because Directive 79/279/EEC does not allow for mutual recognition of listings, most issuers consider multi-listing in the EC and the corresponding compliance with the ongoing obligations contained in that Directive to be a cumbersome and expensive procedure. To address this problem without modifying the existing regulatory framework, the Federation of Stock Exchanges in the EC is promoting the EUROLIST project. The project is designed to provide larger and more liquid markets for large, high-quality EC companies of international standing by listing their shares simultaneously in at least six EC Member States.

While EUROLIST is to be an active on-going joint venture of the EC exchanges, the proposal would represent a single facilitating move for the relevant companies (not only those to be included in EUROLIST) in the event of cross-border listing. In addition, whereas EUROLIST refers to multi-listing of shares in a minimum number of Member States, the proposal would also be useful when the cross-border listing is sought for any kind of security on just one or several additional exchanges. Finally, while EUROLIST is promoted by the Federation of Stock Exchanges in the EC, the proposal will be a piece of EC legislation and will facilitate the implementation of EUROLIST.

- b) To facilitate the official listing of companies already in junior markets in the same Member State, when such companies face equivalent disclosure requirements to those imposed on officially listed companies.

Such companies will be subject to a two-year "warm-up period". This is a compromise solution between countries requesting three years and those requesting one year.

At present, when companies in regulated second-tier or parallel markets want to move up to the official market in the same Member State they are required, under Directive 80/390/EEC, to publish a listing prospectus.

This proposal is basically an extension of the scope of Article 6 of Directive 80/390/EEC. As this article is not mandatory, it is up to the competent authorities of each Member State to use their discretion to provide for partial or complete exemption from the obligation to publish listing particulars. Thus, by providing new areas for the exclusive responsibility of the competent authorities in the Member States while still maintaining a sufficient level of regulation at Community level, the proposal is a clear example of balanced interpretation of the subsidiarity principle.

Some Member States have expressed interest in subjecting the inclusion of companies from third countries to an agreement on reciprocity; others would like to include a clause similar to that in Article 24a(5) of Directive 87/345/EEC (Mutual Recognition of Listing Particulars) in order to have the option of restricting the amendment to companies whose registered office is in the Community.

Because use of the new possibilities under Article 6 of 80/390/EEC remains optional, Member States will be free to exclude third country firms from the benefits of the new procedure if they so choose.

The general principles and precedents underpinning the proposal are as follows:

- 1) the free movement of capital (Directive 88/361/EEC) allowing investors from any Member State to buy the securities of these companies, usually in the main securities market;
- 2) the liberalization of the securities market: one of the main goals of the Directives in the field of securities listing is to smooth the path towards greater interpenetration of securities markets in the Community, by removing those obstacles that can safely be removed;
- 3) Directive 87/345/EEC, which provided mutual recognition of listing particulars when admission is sought simultaneously in two or more Member States, this being an important step towards simplifying cross-border listing procedures;

- 4) Directive 90/211/EEC, another important step in the same direction, which recognized a public-offer prospectus as listing particulars when admission to official listing is requested within a short period of the public offer;
- 5) the subsidiarity principle.

Gist of the Committee Opinion (CES 474/93)

The Committee supports the proposed directive, subject to comments concerning:

- the time limit for the free provision of information at the office of the paying agents;
- bonds and tap issues: these are not covered by the Eurolist proposal, although the international interpenetration of their markets has already been extensively achieved by telephone and computer trading;
- the vagueness of the expression "essential amendments or developments"; and
- the principle of subsidiarity, which will apply to companies wishing to move from a second-tier market to an official listing and to the use of languages ("a language which investors in the host Member State can easily understand" may turn out to be a concept which gives rise to some problems).

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Klaus Meyer-Horn (Germany - Employers).

10. EMPLOYMENT IN EUROPE (Own-initiative Opinion)

Gist of the Committee Own-initiative Opinion (CES 475/93)

The serious and complex nature of the unemployment problem in today's society requires a comprehensive and resolute policy mix involving substantial investment in stimulating new creative skills for new and emerging needs, appropriate training, technological adjustment, labour market flexibility and a participative framework of industrial relations.

Given the economic structure of the Community countries and, in particular, data from the last decades on productivity trends, it is estimated that with an economic growth rate of 2% it will only be possible to maintain employment at current levels and therefore unemployment will continue to rise; with an economic growth rate of 2.5%, unemployment can

be contained at current levels; for unemployment to be effectively reduced, the economic growth rate will have to go above 3 or even 3.5% per annum.

For unemployment not to deteriorate further, it is vital, given the current circumstances, that the Community economy regain its potential economic growth rate as soon as possible. Measures to ensure a genuine cooperative strategy for growth and job creation should be taken as of now, particularly given that their impact on employment will not be immediate. This unanimous demand of the social partners is also based on the observation that the cooperative strategy announced in 1985 was not put into practice by Member States. In fact, the structural measures were constantly postponed and no advantage was taken of the period of economic growth between 1985 and 1990.

The macro-economic impact of measures decided at Edinburgh on the new lending facility for projects linked to trans-European networks and for a European Investment Fund is minimal; ways should be examined to make them more effective and speed up their implementation. The measures announced fall far short of requirements, especially if compared to recent initiatives in the USA and Japan, involving significantly larger amounts.

The amounts concerned - MECU 5,000 and MECU 2,000 respectively - should be revised upwards substantially and preparatory work should be speeded up on these projects so that they can be implemented as soon as possible.

Blueprints for trans-European networks should be drawn up as quickly as possible and preliminary work on existing projects ready to be put into practice should be speeded up.

Real wages growing at a lower rate than productivity will help improve workers' purchasing power and allow increased resources for the necessary investment. A stable and credible macro-economic background and social dialogue - not only at Community but at national and company level too - also encourages this wage restraint.

A further condition for improving the employment situation is to ensure that all parties concerned take comprehensive action so that education and training systems at all stages give direction to, and back up, economic growth and technological progress, taking account of workers' own individual interests.

More worker consultation and participation in firms is vital to ensure that the introduction of new technologies and production process innovations and improvement in working methods (a) result in better social conditions and (b) help the European economy regain its competitive edge and retain it over the long term.

Reorganization of working time, combined with more flexible use of production equipment, should be negotiated¹ as part of industrial relations agreements, with a view to boosting employment throughout the economy.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mrs Giacomina Cassina (Italy - Workers). The Rapporteur was Mr Vasco Cal (Portugal - Workers).

11. NON-URBAN AND/OR RURAL AREAS (Own-initiative Opinion)

Gist of the Committee Own-initiative Opinion (CES 476/93)

In the present Own-initiative Opinion, the Committee is seeking to help secure a better balance between town and country. The Committee's decision to draw up this Opinion results in part from the inclusion, by the Treaty on European Union, of rural development among the aims of the policy on economic and social union.

A fully-fledged strategy for the development of rural areas should be established at Community level. This strategy would be designed to improve coordination of the various Community resources, financial instruments and regulations as part of a comprehensive approach to European rural society and its development. To this end, more information is required about the rural environment and its specific problems, and it will be necessary to amplify the surveys in other Commission reports. The strategy will have to be directed along three basic lines: partnership, bottom-up development and the subsidiarity principle.

¹ See ESC Opinions on "Employment relationships" (OJ No. C 332 of 31.12.1990), and on "Organization of working time" (OJ No. C 60 of 8.3.1991)

There are several reasons for rural depopulation: extensive modernization which wipes out traditional, labour-intensive agriculture, the absence or deterioration of communication networks, disappearance or contraction of public services, employment difficulties, low incomes, poor career prospects (in particular for women and young people), distance from educational and training centres, lack of decent housing, absence of a socio-cultural fabric, strategies working in opposite directions and the deterioration of rural society's image.

A new approach to rural issues in terms of town and country planning is required to secure a quality of life which can and must buttress rural communities against the violence and deterioration of large towns. There is no question of pitting "town" against "country"; it is more a question of striking the right balance and encouraging the complementary aspects of towns, urban areas and extra-urban/rural areas, particularly by improving the distribution of employment. It is clear that farmers look after the environment in the countryside and woodland, and that the survival of the farming community is essential if conservation is to continue; decent incomes and living conditions are a prerequisite for this. In the Committee's view, one of the Community's priority tasks is to specify what is meant by "rural". The definition of rural areas must be expanded to take account of towns and conurbations which have a close relationship with rural communities, even though these areas are highly populated.

The Committee feels that the Commission must designate a specific Directorate-General with overall responsibility for all rural area issues. The relevant Community authority must move quickly to establish the requisite operational, institutional and financial resources. Partnership and a genuine policy based on agreement to further rural development should be promoted between the various parties involved: - local, districts, regions, Member States and the European Community - on the basis of a clear definition of respective responsibilities.

More effective accompanying measures will be needed to ensure that when small farms go out of business their land continues to be used for farming purposes. Farm tourism should also be encouraged, by offering incentives for the refurbishment and modernization of farm buildings.

Member States should be encouraged to provide financial benefits for farmers to assist them to make the best use of their land; soft loans for land purchase, tenancy incentives, tax exemption. CAP back-up measures must be implemented as part of a blueprint for land-use organization and planning.

Likewise, action should be taken to encourage and strengthen rural associations and organizations which can eliminate the isolation of local inhabitants and engage in various activities which the local authorities are too poor to finance. Urban and rural lifestyles are increasingly similar. In contrast, the difference between the two habitats remains strong: congestion in one, depopulation in the other. Movement between these "two worlds" must be facilitated, as they are interdependent and complementary. The countryside must be attractive and its development stimulated.

The Committee recommends that the Community authorities pave the way for this:

- by developing a purposeful policy for the development of extra-urban and/or rural areas;
- by coordinating all the strategies and integrating other sectoral policies, thus preventing them from working in opposite directions or cancelling each other out;
- by providing the Commission with the necessary resources to implement this policy;
- by adopting an overall approach to the action to be taken, given tangible form by the designation of a Directorate-General with overall responsibility for rural area issues.

This Opinion, adopted by 78 votes for, 8 votes against and 26 abstentions, was drawn up in the light of the paper produced by the Section for Regional Development and Town and Country Planning, chaired by Mr Robert J. Moreland (United Kingdom - Various Interests). The Rapporteur was Mr Henry Salmon (France - Various Interests).

12. 3rd ANNUAL REPORT STRUCTURAL FUNDS REFORM

Third Annual Report on the Reform of the Structural Funds - 1991
(SEC(92) 1975 final)

Gist of the Commission document

As in the previous reports, the Commission gives a positive assessment of the Structural Funds reform. Implementation has been improved in both quantitative and qualitative terms. The Commission particularly

highlights the fact that special attention was paid to (i) strengthening the multi-fund approach, (ii) verification of additionality, (iii) improving monitoring arrangements. The results of the assessment procedures introduced in 1991 will be presented in the 1992 Annual Report. The bulk of this Commission Report consists of a country by country analysis of the extent to which the five objectives have been achieved. In addition the Commission devotes separate chapters to Community initiatives and loan instruments. However, the report lacks a detailed description of the role played by economic and social organizations in implementing the Structural Funds reform.

Gist of the Committee Opinion (CES 477/93)

The Committee considers that the objectives laid down in the 1988 reform remain valid. Given the success of the structural policies, the funds should be increased in coming years, as agreed at the Edinburgh Summit.

The Commission report makes no concrete reference to the involvement of the economic and social partners in the implementation of the fund reforms. The Committee asks the Commission to include in its 1992 report an assessment of the results of this involvement since 1989 in the various Member States. The assessment should cover programming, monitoring and evaluation, and all the different levels (regional, national, EC).

Turning to the use of the multifund approach, the Committee notes that the managerial bodies - at both EC and national level - do not yet have common operating and administrative arrangements, which makes proper coordination difficult. The Committee urges the Commission and Member States to devise a system which ensures that multifund measures covering the same programme produce real synergy.

While the Committee appreciates the Commission's efforts to reduce procedural delays, it urges it to step up its simplification drive.

In the context of cooperation, and considering the important role which additionality has played - and must continue to play - in implementing the Structural Funds, the Committee urges the Commission to take greater account of Member States' views when defining the rules for verifying additionality; these rules have hitherto been established unilaterally.

On the subject of financial control, the Committee draws the Commission's attention to:

- the need to coordinate the checks carried out by the various EC authorities;
- the need to speed up the EC section of the financing chain;
- the fact that in no circumstances should the Commission assume that delays in the arrival of EC funding can be alleviated by prior national funding.

The Committee welcomes the Commission's decision to maintain the list of eligible areas under Objective 2 for a further two years, until the end of the 1993, thus ensuring a degree of continuity with the first stage.

Commenting on Objectives 3 and 4, the Committee feels that it might be wise to rethink the access conditions for European Social Fund (ESF) aid, so as to encourage firms to recruit from among the long-term unemployed.

Finally, the Committee considers that it would be advisable to reduce the number of Community initiatives and to increase the funding of those that remain.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Regional Development and Town and Country Planning, chaired by Mr Robert J. Moreland (United Kingdom - Various Interests). The Rapporteur was Mr Leopoldo Quevedo Rojo (Spain - Various Interests).

II — Outside Presence and Influence of the ESC

Activities of the Chairman and the Secretary-General

2 April 1993: discussions in Brussels with a delegation from the Turkish Foundation for Economic Development.

2 April 1993: meeting in Brussels with the Portuguese Permanent Representative to the EC, Mr José César Palouro das Neves.

2 April 1993: discussions in Brussels with Mr Wilfried Bauer, Head of the Liaison Office of Baden-Württemberg (Germany)

2 April 1993: meeting in Brussels with Mr Cem Dona, Ambassador Extraordinary of the Mission of the Republic of Turkey to the EC.

20 April 1993: presentation in Bonn to the Committee Chairman, Susanne Tiemann, of the "Femme pour l'Europe" prize for 1993 awarded by the German European Movement.

23 April 1993: attendance at the Conference in Brussels organized by the Consultative Group of the Associations of Actuaries of the Member States of the European Communities.

26 April 1993: meeting in Brussels with Mr Mordechai Drori, Ambassador Extraordinary and Head of the Israël Mission to the European Communities.

27 April 1993: meeting in Brussels with Mr Dietrich von Kyaw, Permanent Representative of Germany to the EC.

27 April 1993: attendance at the opening in Brussels of the German Social Security Liaison Office.

28 April 1993: talks in Brussels with Mr Lutz of the European Association of Savings Banks.

28 April 1993: meeting in Brussels with Mr Slahedine Ben M'Barek, Head of the Tunisian Delegation to the EC.

28 April 1993: talks in Brussels with Mr van der Knaap of the Erasmus University, Rotterdam (Netherlands)

28 April 1993: talks in Brussels with Mr Teillard, Administrator, and Mr Gabellieri, Deputy Secretary-General, of the Technical Centre for Provident Institutions (CTIP).

29 April 1993: meeting in Brussels, with Mr Pasqual Maragall, President of the Council of European Municipalities and Regions, and Mayor of Barcelona.

30 April 1993: attendance at the meeting in Madeira (Portugal) of the Portuguese Economic and Social Council.

Other activities

On 20 April 1993 the Chairman of the Consultative Committee of Local and Regional Authorities of the EC Member States, Sir John Chatfield, addressed a meeting of the Section for Regional Development and Town and Country Planning in Brussels. In his statement, Sir John informed Section members of the stand taken by the members of the consultative committee as a whole with regard to subsidiarity, the revision of the structural funds and current progress towards the establishment of a Committee of the Regions.

A delegation from the ESC took part in a hearing organized by the Commission on 26 and 27 April in Brussels on "Media Concentration".

On 27 April 1993, the President of the European Parliament, Mr Egon Klepsch, took part in a meeting of the Committee's Bureau in Brussels. Mr Klepsch drew attention to the importance which he attached to the work of the Committee and to the need for greater cooperation between the Committee and the Parliament.

On 27 and 28 April 1993 a delegation from the Committee attended a Conference on the "Vocational Training" Task Force Conference organized by the European Commission.

III — Fact-finding visits

During the period under review the following information visits took place:

- 5 April 1993 Universities of Metz and Saarbrücken
- 5 April 1993 Aalborg Business College (Denmark)
- 6 April 1993 Université du Havre - International Affairs Faculty (France)
- 14 April 1993 ÖGB - Österreichischer Gewerkschaftsbund (Austrian Trade Union Confederation)
- 14 April 1993 Ayuntamiento de Valencia (City Council of Valencia) and Universidad de Valencia (Spain)
- 14 April 1993 Trade Union delegation from Byelorussia
- 15 April 1993 Lycée d'Enseignement Général Technologique Agricole - Région Rhône-Alpes, Perreux (France)
- 19 April 1993 Rødekro Skole (Denmark)
- 19 April 1993 The London School of Economics and Political Science - The European Institute, London
- 20 April 1993 Svenska Folkpartiet (SFP), Helsingfors (Swedish-speaking political party) Finland
- 20 April 1993 Centre de Formation aux Techniques Agricoles de Monfort/Meu (agricultural training centre) (France)
- 20 April 1993 South Cheshire College (United Kingdom)
- 20 April 1993 Patronat Català Pro Europa (Farmers' Association) (Spain)
- 22 April 1993 Université de Caen - Foreign Students Dept., European Studies Section (France)
- 22 April 1993 Landeszentrale für Politische Bildung (Political training centre), Kiel (Germany)

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- 22 April 1993 Education and training advisers attached to Ministries, Finland
- 23 April 1993 Mesley - Centre de Formation et de Promotion des Maisons Familiales Rurales, Montaignu (Rural training centre) (France)
- 23 April 1993 Arbeiterkammer Niederösterreich (Austrian Workers' Association)
- 23 April 1993 UIE - Unione degli Italiani all'Estero, Rome (Association of Italians living abroad), (Italy)
- 27 April 1993 FTF - Funktionærernes og Tjenestemændernes Fællesråd (Confederation of organizations representing Danish civil servants and employees), Copenhagen
- 30 April 1993 Amersham and Wycombe College Business Centre (UK)
- 30 April 1993 Merton College, Morden, Surrey (UK)
- 30 April 1993 ÖGB - Österreichischer Gewerkschaftsbund (Austrian Trade Union Confederation)

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I — 306th Plenary Session of 26 and 27 May 1993

The 306th Plenary Session of the Economic and Social Committee was held at its headquarters in Brussels on 26 and 27 May 1993. The Chairman, Mrs Susanne Tiemann presided.

During the Plenary Session the Committee adopted the following Opinions:

1. CLIMATE CHANGE (Framework Convention)

Proposal for a Council Decision concerning the conclusion of the framework convention on climate change (COM(92) 508 final)

Gist of the Commission proposal

The proposal for a Council Decision concerns the ratification of the framework convention on climate change, which the Community signed during the United Nations Conference on Environment and Development in Rio de Janeiro in June 1992.

The objective of the Convention is to stabilize greenhouse gas concentrations in the atmosphere. The Community has already evolved its own strategy and is adopting a variety of measures with a view to the attainment of this objective.

In view of the urgent need to implement the Convention, Member States are instructed to take the necessary steps to permit the deposit of the instruments of ratification or approval by 30 June 1993 at the latest.

The Convention text is appended to the proposal.

Gist of the Committee Opinion (CES 584/93)

The Committee strongly supports the proposal to ensure prompt ratification and effective implementation of the convention by the Community and its Member States.

The Committee strongly supports the important commitment of the contracting parties to work towards the achievement of the ultimate objective "on the basis of equity and in accordance with their common but differentiated responsibilities and respective capabilities." The developed nations are thus to "take the lead", giving full consideration to "the specific needs and special circumstances of developing country Parties, especially those that are particularly vulnerable ... (or) would have to bear a disproportionate or abnormal burden."

Of vital importance is the commitment to be guided by two basic principles:

- where there are threats of serious or irreversible damage, lack of full scientific certainty is not to be used as a reason for postponing such measures;
- the measures adopted, including unilateral ones, should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade.

The Committee calls on the parties to implement the interim arrangements swiftly and properly, particularly as regards making voluntary contributions to the costs of the interim measures and ensuring full and effective participation of developing nations.

The Committee calls on the EC to extend the contribution it has already made in the area of methodology, for example establishment of the mechanism for monitoring emissions, together with other measures already adopted or in the pipeline.

As regards the methodology being set up by the OECD, which should be ready by the end of this year, the Committee urges the Community to help by offering its own comparable data and comments, bearing in mind that as the methodology for CO₂ has already been perfected, attention should now focus on other gases and elements.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Pub-

lic Health and Consumer Affairs, chaired by Mr Francisco Ceballo Herero (Spain - Various Interests). The Rapporteur was Mr Augusto Gil Bensabat Ferraz da Silva (Portugal - Workers).

2. LARGE COMBUSTION PLANTS

Proposal for a Council Directive amending Directive 88/609/EEC on the limitation of emissions of certain pollutants into the air from large combustion plants - Commission Report on the availability of coal with a low sulphur content
(COM(92) 563 final)

Gist of the Commission proposal

This proposal amends Directive 88/609 on the limitation of emissions of certain pollutants into the air from large combustion plants, by establishing limit values for emissions of SO₂ from new solid fuel plants in the 50 to 100 MW range - specifically LSC coal (low sulphur content) -thus closing an existing loophole.

Gist of the Committee Opinion (CES 585/93)

The Committee agrees the Commission's proposal but makes the following comments:

- Member States should be urged to avail of the provisions of Directive 88/609 which permit the introduction of more stringent emission limit values than at present required;
- the whole body of emission limit legislation should be reviewed with the view to harmonization at EC-level.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballo Herero (Spain - Various Interests). The Rapporteur was Mr Klaus Boisseree (Germany - Various Interests).

3. HOME AND LEISURE ACCIDENTS

Communication from the Commission to the Council on home and leisure accidents -Proposal for a Council Decision on the introduction of a Community information system on domestic and leisure accidents (COM(93) 18 final)

Gist of the Commission proposal

Decision 86/138/EEC introduced a Community system of information on domestic and leisure accidents (EHLASS) as a demonstration project, which was completed in 1992.

The current proposal is to establish a new information system based on the experience gleaned from the demonstration project. It will be established for 5 years and will be re-examined before the end of 1994.

Gist of the Committee Opinion (CES 586/93)

The Committee accepts the Commission's proposal but remarks that

- certain aspects of the methodology of the collection, comparison, monitoring and evaluation of information on accidents might be improved;
- the use of national data should be better integrated with the use of Community data;
- a cross-link should be established with measures laid down in the Product Safety Directive;
- certain definitions/terminology should be re-examined.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballo Herrero (Spain - Various Interests). The Rapporteur was Miss Ada Maddocks (United Kingdom - Workers), Co-Rapporteurs: Mr Johannes M. Jaschick (Germany - Various Interests) and Mr Werner Löw (Germany - Employers).

4. OZONE LAYER (Amendment to Montreal Protocol)

Proposal for a Council Decision concerning the conclusion of the amendment to the Montreal Protocol on substances that deplete the ozone layer as adopted in November 1992 in Copenhagen by the Parties to the Protocol

(COM(93) 102 final)

Gist of the Commission proposal

In 1988, the EEC adhered to the Vienna Convention and the Montreal Protocol thereto limiting the discharge of substances which deplete the ozone layer (CFCs and related products).

In 1989, it was found that the provisions of the Protocol were not strict enough and it was amended at the London Conference on the ozone in June 1990, and adopted by the EC in 1991 (1st Amendment).

It has since been found that the London Conference amendments were still not strict enough and the protocol was again amended at the Copenhagen Conference in November 1992 (2nd Amendment).

The present proposal is for ratification by the EC of the 2nd Amendment.

Gist of the Committee Opinion (CES 587/93)

The Committee agrees the Commission's proposal but points out that there are differences in interpretation regarding the frequency (6-monthly or annual) with which data on ozone layer depleting substances should be notified, and proposes that it be standardized on an annual basis.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballos Herero (Spain - Various Interests). The Rapporteur was Mr Sergio Colombo (Italy - Workers), Co-Rapporteurs: Mr Klaus Boisseree (Germany - Various Interests) and Mr Georges Proumens (Belgium - Employers).

5. VEHICLE EMISSIONS

Proposal for a Council Directive relating to measures to be taken against air pollution by emissions from motor vehicles and amending Directive 70/220/EEC (COM(92) 572 final - SYN 448)

Gist of the Commission proposal

Directive 70/220/EEC is one of the separate Directives of the EEC type-approval procedure.

The purpose of the Commission's proposal for a Directive is further to reduce harmful emissions from motor vehicles. When the existing emissions Directive¹ enters fully into force on 31 December of this year it will lead to an 85-91 % reduction in emissions compared with the existing 1970 rules².

As road traffic can be expected to increase further in the next few years, the Commission feels it necessary to reduce again permissible vehicle emissions of the toxic substances covered by the regulations (carbon monoxide, nitrogen oxides, unburnt hydrocarbons and particulates) by an average of 35 %.

This Directive is to be mandatory from 1 January 1996 for all new type approvals, and from 1 January 1997 for all newly registered vehicles in the Community. The Commission assumes that it will be possible to limit the additional costs to the consumer, as the industry will be able, thanks in particular to the introduction of Community type approval for vehicles in 1993, to spread its costs over a single market.

¹ Directive 91/441/EEC, OJ No. L 242, 30 August 1991, p. 1

² Directive 70/220/EEC, OJ No. L 76, 6 April 1970, p. 1, as amended and supplemented by the following Directives:

Directive 74/290/EEC, OJ No. L 159, 15 June 1974, p. 61
Directive 77/102/EEC, OJ No. L 32, 3 February 1977, p. 32
Directive 78/665/EEC, OJ No. L 223, 14 August 1978, p. 48
Directive 83/351/EEC, OJ No. L 197, 20 July 1983, p. 1
Directive 88/76/EEC, OJ No. L 36, 9 February 1988, p. 1
Directive 88/436/EEC, OJ No. L 214, 6 August 1988, p. 1
Directive 88/458/EEC, OJ No. L 226, 3 August 1989, p. 1
Directive 91/441/EEC, OJ No. L 242, 30 August 1991, p. 1

In accordance with the two-stage procedure of the Commission for environmental protection rules, this proposal will establish a framework of action for the establishment of standards over the next few years to enter into force by the year 2000. All measures likely to reduce atmospheric pollution by road traffic are to be assessed. This appraisal is to cover a further reduction of limit values, the proper maintenance of vehicles in use and the improvement of fuels.

Gist of the Committee Opinion (CES 588/93)

The Committee recognizes and welcomes the terms of this amending Directive as a further easing of the environmental pollution caused by motor vehicle emissions.

The Commission notes that the cost of compliance with the new proposed standards "... will not be insubstantial", this is true but it is doubtful whether the Commission is correct in stating that the costs will be reduced as a result of the growth of the internal market. Nevertheless the Committee, in the interest of further improvement of the environment, believes this is a legitimate cost to bear.

Petrol and diesel fuels of the correct grade must be available for all vehicles throughout the Member States and coordination with the petroleum industry is vital if the deadlines for implementation are to be kept. Promotion of the use of environmentally friendly fuels should be encouraged. The Committee recommends that a Community research and development programme be undertaken into the quality and efficacy of alternative fuels for motor vehicles.

The Member States are encouraged to view the Commission parameters for tax incentives for motor vehicles which meet the future emission standards as laid down in Article 3 of the Directive. Member States should also consider incentives to modernize the vehicle park.

As a year is the least possible time for legal enforcement for new type approvals and the new limit values for all types of vehicle, it is agreed that 1 January 1996 and 1 January 1997 are accepted as reasonable operational dates for the implementation of the amending Directive.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Gordon Pearson (Ireland - Employers).

6. TECHNICAL STANDARDS AND REGULATIONS

Proposal for a Council Directive amending for the second time Directive 83/189/EEC laying down a procedure for the provision of information in the field of technical standards and regulations

(COM(92) 491 final - SYN 445)

Gist of the Commission proposal

Directive 83/189/EEC¹ laying down a procedure for the provision of information in the field of technical standards and regulations, last amended by Directive 88/182/EEC², makes it mandatory for the Member States to give notification of new national technical specifications (standards and regulations).

The notification procedures laid down in this Directive are intended to allow all the parties concerned in the Community to adopt a clear stance on the national drafts in question:

- either application of the principle of mutual recognition of technical regulations;
- or introduction of harmonization measures, whether regulatory (in the case of technical regulations) or voluntary (in the case of standards).

The aim of the Commission's draft Directive is to provide maximum transparency. Another important objective will be to make sure that the internal market is completed and functions properly.

The proposals cover the following three main areas:

Standards

There are difficulties with the present procedure due to the amount of information to be notified and a degree of unwieldiness in the procedure itself.

To counter this, the proposed amendment provides for a more precise definition of which items of information must be notified and a simplification of the procedure.

¹ OJ No. L 109 of 26 April 1983, page 8. ESC Opinion, OJ No. C 159 of 29 June 1981, page 23

² OJ No. L 81 of 26 March 1988, page 75. ESC Opinion, OJ No. C 180 of 8 July 1987, page 11

In addition, new rules are laid down regarding, in particular, the remits of national standardization bodies and authorities. Particular mention is made of their right to participate actively or passively in the standards-making activities of another national standardization body, the right to request drafts of standards and the right to be told about the action taken on comments relating to the drafts.

Technical regulations

This proposal seeks to increase transparency by widening and defining in more detail the scope of the Directive, clarifying certain concepts and rules of procedure and introducing the possibility of informing economic operators.

This means an end to the current Directive's strict confidentiality requirement with regard to the information received.

Improving the basis for joint action in the field of technical regulations

The Commission proposes a broadening of the conditions for unified action and a stepping-up of harmonization measures.

Vital importance is attached to the amendment of the standstill arrangements. These come into effect when the Commission announces the drawing-up of a Community act or has officially submitted the proposal for such an act to the Council for consideration.

At present the standstill period for the Member States is one year and begins when the harmonization proposal is laid before the Council. The Commission proposes the following amendments:

The standstill period will be extended to eighteen months in future and begin when the national draft is received by the Commission.

It is further proposed that Member States should refrain from adopting national regulations once the Council has adopted a common position on the Commission's harmonizing proposal.

Gist of the Committee Opinion (CES 589/93)

The Committee can endorse the proposed second amendment of the Directive. It notes that this follows on from the need to ensure that standardization activities are optimally integrated into the internal market, which began to take shape on 1 January 1993 but which must be extended

further. At the same time, it would make the following observations:

Article 8, which refers to limitation of the marketing or use of a chemical or pharmaceutical substance, preparation or product on grounds of public health or the protection of consumers or the environment, is to be welcomed. On the other hand, the absence of explicit encouragement for the development of corresponding standards is regrettable.

The Committee calls for a permanent and closer watch to be kept on countries that lag behind in the standardization process, both as regards testing and certification and in respect of the rapid provision of accurate information on new standards which have been, or are in the process of being, drawn up. This is particularly important in the context of competition policy and is absolutely crucial for SMEs. Within this overall framework it is also particularly important to create a data bank on standardization activities.

Great importance attaches to the standstill periods of a minimum 3 and a maximum 18 months laid down in Article 9 of the Draft Directive. Paragraph 7 of that Article provides for an urgent procedure. If a Member State initiates this procedure, the Commission must decide whether to accept or refuse it within five working days. It must also take appropriate action in the event of improper use of the procedure. With a view to tightening up these provisions, the Committee suggests that the Commission be empowered to refuse the urgent procedure within a *maximum* time limit of five working days, if it considers that improper use is made thereof. It must then take the appropriate action.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Kommer de Knegt (Netherlands - Workers)

7. STANDARDS AND TECHNICAL REGULATIONS REPORT (1990-1991)

Report from the Commission on the operation of Directive 83/189/EEC in 1990 and 1991 (COM(92) 565 final)

Gist of the Commission proposal

The Commission Report provides information on the application and operation of Directive 83/189/EEC¹ which establishes an information procedure in the field of standards and technical regulations.

The Report covers the years 1990/1991 and is divided into three chapters relating to:

- the information procedure for standards;
- the information procedure in the field of technical regulations;
- the Agreement on the exchange of information in the field of technical regulations between the EEC and EFTA countries.

In its analysis the Commission draws attention to the considerations which prompted it to propose a second amendment to Directive 83/189/EEC. This is the subject of a separate Opinion being drawn up by the Committee.

Gist of the Committee Opinion (CES 590/93)

The Committee congratulates the Commission on an excellent report. It gives a systematic and open account of important developments during the period under review. The Committee would, however, like to make the following specific comments.

It is noted that, as stated in point 10 of the report, certain figures on standardization activities during the reporting period are not available. It is therefore difficult for the Committee to reach a definite judgement on the development of the work of the standardization bodies. The Committee also finds no reference in the report to activities concerning certification and testing in countries which lag behind on standardization. The Committee cannot therefore judge whether or not there has been an increase in activity in this area and whether the trend is positive.

¹ Directive 83/189/EEC of 28 March 1983, OJ No. L 109, 26 April 1983, p. 8; amended by Directive 88/182/EEC of 22 March 1988, OJ No. L 81, 26 March 1988, p. 75

The Committee wonders whether it is right for the "Advisory Committees" set up in connection with certain Directives to be able to comment on the interpretation of standards and the establishment of rules. The Committee feels that these are matters for the Commission's departments which are responsible for the drawing up of the Directives.

The rapid and full availability of data is particularly important in the field of standards and technical regulations. The Commission's efforts in this area are to be welcomed. It would however be highly regrettable if as a result of the activities of the CEN, supported by the Commission, the setting up of a data bank, as previously advocated by the Commission, were to be pushed into the background.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Kommer de Knegt (Netherlands - Workers)

8. EEC - SLOVENIA AGREEMENT IN THE FIELD OF TRANSPORT

Agreement between the European Economic Community and the Republic of Slovenia in the field of transport (COUNCIL 5246/93 TRANS 31 SLO 5)

Content of the Agreement

This Agreement between the Community and Slovenia covers important areas of cooperation in the field of transport, transit traffic in particular. It applies primarily to road, rail and combined transport and the relevant infrastructure. Negotiations on cooperation in the sea and air transport sectors are planned.

Gist of the Committee Opinion (CES 591/93)

Once again the Council is consulting the Committee on an agreement which has already been signed. Under these circumstances the Committee's Opinion is a pure formality since any amendments which it proposed could not be taken into account.

The Committee asks that in future it be consulted in good time; logically this should be before the agreement is signed. Should this situation recur, it has no intention of drawing up a purely formal, ex post facto Opinion.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mr Eike Eulen (Germany - Workers). The Rapporteur was Mr Eike Eulen.

9. AGRICULTURAL PRODUCTS - AEGEAN ISLANDS

Proposal for a Council Regulation (EEC) introducing specific measures for the smaller Aegean Islands concerning certain agricultural products
(COM(92) 569 final)

Gist of the Commission proposal

The aim of the proposed measures is to promote economic and social development on the smaller Aegean Islands (each with fewer than 100,000 inhabitants) which are characterized by a difficult geographical situation and a less-developed structure by comparison with the other regions of the Community.

The difficulties these islands are experiencing in their attempts to increase their social and economic development are: isolation, small land surface and unfavourable topography and climate.

Taking into account these specific problems, the Commission proposes a series of multi-annual and multi-sectoral measures aimed at facilitating supplies, providing financial support for production and marketing, and improving agricultural structures and the standard of living of the inhabitants.

The proposal provides for a series of measures governing special conditions at which certain supplies could be made and the development of agricultural production in the region.

The measures relate to the supply of certain products for human and animal consumption, development of the stockfarming sector, promotion of fruit and vegetable production, maintenance of certain crops such as olives and vines, so as to prevent soil erosion and maintenance of bee-keeping so as to guarantee the survival of the specific flora on the islands and to supplement the agricultural income of the inhabitants.

Gist of the Committee Opinion (CES 592/93)

The Committee fully endorses the Commission proposal. However, it draws attention to the special conditions on these islands, which require a specific policy of agricultural supply and of development.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Apostolos Spyroudis (Greece - Various Interests).

10. TECHNICAL MEASURES FOR MEDITERRANEAN FISHERIES

Proposal for a Council Regulation (EEC) harmonizing various technical measures in Mediterranean fisheries (COM(92) 533 final)

Gist of the Commission proposal

Analysis of the national laws of the four Mediterranean Member States concerning the conservation and management of fishery resources in the Mediterranean has identified various technical provisions which can be harmonized at Community level. They fall into the following categories:

- a) provisions prohibiting certain methods and gear;
- b) provisions defining fishing zones;
- c) provisions describing the technical characteristics of gear;
- d) provisions fixing minimum mesh sizes;
- e) provisions fixing minimum catching/harvesting sizes.

The proposal is based on the best available scientific advice, as reflected in the rules currently in force in the region.

Gist of the Committee Opinion (CES 593/93)

Broadly speaking the Committee approves the Commission proposal.

It draws attention to the need to take account of the specific features of each Member State when demarcating waters under Community jurisdiction and introducing measures to reduce the fishing effort. In the Committee's view, an international resources conservation policy is required which applies to all countries which fish in the Mediterranean.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Jesús Muñiz Guardado (Spain - Various Interests).

11. INTRODUCTION OF PLANT PESTS

Proposal for a Council Directive amending Directive 77/93/EEC on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community
(COM(93) 99 final)

Gist of the Commission proposal

The draft Directive extends Directive 77/93/EEC to the Canary Isles. It lays down specific rules for safeguarding local agricultural production.

Gist of the Committee Opinion (CES 594/93)

The Committee endorses the Commission proposal. However, it recommends that closed, sealed packaging be used for transport of products between two points in the Community which involves passing through a non-Community country.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Guiseppe Pricolo (Italy - Employers).

12. ADDITIVES IN FEEDINGSTUFFS

Proposal for a Council Directive amending Directive 70/524/EEC concerning additives in feedingstuffs
(COM(93) 110 final)

Gist of the Commission proposal

The measures being proposed by the Commission would allow Member States to use enzymes, micro-organisms and their preparations in animal feedingstuffs.

Scientific advances have made it possible to use these additives to improve the digestibility of nutrients and to stabilize the flora of the digestive system of animals, without damage to the environment.

Gist of the Committee Opinion (CES 595/93)

The Committee welcomes the Commission proposal. It stresses the need for clear, precise labelling rules as regards both content and the quantities permitted for different categories of livestock.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Erik Hovgaard Jakobsen (Denmark - Various Interests).

13. ENZYMES AND MICRO-ORGANISMS - ANIMAL NUTRITION

Proposal for a Council Decision concerning the use and marketing of enzymes, micro-organisms and their preparations in animal nutrition (COM(93) 119 final)

Gist of the Commission proposal

In order to eliminate distortions of competition and to harmonize provisions in the feedingstuffs sector, the Commission proposes to enable Member States to permit the use of enzymes and micro-organisms in accordance with Directive 70/524/EEC.

The Commission also proposes to adopt a timetable for the establishment of the necessary measures.

Gist of the Committee Opinion (CES 596/93)

The Committee welcomes the Commission proposal. The proposed decision should promote free movement of goods in the Community. The required transition period must be very short.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Erik Hovgaard Jakobsen (Denmark - Various Interests).

14. STANDARD QUALITIES IN COMMON WHEAT, RYE, BARLEY, MAIZE, SORGHUM AND DURUM WHEAT

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No. 2731/75 fixing standard qualities for common wheat, rye, barley, maize, sorghum and durum wheat
(COM(93) 122 final)

Gist of the Commission proposal

Following the adoption of the new basic regulation on the common organization of the market in cereals, the regulation specifying the standard qualities for the cereals for which common prices are fixed needs to be adapted.

For common wheat it is proposed to use one single standard quality, based on the one currently used for intervention.

For the other cereals, it is proposed that the standard quality currently applicable to the target and intervention prices be extended to the threshold price.

Gist of the Committee Opinion (CES 597/93)

The Committee approves the Commission proposal.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Agriculture and Fisheries, chaired by Mr André Laur (France - Various Interests). The Rapporteur was Mr Kenneth J. Gardner (United Kingdom - Employers).

15. FOURTH RTD FRAMEWORK PROGRAMME (Own-initiative Opinion)

Fourth Framework Programme of Community activities in the field of research and technological development (1994-1998)

Aim of the Own-initiative Opinion

The Third Framework Programme of Community activities in the field of research and technological development, covering the period 1990-1994, was adopted by Council decision of 23 April 1990¹. The Committee issued an Opinion on the corresponding Commission proposal on 15 November 1989².

In adopting the Third Framework Programme, which linked in with the second programme spanning 1987-1991, the Council took on board the principle of a "rolling programme" of Community RTD activity, whereby two consecutive programmes overlap by one or two years.

This principle (which the Committee endorsed in the abovementioned Opinion) was introduced to ensure the necessary continuity of research work and to adjust priorities in the light of experience and changing needs.

Under this principle, the financing of the third programme was to be wound down in 1993-1994, and a fourth programme was to be decided for 1993-1997. The Commission was initially due to present its proposal on this in September 1992.

Various factors combined to call this scenario into question: the absence of a Community financial framework for the period beginning 1993, and delays in the entry into force of the Treaty on European Union (the "Maastricht" Treaty), which lays down a new "co-decision procedure" for the adoption of the Framework Programme.

The European Council in Edinburgh on 11 and 12 December 1992 reached agreement on the future financing of the Community and a financial framework for 1993-1999, including perspectives for RTD spending over the same period.

¹ OJ No. L 117 of 8 May 1990, page 28

² OJ No. C 56 of 7 March 1990, page 34

As the Maastricht Treaty has not yet been ratified by all Member States, the Commission is not expected to present its formal proposal for the Fourth Framework Programme before the autumn of 1993.

The Committee will receive a formal referral on this proposal. In the meantime, an inter-institutional dialogue has got under way, in which the Committee is involved, concerning the principles, concepts and strategy which should underlie the Fourth Framework Programme and its objectives, as well as the research priorities to adopt. This dialogue is intended to facilitate and speed up the subsequent adoption and implementation of the Fourth Framework Programme.

The following Opinion should be seen as part of this process. It draws especially on two Commission documents:

- the Communication entitled *Research after Maastricht: An assessment, a strategy* (SEC(92) 682 final of 9 April 1992), and
- a working document on the Fourth Framework Programme (COM(92) 406 final of 9 October 1992).

The purpose of the Communication is to present the Commission's reflections on the principal issues of research and technological development policy in a coherent manner. It contains the full analysis and grounds on which the Commission feels the Fourth Framework Programme should be based.

The working document contains practical details of how the Commission intends to implement its strategy, and provides detailed information on the research activity to be included in the Fourth Framework Programme, which the Commission now proposes to implement in 1994 in order to cover the period 1994-1998.

The Committee's purpose in deciding to draw up this Own-initiative Opinion for its May Plenary Session is to make a practical contribution to the discussions of the Research Council on 30 June next when agreement should be reached on the broad outlines of the Fourth Framework Programme.

Gist of the Committee Opinion (CES 598/93)

The Committee first notes that the Commission has recently submitted a second working document which takes specific account of the conclusions of the Edinburgh Summit and of the comments and views expressed on its first working document.

It views the general tenor of this second working document as a praiseworthy move towards the recommendations made in the present Opinion. However, the document was received too late to be discussed fully at this stage.

The Committee's recommendations and comments may be summarized as follows:

1. Boosting the EC's industrial competitiveness

- Research aimed at boosting the EC's competitiveness requires and deserves more resources at Community level than have so far been allocated in the Framework Programmes.
- The key to competitiveness is the quality of products and manufacturing processes which meet consumers' existing and emerging needs. Although the declared objectives include the contribution of science and technology to society's needs, the Commission lays insufficient stress on the identification of needs as market openings.
- Swifter dissemination and exploitation of research results is also an important factor in improving competitiveness.
- The emphasis placed hitherto on improving productivity, globalizing industrial enterprises and reorganizing the manufacturing system has led the Commission to pay insufficient attention to improving employment opportunities.
- The focus should be on research into the creation of new products to satisfy existing needs; these could be a source of new markets and hence of employment. The potential of RTD for the provision and improvement of services could also be exploited more effectively.
- Since work and employment constitute the basis of our mode of living changing needs in education and training are also an urgent research priority.
- In order to reconcile the two objectives of becoming competitive on world markets and achieving an acceptable quality of life for the citizens of Europe, ways of making the EC's economic, industrial and employment system more competitive have to be researched. This should cover the adaptation and reconversion of existing manufacturing plants, instruments of production, and their potential for maintaining employment while achieving competitiveness.

2. Improving the quality of life

The Committee welcomes the Commission's commitment to the quality of life and the contribution of science and technology to the satisfaction of society's needs. However it considers that:

- RTD centred on the quality of life requires a more innovative and multidisciplinary approach than proposed by the Commission; this approach should be extended to other research themes such as the rural habitat.
- There should be more attention to RTD in the environmental and life sciences field, given their potential for maintaining and improving the quality of life.

3. Subsidiarity

- To apply the subsidiarity principle effectively, there should be encouragement for cooperation and coordination between Member States in their research activities.
- There is a need for further discussion both at the level of general formulation and in relation to the specific question of the level of disaggregation (programme, sub-programme, project) to be used when deciding whether the subsidiarity principle has been respected.
- The Committee feels that the Commission's choice of project level is inappropriate; in order to evaluate implementation in relation to objectives, the assessment should be conducted at sub-programme level.

4. Economic and social cohesion

- All RTD activities - and not just dissemination, access to technologies and mobility - should contribute to economic and social cohesion.
- The human capital and mobility programme adopted under the third Framework Programme can make a special contribution to cohesion; it should therefore be developed in the fourth Activity of the fourth Framework Programme.
- There is also a need to promote coordination of Structural Fund activities with research initiatives under the fourth Framework Programme.

5. Scope and content of the fourth Framework Programme

The Committee approves:

- the emphasis on coordination between national and Community RTD policy so as to ensure, in accordance with the subsidiarity principle, that policies are mutually consistent;
- the importance accorded to the strategic role of generic technologies;
- the complementary top-down and bottom-up approach to research projects; the closer coordination between EUREKA and Community RTD activities;
- the special funding for SMEs.

i) *Economic and social scientific research*

The Committee welcomes the Commission's commitment to social research, which should be reflected in the final proposal by:

- including a social sciences core theme entitled "social and economic research";
- carrying out in-depth studies of behaviour patterns and underlying attitudes, so as to enhance the effectiveness of Community RTD programmes;
- giving economic and social scientific research a full part in the "horizontal support measures".

ii) *Small and medium enterprises*

The Committee supports the measures proposed to help SMEs participate in Community RTD programmes and gain access to, and exploit, their findings. It also recommends:

- exploring the potential of the Structural Funds for developing the RTD capacity of SMEs;
- introducing procedures designed to stimulate cooperation between large and small businesses and between businesses and the universities through particularly suitable channels of evaluation or increased funding.

iii) The Committee focuses its comments and recommendations on the first of the four Activities which the Commission intends to implement in the fourth Framework Programme. This concerns the implementation of RTD programmes and the various core themes proposed therein.

The Committee asks for priority to be given to research which leads to industrial applications. Positive criteria should be used to select research areas, such as:

- effect on employment;
- level of investment required;
- potential for cooperation with SMEs;
- consolidation of European experience and expertise;
- prospects for employing young researchers.

Other criteria relate to the need to concentrate resources on RTD in support of common policies designed to satisfy the needs of society.

Research should also be in the Community interest and should be primarily oriented towards employment within the Community.

Turning to the core themes proposed under the first Activity, the Committee makes the following points:

a) Information and communication technologies

- The exchange of information should be promoted, as should coordination of research focused on a particular area of application, e.g. transport and information exchange systems;
- a priority aim should be to select appropriate themes arising out of the interface between IT producers' and users' requirements;
- continuity with the research activities of the third Framework Programme suggests a high priority for image technologies and advanced communications;
- transport and related infrastructure deserve more attention. All research activities relating to transport could usefully be brought together in one section of the programme.

b) Industrial technologies

- Advanced manufacturing technologies should be exploited, given their relationship with employment;
- research should be undertaken to explore the possibility that costs can be reduced without reducing employment by improving the interfacing between human competence and technology;

- the theme "human centred technology" should mention the importance of research on the technology-humans interface, as this interface is critical for productivity and competitiveness.

c) The environment

- Greater attention should be given to evaluating the effects of human activities on such fields as water resources, industrial hazards and transport systems;
- the protection of aquatic resources and the availability of fresh water supplies are key problems which deserve greater emphasis;
- the theme "environmental quality and human health" should be expanded to embrace human activities, related aspects of human health (e.g. nutrition), and research to identify underlying attitudes;
- the section concerning the environment does not appear to take proper account of the corresponding provisions of the Maastricht Treaty;
- research relating to environmental education and the potential of interactive communication is also not sufficiently provided for in this section.

d) Life sciences and technologies

- Research in support of the reformed Common Agricultural Policy should take a broader perspective and pay particular attention to the consequences for rural development of the set-aside programme;
- attention should be given to research into high-quality agricultural products designed to meet consumers' wants and needs;
- research on the development of an interactive weather service for farmers should be intensified and integrated with the research envisaged in the themes on the environment and information and communication technologies;
- a new section should be created covering food science and technology;
- explicit provision should be made for research on biomedical technologies and biotechnologies relating to pharmaceuticals.

e) Energy

- The concentration on large projects to produce electricity and heat from renewable energy sources should not reduce research on effective use of renewable energies in small-scale projects;

— any further reduction in the "nuclear safety" and "radiation protection" programmes in the fourth Framework Programme would be unjustifiable.

In addition to these five core themes, the Committee proposes a sixth entitled "Science and technology for society and the quality of life of the citizens of Europe". Research under this theme would be multidisciplinary and would draw simultaneously on the human, social and economic sciences and RTD.

This would mean regrouping a number of themes in the first Activity which are very marginally and inadequately located.

The Committee broadly endorses the objectives and content of the other three Activities proposed in the Commission's working document.

It considers that the fourth Activity (stimulation of the training and mobility of researchers in the Community) should be expanded to facilitate more short-term mobility of both researchers and young graduates who are to receive training on network-related industrial research projects.

6. Budgetary aspects

The Committee notes the sum proposed by the Commission partly as a result of the decisions taken by the Edinburgh Council. The Committee will give its views on this aspect in greater detail when it issues its Opinion on the formal proposal for the fourth Framework Programme.

At this stage, it notes that the proposed amount (ECU 13,100 million) is not in any event double the budget for the third Framework Programme. It also points out that the fourth Framework Programme will include activities which have hitherto been carried out and financed outside the Framework Programme.

The Committee is not really convinced that the proposal represents a very significant increase in real terms in Community RTD funding.

Concluding, the Committee hopes that the fourth Framework Programme will be decided very soon. It is unfortunate that the complex and time-consuming procedures agreed at Maastricht for RTD appear likely to delay the entry into force of the activities planned under this and future programmes.

The Committee fears that these delays could place Community RTD at a serious disadvantage to international competitors. It calls for the intro-

duction of quicker and more flexible procedures for determining Community RTD at the earliest practicable opportunity.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and Research, chaired by Mr Aldo Romoli (Italy - Workers). The Rapporteur was Mr Tomás Roseingrave (Ireland - Various Interests).

16. NORTH-EAST ATLANTIC (Lisbon Convention)

Proposal for a Council Decision concerning the conclusion of a cooperation agreement for the protection of the coasts and waters of the North-East Atlantic against pollution
(COM(92) 564 final)

Gist of the Commission proposal

The proposal is based on Article 130s. Its aim is the ratification of the "Lisbon Agreement" signed on 17 October 1990 by Morocco, Spain, Portugal, France and the European Economic Community.

The Agreement fills a gap with regard to the North-East Atlantic concerning international action in the event of accidental maritime pollution: the Baltic Sea, North Sea and Mediterranean are already covered by multilateral cooperation agreements.

The Agreement needs to be approved by the Community to allow the latter to play its part in achieving its objectives alongside Member States, particularly in the light of Council Decision 86/85/EEC establishing a Community information system for the control and reduction of pollution caused by spillage of hydrocarbons and other harmful substances at sea.

Gist of the Committee Opinion (CES 599/93)

The Economic and Social Committee approves the proposed Council Decision.

The Lisbon Agreement rounds off the international measures taken by the Community to combat accidental marine pollution: the Baltic Sea, the North Sea and the Mediterranean are already covered by the corresponding instruments (Helsinki Convention, Bonn Agreement and Barcelona Convention respectively), leaving only the North-East Atlantic which will be adequately covered by the Lisbon Agreement.

The financial provisions of the Agreement are correct and the expenditure fairly divided. The Committee would, however, recommend that the Community's voluntary contribution be on a three rather than one year basis so as to ensure that the International Centre functions smoothly.

This Opinion, adopted by 93 votes to 7 with 6 abstentions, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballo Herrero (Spain - Various Interests). The Rapporteur was Mr Pere Margalef Masia (Spain - Various Interests).

17. VETERINARY MATTERS/RISK OF TRANSMISSION OF NEWCASTLE DISEASE

Proposal for a Council Directive amending Directive 90/539/EEC on animal health conditions governing intra-Community trade in and imports from third countries of poultry and hatching eggs

Proposal for a Council Directive amending Directive 91/494/EEC on animal health conditions governing intra-Community trade in and imports from third countries of fresh poultrymeat
(COM(93) 96 final)

Gist of the Commission proposal

As poultry-rearing units are getting bigger and more intensive, the basic directive needs to be amended.

Rules are also needed on vaccination against Newcastle disease; these would apply from 1 January 1993 to all trade in fresh poultrymeat destined for EC countries or regions.

The present proposals lay down standards which are adapted to certain operational requirements of poultry farms.

Gist of the Committee Opinion (CES 600/93)

The Committee approves the two proposals amending Directives 90/539/EEC and 91/494/EEC respectively, but has a few reservations as well as a number of suggestions to make.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Georges Proumens (Belgium - Employers).

18. AMENDMENT OF THE STRUCTURAL FUND REGULATIONS

Amendment of the Structural Fund Regulations
(COM(93) 67 final and 67 final 2, COM(93) 124 final and 124 final 2)

Gist of the Commission proposals

These proposals build on the far-reaching reform of the Funds which took place in 1988.

The Commission is proposing only a limited number of amendments, with a view in particular to maintaining a degree of continuity.

The principal change of substance is in Article 123 concerning the tasks of the Social Fund¹. This is taken into account in the revised regulations.

Period to be covered

The Commission proposes that eligibility and programmes for Objectives 1, 3, 5a and 5b (outside Objective 1 regions) should extend over the full six-year period (1994-1999).

Eligibility and programming for Objectives 2 and 4 should be determined for periods of three years.

The priority objectives

Objective 1: Financial concentration on Objective 1 will increase to 70% of the Structural Funds total.

Objective 2: Few changes are envisaged.

The Commission proposes that a greater measure of flexibility be introduced into the eligibility criteria to allow zones to be submitted for consideration which do not strictly meet the basic statistical criteria.

¹ The following words have been added to Article 123: "... and to facilitate their (workers') adaptation to industrial changes and to changes in production systems, in particular through vocational training and retraining"

The overall population coverage would, however, remain limited to about 15% of the Community population.

Objective 3: This covers long-term unemployment and vocational integration of young people (i.e. the former Objectives 3 and 4).

Social Fund actions would be extended in favour of those who have been unemployed for under twelve months and those facing social exclusion.

Objective 4: The new proposed Objective 4 is designed to address two principal aims. The first is to anticipate the evolving needs over the medium-term of industrial change and the introduction of new production systems and ensure the implementation of appropriate training measures particularly in terms of up-grading and reskilling. The second is to minimize the impact of industrial change and new production systems in terms of workforce reduction through measures to improve workers' chances of maintaining employment or finding alternative employment.

Objective 5a: Future action will be concentrated essentially on four categories of measures: aids to improve farm efficiency, help to young farmers, compensatory allowances payable in upland and less-favoured agricultural areas and aids to agricultural marketing and processing.

As regards *fisheries*, the Commission proposes that the definition of Objective 5a be widened to include such help.

Objective 5b: For Objective 5b (rural development) no major changes are proposed.

Greater transparency in financial allocations

In response to calls for greater transparency, the Commission proposes that it should make allocations per Member State for each of the Objectives 1 to 4 and 5b, taking into account national prosperity, regional prosperity, the population of the regions concerned, and the relative severity of structural problems, including the level of unemployment and, for the appropriate Objectives, the needs of rural development.

Variation of rates of assistance

In order to take greater account of co-financing of the budgetary situation and of the relative prosperity of the Member States, the Commission proposes to make explicit reference to the constraints imposed by convergence programmes. The existing ceiling of 75 % intervention rate in Objective 1 should as a normal rule be maintained. However, the Commission proposes that in exceptional cases, when duly justified, it should be possible to increase the rate of assistance to a maximum of 85 %, for the four Cohesion Fund countries (Spain, Portugal, Ireland and Greece).

Improving partnership arrangements

There will be enhanced involvement and consultation of the social partners in the preparation and implementation of operations.

Ensuring additionality

The Commission proposes to clarify the definition of additionality and to specify that it should be verified for each Objective.

Community initiatives

The Commission proposes an amendment to the legislative provisions to allow a limited proportion of Community initiatives resources to be disbursed outside the areas eligible for Objectives 1, 2 and 5b.

Simpler and better decision-making procedures

The Commission proposes to streamline current arrangements by providing for the simultaneous presentation by the Member States of their development plans on the one hand and the draft programmes on the other.

More effective monitoring, evaluation and control

The Commission proposes to clarify the existing texts in three ways. First, it should be made more explicit that the Member States have the prime responsibility for evaluation, working with the Commission in the framework of the partnership.

Second, the plans submitted under the various Objectives for the post-1993 period would have to include an assessment of the impact and effectiveness of the operations financed with the aid of the Community in the current phase.

Third, the simplification of programming procedures proposed above should be matched by increased responsibilities for Monitoring Committees. This will cut down the number of decisions which need to be taken by the Commission.

The Committee is also called to give its views on the proposed amendments to the ERDF, ESF and EAGGF-Guidance Regulations, and on the new Financial Instrument for Fisheries Guidance (FIFG).

While only a few alterations are being made to the 1988 ERDF Regulation, the ESF Regulation is to be significantly revamped.

The FIFG will finance all structural measures in the fisheries and aquaculture sector.

Gist of the Committee Opinion (CES 601/93)

The Committee endorses the Commission's chosen legal basis, and agrees with the reaffirmation of the key principles of the 1988 reform: concentration, programming, partnership and additionality.

The Committee considers that the uncertainty deriving from the proposed use of three-year periods for Objectives 2 and 4 assistance should be avoided. This is important because measures conducted in Objective 2 regions selected in the first three-year period could be hampered by uncertainty as to whether these regions will also be selected for the second three-year period.

The declining industrial areas covered by Objective 2 are defined in smaller administrative units than Objective 1 regions. This has raised demarcation problems and problems about relations with adjacent areas that do not meet all the criteria used to define Objective 2 regions. The Commission now proposes that adjacent areas may also be considered in duly justified cases and on the basis of criteria defined at EC level.

Objective 3 has been redefined to include combating long-term unemployment and helping young people and the socially excluded to enter the labour market. The Committee considers that it should also include the promotion of equal employment opportunities for men and women, which - quite rightly - is now one of the objectives of the ESF. The sums allocated to Objective 3 will therefore have to be significantly increased.

The new *Objective 4* is designed to help workers adapt to industrial change and to changes in production systems. The Committee supports this, although the sums involved are modest.

The Committee endorses the new broader remit of Objective 5, which has been redefined to embrace the whole of Community rural development policy. It now covers both the improvement of farm structures and measures to further economic development in specific rural areas.

The Committee feels that the Commission should have defined the function of the new financial instrument for fisheries guidance (FIGG) more broadly, so as to include the social measures which are so sorely needed by the sector's workforce. The proposals for the ESF do not specify support for workers in the fisheries sector.

Turning to the *partnership procedures*, the Committee is pleased that the Commission explicitly proposes to involve the economic and social partners in the consultations between the Commission, the Member State and the competent authorities and bodies (Article 4(1) of the framework Regulation).

This will help to make Community operations more *open* and *effective*.

The *forms of assistance* laid down in the framework Regulation remain unchanged. The Committee notes that most assistance has taken the form of joint financing of operational programmes, and that little use has been made of global grants. The Committee therefore supports the Commission's proposal to extend global grants to Community initiatives.

Although the *Community initiatives* have been devised to serve precise objectives, they have not quite matched expectations. It would be helpful for the Commission to use the knowhow and expertise of the socio-economic partners to provide more appropriate assistance to regions, with the knowledge and agreement of the Member State.

The Committee welcomes the move to support alternative production (non-food agricultural products, local agricultural and forestry products). It also approves the extension of the scope of assistance to cover the renovation and development of villages, conservation of the rural heritage, the prevention of natural disasters (especially in the more remote areas), and restoration of the landscape.

The Committee reiterates the suggestion it has made since the 1988 reform of the Structural Funds, that upland areas be given priority under Objective 5b.

Now that the fisheries sector is included in Structural Fund aid, the Committee considers that the social measures could be financed by the ERDF

and the ESF. Coordination between Structural Fund assistance and the FIFG will thus be vital to the success of the common fisheries policy.

Lastly, the Committee thinks that Structural Fund measures in the fisheries sector should pay particular attention to the socio-economic situation of remote coastal communities which are almost completely dependent on fishing.

This Opinion, adopted by a majority with 2 abstentions, was drawn up in the light of the paper produced by the Section for Regional Development and Town and Country Planning, chaired by Mr Robert J. Moreland (United Kingdom - Various Interests). The Rapporteur was Mr Vasco Cal (Portugal - Workers).

19. INTERNAL MARKET AFTER 1992 - SUTHERLAND REPORT FOLLOW-UP (Own-initiative Opinion)

The operation of the Community's Internal Market after 1992 - Follow-up to the Sutherland Report (SEC(92) 2277 final)

Gist of the Commission proposal

On 26 October 1992 the Commission received the report of the group chaired by Peter Sutherland analyzing the problems that the Community will face in managing an area without internal frontiers. The purpose of this communication is to encourage urgent deliberations within the different institutions and Member States and to inform them of the steps the Commission intends to take as a follow-up to the 38 recommendations set out in the report.

All of the recommendations are designed to improve the transparency of Community rules and strengthen the mutual confidence that exists between national systems.

The central message of the report is to underscore the Commission's and the Member States' joint responsibility for managing the single market. In practical terms, this means that:

- the Community and national authorities must take the budgetary and administrative measures necessary to ensure the requisite resources for the needs of administrative cooperation, monitoring and transparency;

- the local or national authorities must take the organizational measures necessary to ensure that Community legislation is applied in a consistent manner, that administrative structures are adapted to the recognition of authorizations and conformity certificates, and that appropriate training is provided for the monitoring and implementing bodies.

Reflecting the spirit of partnership that must be strengthened between itself and the Member States, the Commission intends to call on the services of the senior national officials responsible for coordinating work on the internal market in order to keep trace of the implementation of this communication.

In the context of the report's proposals, and in order to ensure the proper functioning of the internal market, the Commission will place emphasis on a number of major points covered by recommendations made by the Sutherland group:

- improvement in the transparency of Community rules and of their implementation;
- strengthening of the partnership with the Member States;
- strengthening of control rules, notably in the field of public procurement.

Gist of the Committee Opinion (CES 602/93)

Because it represents organized social and economic forces, the ESC plays an important part, through its open and public debates and the Opinions it issues, in the social cohesion which must necessarily accompany European integration. Institutionalized dialogue within the ESC plays an important part in re-establishing the credibility of Europe and regaining the confidence of the citizens.

A legal framework is needed to safeguard the practical operation of the Internal Market, in particular the four freedoms (free movement of goods, persons, services and capital), and to secure a high level of health, safety, environmental and consumer protection.

The practical effects of legislation and the capacity of economic actors to implement it without undue burdens can only be judged if a constructive process of consultation is undertaken prior to the publication of legislation.

Apart from the transposition of Internal Market rules into national law, the extent to which they are actually being applied in the Member States needs to be studied.

The ESC has a key role to play in the drafting of internal market legislation and the evaluation and amendment of standards - *inter alia* in the light of the effects of existing legislation.

Lobbying creates problems when attempts are made to influence socially orientated draft legislation, e.g. on environmental, social and consumer policies, affecting all citizens, without sufficient transparency and public supervision. This is a much greater problem at Community than at national level.

At the Committee, relevant interest groups can express their views. Transparency is ensured by the public debate at Plenary Sessions.

The Committee is also the institution which constantly seeks to strike a balance between the various interests in order to prevent the dominance of any single interest.

The Committee wishes to make the following concrete suggestions based on the recommendations of the Sutherland Report.

The Commission should announce publicly and in good time that it proposes to table Community legislation on given subjects.

Where important issues are concerned, the relevant interest groups should be informed and invited to attend public hearings, well before the Commission takes a decision.

The Commission should recognize and strengthen the role of the ESC as the consultative institution under the Treaties for the public display of the effects of existing and proposed legislation.

The Committee calls on the Commission to consult it more at the drafting stage. A Green Paper can be just as useful as specific enquiries to the Committee.

The Commission and the Council, in conjunction with Parliament, should conclude an agreement with the Committee on the consultation procedure.

In a Resolution on the 1992 Internal Market programme, the European Parliament suggested to the Council that "the ESC should constitute a

forum for future development of a Community action plan and periodically analyze and study its progress and implications for businesses, consumers and other groups represented in the ESC.”

The Committee is pleased that the Parliament advocates this role for the ESC in the implementation and future shaping of the Internal Market programme; the Committee supports the Parliament’s initiative.

This Opinion, adopted by a majority with 2 abstentions, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (United Kingdom - Employers). The Rapporteur was Mr Klaus Schmitz (Germany - Workers), Co-Rapporteur: Mrs Ann Robinson (United Kingdom - Employers).

20. RESOLUTION OF THE ECONOMIC AND SOCIAL COMMITTEE ON ”ECONOMIC GROWTH AND EMPLOYMENT IN EUROPE”

The serious employment situation in Europe - with its unacceptably high economic and social costs - and the bleak outlook for economic growth are posing problems for the Community integration process.

The Economic and Social Committee of the European Community urges the Copenhagen Summit of Heads of State and Government to enter into a clear commitment to coordinate their efforts and act urgently in implementing the economic policies necessary to bring about a rapid turn-about in the current economic and social situation. It is vital to have an economic policy which gives priority to sustainable economic growth and employment, requiring from the political leaders a clear message of support for the coordination of the Member States’ and the Commission’s efforts to implement the global strategy which the gravity of the situation demands.

It is necessary to go further than the Edinburgh Summit advocated last December in its growth and employment initiative, which was fleshed out by the ECOFIN Council in April. This is not only because the economic and social situation has deteriorated further in practically all Member States, but also because this initiative has not yet had the major impact on economic and social operators which it was expected to have.

As the Economic and Social Committee affirmed in its resolution last November and in more recent Opinions on the economic situation and employment, higher economic growth is the key to giving employment a boost and reducing unemployment and to creating the climate of confidence needed by businesses, workers and consumers in order to revive investment and consumer spending and combat the worldwide protectionist trends, thereby putting an end to the uncertainties stemming from the conflicts between economic policy's domestic and external objectives.

Once credible and socially acceptable macro-economic policies are in place, the socio-economic partners will be able to adapt traditional policies, define new labour-market policies and, showing their sense of responsibility, help to combat unemployment and promote economic growth.

Against this background real wage increases which keep below the rise in productivity will help to improve workers' purchasing power and allow more resources to be released for the investment needed to re-establish Europe's competitiveness. It is vital to pursue structural policies which improve workers' skill levels and support small and medium-sized enterprises.

The strengthening of the socio-economic groups' role at Community and national level does not hinder the application of the requisite economic measures. In fact, the strengthening of this role is important if an overall growth strategy is to be taken on board, defended, understood and justified at all levels, and also if it is to provide the kick-start which Europe's citizens so badly want.

The reduction of interest rates; the increase in monetary cooperation so as to make exchange rates more stable; the creation of a more favourable climate which encourages a revival in private investment; and the acceleration of the planned trans-European network projects: these are measures which the Economic and Social Committee thinks should be adopted immediately. The growth and employment strategy must not be put at risk by restrictive budgetary policies damaging to economic growth.

This Resolution was adopted by the Economic and Social Committee on 27 May 1993 by a large majority (four dissenting votes and five abstentions).

II — Outside presence and influence of the ESC

Activities of the Chairman and the Secretary-General

4 May - Rome: meeting with Mr de Rita, Chairman of CNEL (Italian National Economic and Labour Council)

5 May - Rome: XIth Congress of the UIL (Italian Labour Union)

6 May - Brussels: Pharmaceutical Group's Conference

7 May - Brussels: meeting with Mr Pablo Pombo, Chairman of the European Mutual Surety Association

7 May - Brussels: meeting with Mr André Middelhoek, President of the Court of Auditors

20 May - Aachen: award of the Charlemagne prize to Mr Felipe Gonzales, President of the Spanish Government

26 May - Brussels: meeting with Dr R. von Ameln, Director of the European Bureau of the "Deutschen Kommunalen Selbstverwaltung" (German local government body)

27 May - Brussels: meeting with Mr Vila Vilar, Chairman of the Andalusian Council for Labour Relations

28 May - Lille: statement at a meeting organized by Pas de Calais - North Region.

Other activities

5 May - Brussels: members of the Section for Industry, Commerce, Crafts and Services heard a statement by Mr Raniero Vanni d' Archirafi *on the functioning of the Internal Market after 1992* and from Mr Abraão de Carvalho, Commission DG III, *on the latest progress on the shipbuilding industry and the proposed Directive extending the 7th Community Directive on state aid for the shipbuilding industry.*

11 May - Brussels: Commissioner Abel Matutes, responsible for Energy Policy, spoke at the meeting of the Section for Energy, Nuclear Questions and Research.

12 May - Brussels: Commissioner Abel Matutes, also responsible for transport, made a statement on *current trends in European transport policy*; Mrs P. B. M. van Dijk, Chairwoman of the European Parliament's Committee for Transport and Tourism, made a statement on several issues, covering: *a) the common interests of the European Parliament and the Economic and Social Committee, b) the 2nd pan-European transport conference and c) the White Paper on the common transport policy.*

14 May - Brussels: Mr Hans Smida, Director of Commission DG VIII (Development Policy), made a statement on the *coordination of EC development policy guidelines* to the Section for External Relations, Trade and Development Policy. Special reference was made to initiatives on economic and social development in Africa, decentralized cooperation and the impact on employment in ACP States. Section members then heard a statement by Mr James Moorhouse, MEP and parliamentary rapporteur for economic and trade relations between the Community and Japan.

19 May - Brussels: "Citizens' Europe" hearing organized by the Economic and Social Committee.

III — Fact-finding visits

During the period under review the following fact-finding visits were made to the ESC:

- 4 May 1993 Arbeiterkammer Vorarlberg (Austria)
- 5 May 1993 Niedersächsische Fachhochschule für Verwaltung und Rechtspflege, Kommunale Abteilung Braunschweig (Germany)
- 5 May 1993 IDEAL - Information sur le développement, l'environnement et l'aménagement local, Le Kremlin-Bicêtre (France)
- 6 May 1993 Gewerkschaft der Privatangestellten Salzburg (Austria)
- 6 May 1993 Arbeiterkammer Vorarlberg (Austria)
- 7 May 1993 Fédération de l'enseignement et de la formation professionnel agricole d'Ile de France, Saint Lambert des Bois (France)
- 10 May 1993 American Institute for Foreign Study, London (UK)
- 10 May 1993 Chiba Workers Welfare Council (Japan)
- 11 May 1993 Catholic European Study and Information Centre, Brussels
- 11 May 1993 Quaker Council for European Affairs, Brussels
- 12 May 1993 Österreichischer Gewerkschaftsbund (ÖGB) (Austrian Federation of Trade Unions)
- 12 May 1993 Konrad Adenauer Stiftung, St. Augustin (Germany) (Austrian journalists)
- 14 May 1993 Männerarbeit der Evangelischen Kirche von Westfalen, Dülmen (Germany)
- 14 May 1993 KEY TO EUROPE

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- 17 May 1993 Bedford College of higher education (UK)
 - 17 May 1993 The American University Washington (USA)
 - 18 May 1993 University of North Carolina (USA)
 - 18 May 1993 FTF - Funktionærernes og Tjenestemændernes Fællesråd (Confederation of Danish civil servants' and employees' organizations), Copenhagen
 - 18 May 1993 Roskilde Højskole (Denmark)
 - 19 May 1993 Kreuzberg Bonn, Zentrum für Internationale Bildung und Kulturaustausch, Heimvolkshochschule, Bonn (Germany)
 - 19 May 1993 Confederación Española de Organizaciones Empresariales
 - 19 May 1993 KEY TO EUROPE
 - 24 May 1993 Groupe de Coimbra
 - 24 May 1993 University of Westminster - The Diplomatic Academy of London (UK)
 - 24 May 1993 Kreuzberg Bonn, Zentrum für Internationale Bildung und Kulturaustausch, Heimvolkshochschule, Bonn (Germany)
 - 25 May 1993 Östra Grevie Folkhögskola, Vellinge (Sweden)
 - 25 May 1993 Metalskolen Jørlunde, Slangerup (Denmark)
 - 26 May 1993 Northern College Aberdeen & Dundee (UK)
 - 28 May 1993 Österreichischer Gewerkschaftsbund (ÖGB) (Austrian Federation of Trade Unions)

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I — 307th Plenary session of 30 June 1993

The 307th Plenary Session of the Economic and Social Committee of the European Community was held in Brussels on 30 June 1993, under the chairmanship of Mrs Susanne Tiemann.

During this Session, the Committee adopted the following Opinions:

1. BIOLOGICAL DIVERSITY (Framework Convention)

Proposal for a Council Decision concerning the conclusion of the Convention on Biological Diversity (COM(92) 509 final)

Gist of the Commission Proposal

The text of the Convention, which is appended to the proposed Decision, is the result of a series of intergovernmental meetings. It was signed by the Community and the Member States on 9 June 1992 during the UN Conference on Environment and Development.

The proposed deadline for ratification of the Convention is 30 June 1993. In conjunction with this, the Commission has drawn up a declaration of competences (Annex II) and an interpretative declaration (Annex III) regarding intellectual property rights and mechanisms for transferring them.

Gist of the Committee Opinion (CES 706/93)

The Committee endorses the proposal and calls on the Community and the Member States to ratify the Convention within the year, if possible at the same time as they ratify the Convention on climatic change, thereby fulfilling the commitment made at the Rio Conference.

As ratification proceeds, the Community will need to adopt a range of specific measures to assist practical implementation. The Committee reserves the right to make proposals and suggestions on these measures.

It is, however, important to draw up a protocol on procedures for the use - according to safety criteria - of any modified living organism obtained by biotechnology (see Article 19(3) of the Convention), for which Community legislation on genetically modified organisms can serve as a model¹.

For the sake of consistency with the text of the Convention, and in particular with Article 16(5) which lays down that the contracting parties cooperate, subject to national legislation and international law, in order to ensure that intellectual property rights "are supportive of and do not run counter to" the Convention's objectives, it is proposed that the second paragraph of Annex III be amended to read as follows:

For the European Community and its Member States, transfers of technology and access to biotechnology ... shall be carried out in compliance with the principles and rules of protection of intellectual property ...

The present wording "can only be carried out in compliance" is in fact a restrictive interpretation which subordinates the commitments undertaken in the negotiations on the Convention to legislation which is still coming into being, as well as to relevant bilateral and multilateral agreements.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballos Herero (Spain - Various Interests). The Rapporteur was Mr Sergio Colombo (Italy - Workers); Co-Rapporteurs: Mr Konstantinos Douvis (Greece - Employers) and Mrs Maria Luisa Freire de Andrade Santiago (Portugal - Various Interests).

2. TROPICAL FORESTS

Proposal for a Council Regulation (EEC) on operations to promote tropical forests (COM(93) 53 final)

Gist of the Commission proposal

The seriousness of the threat to tropical forests and the need for coordinated international action within a perspective linking environment and

¹ OJ No. L 117 of 8 May 1990

development have been emphasized by all Community institutions and confirmed during the recent Rio de Janeiro Conference.

This Regulation lays down objectives and procedures for action at Community level to promote the conservation and sustainable management of tropical forests.

Gist of the Committee Opinion (CES 707/93)

The Committee supports the Commission's proposal but makes the following comments:

- the definition of tropical forests is highly imprecise, covering widely differing types of forest, which are difficult to cover in a Regulation of such a broad scope;
- the budgetary provisions appear modest compared with the vast scale of the action which must be taken to avoid the total destruction of tropical forests, even if combined with other international programmes;
- the tropical timber trade is an important factor that should be taken into consideration;
- no specific measures are planned to support and train local populations, although their extreme poverty and lack of education is one of the principal causes of deforestation;
- development initiatives calculated to make a decisive contribution to the economy and development of local populations should be undertaken to supplement the Regulation;
- in assessing proposals for action, account should be taken of the UN Charter and the principles of international law on the sovereign right of States to exploit their own resources.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballo Herero (Spain - Various Interests). The Rapporteur was Mrs Maria Luisa Freire de Andrade Santiago (Portugal - Various Interests).

3. EXPORT/IMPORT OF DANGEROUS CHEMICALS

Proposal for a Council Regulation (EEC) amending for the first time Annex I to Council Regulation (EEC) No. 2455/92 concerning the export and import of certain dangerous chemicals
(COM(93) 120 final)

Gist of the Commission proposal

It is proposed to amend Annex I to EEC Regulation No. 2455/92, adding 15 substances or groups of substances and amending "use limitations" for six substances.

The amendments are necessary to ensure compatibility with existing Community legislation. They are the result of following the procedure laid down in Article 11 of Regulation No. 2455/92, which provides for the periodic revision of the Annex.

Gist of the Committee Opinion (CES 708/93)

The Committee approves the Commission proposal noting that the changes flow from the adaptation to technical progress of present Directives 79/117/EEC (concerned with plant health products) and 76/769/EEC (concerned with dangerous substances and preparations).

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballos Herero (Spain - Various Interests). The Rapporteur was Mr Enzo Beltrami (Italy - Employers).

4. IDA

Communication from the Commission to the European Parliament and the Council on trans-European data communications networks between administrations

Proposal for a Council Decision on a series of guidelines for trans-European data communications networks between administrations

Proposal for a Council Decision adopting a multiannual Community programme to support the implementation of trans-European networks for the interchange of data between administrations (IDA)

(COM(93) 69 final)

Gist of the Commission proposal

The document comprises: the Proposal for a Council Decision adopting a multiannual Community programme to support the implementation of trans-European networks for the interchange of data between administrations (IDA), the Communication from the Commission on trans-European data communications networks between administrations and the Proposal for a Council Decision on a series of guidelines for trans-European data communications networks between administrations.

The Committee's Opinion primarily covers the IDA Proposal.

The proposed measures, which are to run for a period of five years, are based on earlier pilot programmes for the establishment of trans-European systems for the interchange of data¹.

¹ INSIS: "Inter-institutional Integrated Services Information System", Council Decision No. 82/869 of 13 December 1982 OJ No. L 368 of 28.12.1982, page 40;
ESC Opinion: OJ No. C 343 of 31 December 1981, page 4.

CADDIA: "Coopération dans l'Automatisation des Données et de la Documentation dans les Importations/Exportations de l'Agriculture" (Cooperation in automation of data and documentation relating to imports/exports and agriculture)
Council Decision of 26 March 1985, extended for a further five years on 1 June 1987, OJ No. L 96 of 3 April 1985, page 35
ESC Opinion: OJ No. C 248 of 17 September 1984, page 17.

TEDIS: "Trade Electronic Data Interchange System"
Council Decisions No. 87/499/EEC of 5 October 1987, OJ No. L 285 of 8 October 1987, page 35;
ESC Opinion OJ No. C 105 of 21 April 1987, page 1, and 91/385/EEC of 22 July 1991, OJ No. L 208 of 30 July 1991, page 66,
ESC Opinion OJ No. C 102 of 18 April 1991, page 13.

Communication from the Commission of 10 December 1990 entitled "Towards Trans-European Networks - for a Community Action Programme" (COM(90) 585 final), - ESC Opinion OJ No. C 14 of 20 January 1992, page 24.

Communication from the Commission dated 2 October 1991, on the need for the interchange of information between administrations with a view to the implementation of the internal market (SEC(91) 1752 final).

Commission Communication entitled "From the Single Act to Maastricht and Beyond - The Means to Match Our Ambitions" (COM(92) 2000 final) and the Community's Finances Between Now and 1997 (COM(92) 2001 final).

The objective is to contribute to the effective management of a Community area with no internal frontiers by using a combination of data communications tools, systems and networks. The most pressing goal is to facilitate the completion and smooth operation of the internal market and, as a priority, the elimination of controls at internal frontiers. Further goals are the attainment and full exercise of the four fundamental freedoms, the implementation and coordination of common policies and the improvement of the Community decision-making process.

The proposed IDA measures comprise two closely-interlinked parts.

Part one covers Community support for projects of common interest designed to coordinate and support the development of systems for the interchange of administrative information, data and documents between national administrations, and between these administrations and the Community institutions and bodies.

The measures envisaged in this part of the programme take the form of feasibility studies (e.g. analysis of the legal or de facto national and Community bases for data interchange) and supporting measures (e.g. promotion of the establishment and operation of individual trans-European data communications networks).

Part two comprises measures designed to ensure the interoperability of data communications networks and applications, to increase their reliability and to reduce costs. It sets out technical interconnection solutions enabling the independent information systems of the administrations to communicate with one another via the telecommunications infrastructure. These measures will also facilitate implementation of the above-mentioned feasibility studies on the interconnection of systems.

Gist of the Committee Opinion (CES 709/93)

The Committee endorses, in principle, the Commission Communication and the accompanying proposal for the IDA Council Decision, in particular because only electronic data communications networks will make it possible to deal effectively with the great volume and variety of information to be processed and exchanged by administrations within specified deadlines.

As regards the Communication, the Committee particularly endorses the Commission's essential precondition of cooperation with all participants.

The Committee points out that the communications networks should be based on international standards.

Cooperation with non-Member countries is also extremely important, since early discussions with the EFTA countries and a readiness, where appropriate, to enter into negotiations with central and eastern European states will enable due account to be taken of economic developments in the enlarged Europe in good time.

Specific comments on the proposed IDA Community Programme:

The Committee considers it necessary to increase the responsibilities of the advisory committee referred to in Article 7.

It also recommends that the IDA Programme be backed up with industrial policy measures favourable to European industry and job creation.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Herbert Nierhaus (Germany - Workers).

5. COMEDI

Proposal for a Council Decision on inter-administration telematic networks for statistics relating to the trading of goods between Member States - COMEDI (COM(93) 73 final - SYN 454)

Gist of the Commission document

With the elimination of physical borders, the formalities, documentation and controls which are generally associated with the transfer of goods from one Member State to another will disappear - at least for the majority of merchandise transported across the Community. It follows that the statistics which have benefitted, albeit indirectly, from these formalities, documentation and controls will lose their traditional source of information.

Neither the Community itself nor the Member States can afford the sudden loss after 1992 of the information on intra-Community trade which for thirty years has borne witness to the growth and economic integration of the Community. It is therefore essential to establish a replacement system, whilst ensuring that no new burden is imposed on economic operators and that any excessive burden in the current system is reduced.

It is therefore proposed to establish a data processing and telecommunications infrastructure (COMEDI - Commerce Electronic Data Interchange) based on a trans-European telecommunications network, which will interconnect national and Community statistical information systems and will also permit access by companies.

The proposed project covers all the tasks of design, development and implementation of the telecommunications network, as well as promoting the system and providing support, control and coordination for all those involved.

It will benefit from the general, multi-sectoral work undertaken in the context of the multi-annual IDA - on which the Section is also preparing an Opinion - and will be linked in particular with the development of the statistical component of this work.

The action covers the period 1993-1997.

The Commission, assisted by the Committee on the Statistical Programme of the European Communities established by Council Decision 89/382/EEC, Euratom¹, is to draw up annually the programme of measures necessary for implementing the Decision.

Gist of the Committee Opinion (CES 710/93)

Overall, the Committee strongly endorses the Commission proposal.

At the same time, it thinks that the measures outlined in Article 3 for the implementation of the planned COMEDI activities should take particular account of the security of information systems in accordance with Council Decision 92/242/EEC of 31 March 1992².

The Committee also calls on the Commission to ensure that the burdens which implementation of the COMEDI programme will inevitably impose on many of the enterprises concerned are minimized.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Herbert Nierhaus (Germany - Workers).

¹ OJ No. L 181, 28 June 1989, page 47

² OJ No. L 123, 8 May 1992, page 19

6. AID TO SHIPBUILDING

Proposal for a Council Directive amending Council Directive 90/684/EEC on aid to shipbuilding (COM(93) 160 final)

Gist of the Commission proposal

In spite of the forecasted improvements due to a pending increase in new demand, the world shipbuilding market has still not yet been fully normalized.

The Community's existing policy needs to be maintained in order to promote the long term survival of an efficient and competitive European shipbuilding industry.

The Community is still pursuing its efforts within the Organization for Economic Cooperation and Development (OECD) framework to reach a multilateral agreement on a rapid phasing out of all direct and indirect public support as well as other obstacles to re-establishing normal competitive conditions in the sector.

This agreement must ensure fair competition at an international level among shipyards.

Council Directive 90/684/EEC on aid to shipbuilding, as amended by Council Directive 92/68/EEC, will expire on 31 December 1993. The Commission proposes to extend its application to 31 December 1994.

Gist of the Committee Opinion (CES 711/93)

The Committee endorses the pragmatism of the Commission in proposing that the Seventh Directive be extended for just one more year as a sign of goodwill on the eve of the resumption of OECD negotiations aimed at speeding up the abolition of all aid to the shipbuilding sector.

In other words shipbuilding policy should be reviewed in the course of the next twelve months in the light of market trends and the outcome of the abovementioned negotiations.

The abovementioned parameters should determine the level of production aid for 1994 aid being in steady decline only in the Community, falling in the last two years to barely 9%, and to 4.5% for small ships), whilst thought should also be given to reintroducing support for ship-repair activities.

The impact on employment is again likely to be considerable, despite the recently announced launch of the Community's KONVER programme.

The multilateral negotiations on phasing out all public aid to shipbuilding must be conducted by the Commission with all seriousness of purpose but without distortions liable to prejudice the interests of the Community's shipbuilding industry and its numerous ancillary firms; strategic and other links with the other major components of the European maritime economy (Community fleet, port network, marine environment) will also have to be taken into consideration.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavelairo Brandão (Portugal - Employers). The Rapporteur was Mr Romoli Arena (Italy - Employers).

7. HEALTH/SAFETY AT WORK/TRAINING (Own-initiative Opinion)

Gist of the Committee Own-initiative Opinion (CES 712/93)

In the Framework Directive on the Introduction of Measures to Encourage Improvements in the Safety and Health of Workers at Work (89/391/EEC)¹, based on Article 118A of the Treaty, significant importance is attributed to training workers in safety and health.

At the same time these training provisions are very general. The individual Directives under the Framework Directive do not go into much greater detail.

Whilst there is an established EC legal basis on matters concerning vocational training and workers' training, this is not yet the case as regards (elementary) education in schools and occupation-related training of personnel categories other than workers.

Under these conditions, the Committee is in favour of an integrated programme of European Commission initiatives for safety and health training at work for persons in relevant functions not yet clearly covered by the Framework and individual Directives. This would have to be on

¹ OJ No. L 183 of 29 June 1989

the basis of recommendations for (elementary) education in risk prevention at school and for occupational safety and health training, also involving, for example, the self-employed and the relevant managerial and supervisory staff, occupational medical officers, safety inspectors, emergency service staff, designers, etc.

As far as training for workers as such is concerned, current provisions in the Framework Directive and in the subsequent individual Directives could be amended.

In a Recommendation for education on the principles of safety and health both at school and at home, the Commission could lay down guidelines on, for example:

- the introduction of safety and health protection in school curricula;
- adequate preparation of teaching staff;
- the promotion of pedagogical research;
- preventive safety and health provisions and awareness in schools;
- linkage with work experience programmes.

In a Recommendation for training in the prevention of occupational risks, guidelines should be given for:

- promoting workers' representatives' interest and involvement;
- relevant categories not clearly covered by the Framework Directive and individual Directives;
- drawing up training criteria;
- promoting study and research;
- evaluating safety skills acquired through training;
- training the trainers;
- closer cooperation between public authorities, workers, employers and training establishments.

In amending the Framework Directive and the individual Directives derived from it, the Committee thinks that the following points are of particular importance;

- training/education institutions should have adequate infrastructure for safety and health training;
- safety and health representatives' training should be supported by public funds;
- the fields to be covered by training for workers, workers' representatives and trainers should be outlined more precisely;

- employers should be required to identify training provisions;
- the establishment of a standard procedure providing for the preparation of a safety and health training plan by employers.

In addition, the Committee recommends that the Commission undertake research on, for example:

- existing infrastructure for occupational safety and health for training in the Member States;
- the possibilities of developing training and education programmes in schools, for employers, safety experts, designers, etc.,
- required training and advice to managers in small- and medium-sized enterprises (SMEs);
- the possibility of trans-border safety and health training programmes;
- encouraging cooperation on all such matters between the EC Member States and Eastern and Central European countries.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mrs Giacomina Cassina (Italy - Workers). The Rapporteur was Mr Thomas Etty (The Netherlands - Workers).

8. UCITS

Proposal for a Council Directive amending Directive 85/611/EEC on the Co-ordination of Laws, Regulations and Administrative Provisions relating to Undertakings for Collective Investment in Transferable Securities (UCITS)

(COM(93) 37 final - SYN 453)

Gist of the Commission Proposal

The proposal's purpose is to amend the UCITS Directive of 20 December 1985. This Directive seeks to harmonise national rules on investment funds so as to bring about equal conditions for competition between Member States and protect savers' interests. The new proposal seeks to:

- extend the scope of the Directive to cover funds of funds, money market funds and treasury funds;
- allow Member States to authorise a UCITS to choose a depositary in another Member State;

- raise certain limits on UCITS investments in other UCITS;
- adapt the 1985 Directive to the new directive on credit services, which is currently being discussed by the Council;
- introduce additional rules regarding the principle adopted in the 1985 Directive, whereby UCITS may not hold securities which enable them to exert significant influence over the management of the issuing body;
- explain more clearly the rules on advertising and professional secrecy; and
- refer to a regulatory committee (which is still to be set up) certain technical adaptations to be made in the future.

Gist of the Committee Opinion (CES 713/93)

The Committee approves the broad lines of the Commission text but does not agree with the proposal that Member States be allowed to permit UCITS established on their territory to choose a depository established in another Member State. The Committee also rejects the proposal to amend the 1985 Directive on the question of UCITS acquiring securities which enable them to exert significant influence over the management of an issuing body.

This Opinion, adopted by a majority with three abstentions, was drawn up in the light of the paper produced by the Section for Economic, Financial and Monetary Questions, chaired by Mr Jean Pardon (Belgium - Employers). The Rapporteur was Mr Camille Giacomelli (Luxembourg - Employers).

9. PROBLEM OF THE TIME TAKEN TO MAKE PAYMENTS IN COMMERCIAL TRANSACTIONS

Commission staff working paper on the problem of the time taken to make payments in commercial transactions (SEC(92) 2214 final)

Gist of the Commission document

The Working Document is intended to launch discussions at Community level on the difficulties that excessively long terms of payment can cause for Community businesses and on the impact such delays can have on the outcome of Community policies.

The Commission services have thus initiated consultations that will, they hope, make all those concerned more aware of the problem, stimulate detailed discussions, elicit the comments and suggestions of all interested parties, and enable appropriate initiatives to be developed at all levels.

The Commission services hope to receive detailed comments as to the desirability of the different initiatives described in this paper. As far as legislative measures are concerned, they would particularly appreciate comments on whether new legal instruments need to be created at Community level and, if so, whether they should be binding or non-binding.

Interested parties are asked to communicate their comments to the Commission services before *31 May 1993*. A document summarizing the various positions received and presenting the Commission's conclusions as to possible Community initiatives will be drafted as soon as possible after the end of the consultations.

Gist of the Committee Opinion (CES 714/93)

It is up to occupational organizations and occupational chambers in the widest sense (chambers of commerce, chambers of trade etc.) to collect and distribute information on payment periods for each Member State and in each economic sector.

These initiative should be supported by the Euro-Info-Centres whose aim is precisely to provide an information service.

Attention must be drawn to the training of enterprise managers involved in inter-state trade, and especially to their in-service training.

On contractual payment periods, the Commission and the Member States must take action on the basis of Article 86 of the Treaty in order to prevent unfair exploitation of a dominant position by one or more firms, particularly when inequitable trading conditions are imposed.

On payment delays, the Commission should:

- continue its work in order to have a deeper knowledge of current legislation and practice in the Member States;
- on this basis, make recommendations to the Member States in accordance with Article 155 of the Treaty, while respecting contractual freedom, dealing with: transparency of payment conditions; compliance with those conditions; strict application of agreed deadlines without the need for notification; application of delay interest immediately the

deadline has passed; freedom to fix that interest at a level corresponding to commercial interest rates; validity of penalty clauses; resort to arbitration; introduction of summary procedures for payment injunctions;

- examine the difficulties involved in obtaining in one Member State the execution of an enforceable decision taken by the legal authorities of another Member State.

On public contracts, the Commission should prepare a draft Directive, following on from the earlier Directives on the subject intended to approximate Member States' legislation concerning payment periods and delay interest.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Manuel Cavaleiro Brandão (Portugal - Employers). The Rapporteur was Mr Jean Pardon (Belgium - Employers).

10. COMPENSATION FOR MILK PRODUCERS

Proposal for a Regulation providing for the offer of compensation to certain producers of milk or milk products temporarily prevented from carrying on their trade (COM(93) 161 final)

Gist of the Commission proposal

In the wake of several decisions by the Court of Justice, the Council allocated reference quantities to some 12,000 producers (who had signed a programme of non-marketing and conversion of dairy herds - SLOM - at the end of the Eighties and who, in 1984, had been excluded from the allocation of individual reference quantities under the quota scheme). A new legal decision now makes it possible to gain compensation in respect of the period between the introduction of the quota regulations (1984) and the date when these producers were actually allocated a reference quantity. In view of the large number of potential beneficiaries, the Commission is proposing flat-rate compensation. This will vary from ECU 7.4 to 12.3 per 100 kg of milk per marketing year, depending on farm size and the number of years since the quota should have been allocated.

Total compensation for SLOM producers should represent an additional burden of some ECU 255 million for the Community budget.

Gist of the Committee Opinion (CES 715/93)

The Committee notes that the proposed measures are in line with the Court of Justice ruling on compensation for SLOM producers. Hence the Committee endorses both the objective and content of the Commission proposal.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Rapporteur-General Mr Guiseppe Pricolo (Italy - Employers).

11. HEALTH AND SAFETY - PHYSICAL AGENTS

Proposal for a Council Directive on the minimum health and safety requirements regarding the exposure of workers to the risks arising from physical agents (COM(92) 560 final - SYN 449)

Gist of the Commission proposal

The proposal contains minimum health safety requirements as provided for in Article 118a of the EEC Treaty. The proposal supplements Directive 89/391/EEC (and is one of its individual directives), explaining how some of its provisions must be applied in the specific case of exposure to physical agents, and, like the earlier Directive, covers all activities where workers can be subject to the risks due to this type of exposure, except in certain situations in the public service and civil protection.

As it stands, the proposal covers four physical agents (noise, mechanical vibrations, optical radiation and electromagnetic fields and waves) but its provisions can be extended subsequently to the physical agents: the Commission will propose amendments to the Directive at such time as it considers sufficient new findings to have emerged.

As regards protection against the risks arising from noise, the proposal constitutes the second phase of the approach adopted by the Council with Directive 86/128/EEC, the provisions of which are brought into line with the principles established by the framework Directive 89/391/EEC. Any incompatibilities between the two texts have thus been eliminated. The proposal also extends the scope of Directive 86/188/EEC to the sectors of air and sea transport, which had not been covered hitherto. Finally, it modulates the obligations on employers and workers with regard to the different levels of risk.

The proposal introduces protective measures in respect of the risks arising from physical agents other than noise, and transposes international provisions and standards to which national legislation refers into provisions which are applicable at Community level.

The aim of the proposal is to bring about a gradual improvement in the level of protection afforded to workers from the risks arising from exposure to (physical agents) and harmonization of the minimum safety and health requirements in this field, as part of the social dimension of the internal market.

The overall strategy followed by the proposal is founded on the obligation to reduce the hazards to the lowest attainable level; this strategy defines three hazard zones:

- a black zone where exposure results in hazards which are considered to be excessive and which the Directive bans;
- a white zone in which the Directive does not stipulate any specific measures and which are a matter for long-term prevention;
- an intermediate grey zone where measures must be implemented to control the hazards, all the more vigorously the closer the black zone.

These measures follow the principles already laid down in Directive 89/391/EEC: reduction of the risk, if possible at source, then by means of collective protection and, as a last resort, by means of personal protection; at the same time, information and training and proper participation of the workers must be guaranteed.

Gist of the Committee Opinion (CES 716/93)

The Committee considers that the Commission proposal is an important addition to existing Community regulations in the field of safety and health at work, and takes serious note of the size of these particular areas of risk affecting tens of millions of workers within the Community.

With the exception of some members, the Committee can accept the format chosen by the Commission for this Directive.

As regards the proposed legal instrument for Noise, the Committee can agree with an updating of the existing Directive 86/188/EEC.

The Committee notes that the Proposal for Noise concerns air and sea transport sectors, which are not covered by the existing Directive 86/188/EEC. This extension will certainly have important cost implications. However, insufficient information is available on the possible

financial impact. With a view to forthcoming steps in the decision-making process regarding this draft directive, the Committee thinks it is important that the Commission supplement their Proposal with more adequate calculations. Obviously, it will be necessary to include in these calculations the costs for society in terms of negative effects on the health of workers as a consequence of unchanged safety and health policies.

The Committee welcomes in general the Commission proposals in the draft Directive regarding vibrations, and considers it to be of the utmost importance that a Community Directive dealing with this problem be introduced.

The Committee has examined some difficulties relating to the assessment and measurement and control of the occupational risks of optical radiation and electromagnetic fields and waves, but considers it possible to extend some protective measures to workers in such areas. Given the present level of knowledge it might be premature to develop instruments for optical radiation and electromagnetic fields and waves at this point of time. With a view to the current scientific debates, the Committee wishes, however, to encourage the Commission to continue its work leading to formulation of relevant protective measures in the future.

The Committee has examined the general measures proposed in Section II of the proposal and considers that they conform with Community principles for protection of health and safety at work.

While accepting the Commission's intent that the threshold level should be a long-term objective, the Committee also notes that the Directive also requires that risk arising from exposure to physical agents must be reduced to the lowest achievable level. Furthermore, it is not clear in the text of the Directive if the threshold level constitutes a legal requirement or not.

This Opinion, adopted by 92 votes for, 48 against and 7 abstentions, was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mrs Giacomina Cassina (Italy - Workers). The Rapporteur was Mr Thomas Etty (The Netherlands - Workers).

12. TECHNOLOGY - DISABLED AND ELDERLY PERSONS

Proposal for a Council Decision concerning a Community Technology Initiative for Disabled and Elderly People (TIDE) for 1993-1994 (COM(93) 175 final)

Gist of the Commission Document

In the European Community today some 60 to 80 million people are disabled or elderly and the population is growing older, with people living longer and the numbers of younger people falling. The proportion of people with disability and/or frailty due to age in the population will continue to climb across the Community.

Today a major contribution to meeting this challenge can come from technological intervention, for example, by providing equal access to all citizens to telecommunications, information and control equipment.

Activities in the field of technology for the disabled and elderly have been going on at national level, in Community research and technology development programmes like ESPRIT, RACE, TELEMATICS, BIOMED I, BRITE/EURAM II and action programmes like HELIOS, HORIZON and in concerted actions such as COST 219. COST 219 activities are very limited in budget, ESPRIT, RACE, etc. very limited in scope in this field and HELIOS and HORIZON do not deal with technological promotion. At the national level the current activities are insufficient. Community action is needed.

A first step in this direction was provided by the TIDE (Technology Initiative for Disabled and Elderly people) pilot action. This action started in 1991 with a contribution from the Community budget of MECU 8 followed by a contribution of MECU 10 in 1992. The present proposal for a Community action in the field of the development and application of technology for disabled and elderly people builds on the results of the TIDE pilot action. It covers, within the potentially huge rehabilitation technology sector, the fields of information technology, telecommunications, teleinformatics, robotics and environmental control.

The Commission has included research and development in the area of rehabilitation technology in its proposals for the 4th Framework Programme (1994-1998). However, the results obtained during the TIDE pilot phase (1991-1992) have demonstrated an urgent need for an initiative based on those results.

This proposal is for a two-year Community action (1993-1994) to stimulate application and promotion in the area of rehabilitation technology.

The TIDE Community action is a technology promotion and application initiative with the specific main objective of: "stimulating the creation of an internal market in rehabilitation technology in Europe to facilitate the socio-economic integration of disabled and elderly people".

This will be achieved through the collaborative activities of multidisciplinary teams. The detailed objectives of those activities are:

- understanding, making clear and adapting technology to respond to the needs of the user groups;
- developing new applications for Rehabilitation Technology such as intelligent houses for elderly people and advanced hearing aids;
- encouraging innovation and technology transfer in rehabilitation technology;
- accelerating the development of technical norms and standards.

The TIDE action encompasses four action lines each with their respective work areas. These are:

1. *Access to Communications and Information Technology and support for interpersonal communication*: access to and interaction with multimedia environments; technology to facilitate personal communications; accessible services and applications.
2. *Environmental Control Technologies for daily living*: user and system interfaces; robotics systems; mobility and transport control systems.
3. *Restoration and Enhancement of Motor and Cognitive Functions*: IT for individualized plans for assessment, rehabilitation and maintenance in the community; technology for rehabilitation and maintenance of motor functions; substitution devices for motor functions.
4. *Integrated Systems Technologies*: smart environments and systems; orientation and navigation systems for mobility; working environments for disabled and elderly people.

Gist of the Committee Opinion (CES 717/93)

Although the ESC in principle supports the Commission's initiative on technology for disabled and elderly people, it must deplore the brevity of the time-scale allowed for preparation of the Opinion.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Guisepppe Frandi (Italy - Workers).

13. EC RELATIONS WITH JAPAN (Additional Own-initiative Opinion)

The European Community's Relations with Japan

Background to the Additional Opinion

In its *April 1991* Opinion, the Committee pointed to the way in which, in the 1970s, trade balances - tipped very much in Japan's favour - had led European countries to resort to protectionism and, in the early 1980s, to anti-dumping measures, but now the prospect of the single market and uniform import rules had persuaded Japan to re-think its strategy vis-à-vis the 'old continent'. The Opinion called upon the Community to recognize this change of approach whereby the Japanese seemed no longer destined to export at all costs, and to understand that Japan now wished to cooperate actively in the growth of the European economy. Direct investment by Japanese firms in Community production facilities and their readiness to increase the proportion of EC-sourced components testified, declared the Committee, to Japan's good intentions.

The Committee welcomed top-level contacts between the Community and the Japanese Government, and called for an institutionalization of relations, supplemented by regular consultations in the *economic, scientific and social sectors*. It called, above all, for specific cooperation arrangements to tackle common *agricultural, environmental and social problems*. The socio-economic groups, the scientific community, schools and universities should participate in this so that *all* sectors of society become involved.

In *July 1991*, shortly **after** the Committee had given its Opinion, the Community and Japan issued a Joint Declaration laying down the basic framework for the future development of EC-Japan relations.

The Committee proposed that the Additional Opinion be given in order to let the Institutions know how the Economic and Social Committee sees the situation between the Community and Japan in the light of what has happened since April 1991 (partly described above) and to counter or, rather, *qualify*, the voice of protest, which is almost all that one hears, concerning the rising Japanese trade surplus with the EC.

The Committee will demonstrate the value to both the Community and Japan of cooperation in the field of science, research, environment, social questions, etc., and point to the benefits of the Employers, Trade Unions, Farmers and other organizations, being involved in and part of this cooperation.

Gist of the Committee Opinion (CES 718/93)

The Opinion has nine chapters.

It sets out to consider the medium and long-term guidelines for economic and political relations between the European Community and Japan. Relations have already improved considerably since the Joint Declaration of 18 July 1991 and following a number of initiatives by both the EC and Japan, thereby paving the way for a genuine partnership.

The Committee recommends that the EC and Japan should not aggravate short-term trade frictions but should investigate the causes thereof and find ways of restoring the trade balance. Systematic consultation and coordination of the two sides' policies is considered to be of particular importance. The Committee also calls for thorough consideration of the scale of the Japanese trade surplus and of the opportunities which the use of the resulting financial surpluses might offer.

It might in fact be possible to embark on a new phase in joint ventures between EC and Japanese firms, both within the Community and elsewhere, as part of the wide-ranging economic and political cooperation suggested by the recent "Mano" report from the Japanese Ministry of Foreign Affairs.

The Committee calls for an action programme for the near future in order to create the conditions and instruments needed to give substance forthwith to the statements of intent that have been made.

Of key importance, however, is the need to improve mutual understanding and cultural and social dialogue between the European Community and Japan.

The Opinion is accompanied by an Appendix outlining some key topics which could be examined, with a view to making proposals, by joint committees comprising not only official representatives of the respective governments, but also academics and socio-economic operators.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for External Relations, Trade and Development Policy, chaired by Mr John F. Carroll (Ireland - Workers). The Rapporteur was Mr Aldo Romoli (Italy - Employers).

14. EC RELATIONS WITH TURKEY (Information Report)

Historical back ground

In June 1992, at the end of the European Council in Lisbon, the Council Presidency declared that the European Council had discussed the applications from Turkey, Cyprus and Malta for Community membership and that each of these applications had to be considered on its merits.

With regard to *Turkey*, the European Council Presidency underlined the point that the Turkish role in the present European political situation was of the greatest importance and there was every reason to *intensify* cooperation and develop relations with Turkey in line with what had been perceived and indeed laid down in the Association Agreement of 1964, including a political dialogue at the highest level. The European Council had, the Presidency stated, asked the Commission and the Council to work on this basis in the coming months.

The *intensification* of relations between the EC and *Turkey* has been referred to on numerous occasions since the Lisbon Summit. Indeed, at the last EC-Turkey Association Council, which was held in November 1992, it was decided to look into the feasibility of implementing the part of the original EC-Turkey Agreement where the idea of setting up a Joint Consultative Committee was first mooted. This was not an insignificant factor in the minds of Section members when deciding whether or not to produce an Information Report on Turkey at this time, since it would seem that the Committee will be in a better position to respond to any official proposal to participate in such a Joint Consultative Committee, if it has an Information Report before it.

Turkey's role in the present European political situation is particularly important because, with the demise of the Soviet Union and the new-found independence of the latter's republics, the country's geopolitical place in the world has changed radically. As an example of this, one has only to reflect on the implications of the five former Soviet Central Asian Republics, Azerbaijan, Kyrgyzstan, Turkmenistan, Uzbekistan and Kazakhstan along with Afghanistan joining the Economic Cooperation

Organization (ECO), a grouping which was established by Pakistan, Iran and Turkey to expand mutual trade and business ventures. A recent report of the Council Presidency, to a meeting of the Community's Foreign Ministers, emphasizes Turkey's ability to "influence the new Republics of Central Asia". The report goes on to say that "Turkey is well-placed to take advantage of existing cultural and linguistic ties, and to serve as a democratic and secular model" for these countries, "a more attractive model" than other states of the region like Iran. The same report goes on to suggest that the Community should also cooperate with Turkey in the framework of technical programmes for the Republics of Central Asia. Elsewhere in the same report, it was hinted that Turkey should be allowed to benefit from the horizontal programmes of the Community's up-dated Mediterranean Policy.

The same Council report, quoted above suggested that "in order to strengthen Turkey's pro-Western position and to create a stable basis for wide and active relations with the West", the Community should organize with Turkey a more developed and structured political dialogue, involving ministerial meetings with the EC Troika every six months, meetings between senior officials as often as needed and a better dialogue with the European Parliament (which, in practice, means effectively implementing the Association Agreement with Turkey).

The Section, in its Information Report, will have to provide the *basis* for an answer to the question of whether the 1964 Association Agreement with Turkey should be implemented in its entirety, including all of Article 27, whereby a forum would be established for a social dialogue to take place in parallel to the political dialogue called for in the above-mentioned Council report.

Gist of the Information Report (CES 375/93 fin)

The Information Report is divided into eleven chapters on the following topics:

1. Turkey's place in the worldwide context
2. The 1980-1990 decade
3. A strategic clash between two models
4. Turkey's application for membership of the Community
5. Population and employment
6. Characteristic structure of the economy and production
7. The central government budget

8. Foreign trade and investment
9. The political and social situation
10. The problem of Cyprus
11. Conclusions

The Commission guidelines for improved cooperation focus on four crucial areas, namely the customs union, finance, industry and technology and political and cultural links. The goals identified are to be pursued within the framework of full application of the Association Agreement. As regards implementation of the customs union with Turkey, the Commission thinks that the EC must review trade arrangements for textiles and agricultural products. It would also be necessary to reinforce "mechanisms for concerting economic and social policy" in this connection.

The inadequate opening of the EC and Turkish markets to each other constitutes a major problem. The main obstacle on the Turkish side concerns housing, which is financed from import levies. Difficulties also exist with regard to CAP alignment, the elimination of trademark and copyright protectionism and chemicals and pharmaceuticals; an extension of technical assistance would seem advisable here.

For the Community, there are problems with regard to textiles - where it seems unwilling to make concessions to Turkish exporters- agriculture and freedom of movement for Turkish workers in the EC.

The main problem, however, concerns the freezing of the 4th Financial Protocol which has never achieved the necessary Council unanimity in spite of all the efforts made.

More intensive and sustained cooperation between the EC and Turkey might serve not only to prevent further delay in completing the Customs Union and the full implementation of the Ankara Agreement, but also to foster and strengthen current civil, democratic and social development in Turkey.

Progress has also been resumed in the area of high-level political cooperation, but a clearer future political framework would certainly help both sides to overcome some of the present stumbling-blocks.

Moreover, a rigid, prescriptive approach to the failings of Turkish democracy, in the absence of a historical, dynamic view, could easily serve as a pretext for shrugging off responsibilities and, above all, for

continuing an 'à la carte' relationship with Turkey, with the Community unilaterally deciding on where and how to interact in each individual case.

The most pressing question, then, is whether the current commitment to an EC partnership with Turkey matches the country's potential (both geopolitical and economic, social and cultural) and the level of economic integration thus far achieved.

In other words, if Turkey is indeed an essential strategic partner of the EC, relations should move beyond the current stalemate, marked by continual examination and diffidence based on prejudice, and make the qualitative leap forward needed if the Association Agreement is to be fully implemented.

Viewed from this standpoint, the ESC's direct contribution to the social and political dialogue provided for in the Ankara Agreement, and repeatedly called for in Commission and Association Council documents, should be launched without further delay.

The Session decided, by 63 votes for, 6 against and 9 abstentions, to send this Information Report which was prepared by the Section for External Relations, Trade and Development Policy, with Mr John Carroll (Ireland - Workers) as Chairman and Mrs Giacomina Cassina (Italy - Workers) as Rapporteur, to the other Community Institutions.

II — Outside presence and influence of the ESC

Official visit by the Chairman and Vice-Chairman to Hungary on 6 and 7 July

On 6 July 1993, the ESC delegation attended a joint meeting at the Hungarian Parliament with representatives of three parliamentary committees (Social, Economic and EC Affairs). Meetings were also held with: members of the National Conciliation Council (Ministry of Labour); Dr János Martonyi, State Secretary, Ministry of Foreign Affairs; Dr Endre Juhász, State Secretary, Ministry of International Economic Relations; Dr Balzs Botos, Deputy State Secretary, Ministry of Finance; Dr László Herczog, Deputy State Secretary, Ministry of Labour and Dr László Surján, Minister of Welfare.

Activities of the Chairman, Secretary-General and Director-General

7 June 1993 - Brussels: Talks with Mr Willy Claes, Deputy Prime Minister and Minister for Foreign Affairs and Mr Robert Urbain, Minister for External Trade and European Affairs.

9 June 1993 - Mainz (Germany): second conference of Ministers of European Affairs of the 12 Member States on the Economic and Social Committee and the Committee of the Regions.

14 June 1993 - Brussels: opening of the Commerce 2000 conference.

22 June 1993 - Geneva: joint ESC/EFTA Consultative Committee meeting.

29 June 1993 - Brussels: meeting with Mihasi Zissu, Romanian Ambassador.

29 June 1993 - Brussels: meeting with a delegation from the German Medical Professions' Representation to the German Government.

30 June 1993 - Brussels: colloquium of the International European Movement on the enlarged European venture.

2 July 1993 - Luxembourg: meeting with Bernhard Friedmann, Vice-President of the Court of Auditors.

5 July 1993 - Munich: "Euro-Round" discussion organized by the Bavarian Minister of State for Federal and European Affairs.

5 July 1993 - Munich: talk on "The economy and Europe - the work of the Economic and Social Committee" to the Action Group on the Economy, Science and Politics and to the Economic Advisory Body of the CSU (Christian-Social Union).

6 July 1993 - Brussels: meeting with Dr Jingshuan Shi, Associate Professor and Deputy Dean of the Education Department, Beijing Normal University.

8 July 1993 - Brussels: meeting with Mr Egon Klepsch, European Parliament President, on cooperation between the ESC and the Parliament.

8 July 1993 - meeting with Commissioner Pádraig Flynn.

8 July 1993 - Brussels: discussions with the Saxony Minister for State for Social, Health and Family Affairs, Dr. Hans Geisler.

9 July 1993 - Brussels: meeting with Commissioner Raniero Vanni d'Archirafi.

9 July 1993 - Brussels: meeting with Dr Driss Khrouz, Professor of Economic Science at the Mohamed V University, Rabat.

14 July 1993 - Madrid: meeting with Jordi Pujol, Chairman of the Catalonia General Union and with Mr Molinas Bellido, Chairman of the National Labour Federation and Mr Maragall, Mayor of Barcelona.

16 July 1993 - Brussels: meeting with Dr Joseph M. Pirotta, Senior Lecturer and Course Coordinator in European Studies, European Documentation and Research Centre, University of Malta.

Other activities

1 June 1993 - Brussels: Section for the Protection of the Environment, Public Health and Consumer Affairs: Statement by David Noble, Commission Representative, DG XI, on the Communication from the Commission to the Council and the Parliament and the Economic and Social Committee entitled: Green Paper on remedying environmental damage.

2 June 1993 - Brussels: Section for Industry, Commerce, Crafts and Services: Statement by Claus Ehlermann, Director-General at Commission DG IV on the XXIInd Competition Policy Report. Bouke Beumer, Chairman of the EP Committee on Economic and Monetary Affairs and Industrial Policy briefed Section members on progress in the committee's work on telecommunications, including HDTV.

8 June 1993 - Brussels: Section for Economic, Financial and Monetary Affairs: Statement by J Thomsen, Secretary of State at the Ministry for

Economic Affairs and President of the ECOFIN Council, on the "monetary file"; statements by Mr Trichet, Chairman of the monetary committee, Mrs Christa Randzio-Plath, Chairwoman of the EP monetary sub-committee and Mr Giovanni Ravasio, Director-General at Commission DG II on "policies to be pursued during the transitional stage towards EMU".

9 June 1993 - Brussels: Section for Transport and Communications: Statement by Mr Kurt Lykstoft Larsen, Danish Under-Secretary of State for Transport, on the results of the Transport Ministers' meeting held on 7 and 8 June 1993, and discussion with Mr Günter Lüttge and Mr Giacomo Porrazzini, European Parliament rapporteurs on pan-European transport policy and the White Paper, respectively.

On 14 and 15 June 1993, the Section for Regional Development and Town and Country Planning met in Cardiff, Wales; the meeting was attended by Mr John Redwood, UK Secretary of State and by Mr McDonough, representative from the European Investment Bank, who outlined the EIB's role in regional development. On 14 June delegates met with representatives from Welsh socio-occupational organizations (IOD, TUC, CBI, NFU, Chambers of Commerce, etc.) and bodies participating in community programmes (Welsh Office, local authorities, development agencies, educational bodies and charity organizations). On 15 June the ESC delegation visited the regional office of the Welsh Development Agency (WDA) for a presentation by the Regional Director, Michael Shukman and his team, on the WDA's strategy for the industrial restructuring of the South Wales valleys. The delegation then visited Maerdy Colliery, a development zone, Rhondda Heritage Centre (former mine converted into a working museum and the focus of a heritage preservation scheme), Cardiff Bay Development Corporation and the Cardiff Docks Renovation area (including South Glamorgan Women's Workshop).

22 June 1993 - Brussels: A colloquium was organized on the Committee premises by the European Association for Student Professional Mobility (ANSE), Paris (France).

22 June 1993 - Geneva: Joint ESC/EFTA meeting.

23 June 1993 - Brussels: 17th annual ACP/EEC meeting - preparatory group.

27 and 28 June 1993 - Athens: Committee delegation attended the maritime industry forum organized by the European Commission.

7 July 1993 - Brussels: Section for Industry, Commerce, Crafts and Services: statement by Karel van Miert, Commissioner for competition policy, on telecommunications services and other topical issues.

III — Fact-finding visits

During the period under review the following fact-finding visits were made to the ESC:

- 1 June 1993 Research Centre for Export and Technology Management - University of Hohenheim, Stuttgart (Germany)
- 1 June 1993 Lycée St. Dominique (secondary school) St. Herblain (France)
- 2 June 1993 Ukraine Trade Union Delegation
- 8 June 1993 Delegation of Spanish civil servants (Law course organized by the EC Commission)
- 8 June 1993 Training department of the Bremen branch of the German Public Servants Union (Germany)
- 8 June 1993 Burgenland Workers' Association (Austria)
- 9 June 1993 Austrian Federation of Trade Unions
- 9 June 1993 MA-CONSULT (Directors of Danish Adult Education centres)
- 9 June 1993 PIM - Support group for training and development in the Integrated Mediterranean Programmes, Montpellier (France)
- 10 June 1993 Bavarian European Academy (Starnberg Youth Association) (Germany)
- 11 June 1993 KEY TO EUROPE (Lecturers from Leiden University) (Netherlands)
- 11 June 1993 Biggesee Political Academy (Germany)
- 11 June 1993 Metz Savings Bank (France)
- 14 June 1993 Staffordshire University, Stoke-on-Trent (UK)
- 14 June 1993 KEY TO EUROPE (Swedish lecturers)
- 15 June 1993 Bavarian information office (Group of Bavarian judges) (Germany)
- 15 June 1993 University of South Florida (US)
- 15 June 1993 FTF - Confederation of Danish Public Service Unions

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- 15 June 1993 Taipei Economic and Cultural Office
- 16 June 1993 Austrian Federation of Trade Unions
- 16 June 1993 Friedrich Ebert Foundation, Brussels (South American Trade Unionists - MERCOSUR)
- 16 June 1993 Heads of Economics Departments from Saxony-Anhalt (Germany)
- 16 June 1993 Young Mediterranean Diplomats
- 17 June 1993 Training and Further Training Centre of the Chambers of Agriculture, Trie-Château (France)
- 18 June 1993 Biggesee Political Academy (Germany)
- 18 June 1993 Voralberg Workers's Association (Austria)
- 18 June 1993 Federalism Study Centre, Brussels
- 21 June 1993 European Confederation of Agriculture, Brussels
- 21 June 1993 General Transport and Amenities Federation (FGTE), Maritime Union (CFDT) - "Young Sailors Association", Plouhinec (France)
- 22 June 1993 Bavarian Information Office (Group of Bavarian articulated clerks) (Germany)
- 22 June 1993 SOGEA, School of Crafts Organization and Management, Genoa (Italy)
- 22 June 1993 Mankato State University, Minnesota (US)
- 22 June 1993 LTSG - London Trainee Solicitors' Group - The Law Society, London (UK)
- 23 June 1993 Austrian Federation of Trade Unions
- 23 June 1993 Vaucluse ASFO (Training Association) (France)
- 24 June 1993 Greek Islands' Chambers of Commerce and Industry
- 25 June 1993 International Road Transport Union (Delegations from the trade associations of hauliers from Central and Eastern European Countries) (CEEC)
- 25 June 1993 Norwegian Confederation of Trade Unions - Oppland District Office
- 28 June 1993 Robert Schuman Institute of Journalism (Group of young German farmers), Brussels
- 29 June 1993 Journalists from Latin America

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- 30 June 1993 Jakob-Kaiser Foundation Cologne, Königswinter (Germany)
- 30 June 1993 DGB Federal Executive - German Trade Union Confederation, Düsseldorf (Germany)
- 2 July 1993 NSTF - Student Travel Foundation (University of Malta)
- 5 July 1993 KEY TO EUROPE (Dutch group)
- 6 July 1993 Greek General Labour Confederation
- 7 July 1993 European Bureau for Conservation and Development, Brussels
- 8 July 1993 The Diplomatic Academy of London, University of Westminster (UK)
- 8 July 1993 Galicia Foundation - Europa (Spain)
- 9 July 1993 Senior Officials from Local and Regional Authorities in Italy
- 9 July 1993 Bavarian Information Office (Augsburg Advisory Council for the Elderly) (Germany)
- 12 July 1993 ESC Nantes Atlantique Group (France)
- 13 July 1993 Europa-Union - Germany (North Rhine - Westphalia Women's Council)
- 15 July 1993 Strasbourg and Lower Rhine Chamber of Commerce and Industry (France)
- 16 July 1993 Wilde Sapte (English law students)
- 19 July 1993 Robert Schuman Institute of Journalism (Group of young German students), Brussels
- 22 July 1993 American Chamber of Commerce, Brussels

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