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** In his speech to the European Parliament on 10 February,
Mr Malfatti, President of the European Communities, gave
prominence to the course of action which the Commission
proposes to develop in 1971 under the heads of INDUSTRIAL
POLICY, SCIENCE POLICY AND ENERGY POLICY.

An extract of the relevant portion of Mr Malfatti's speech will be found in ANNEX 1.

** During a major debate on the COMMUNITY'S INDUSTRIAL POLICY on 10 February, following a report by Mr Springorum, the European Parliament heard a statement by Mr Spinelli, Member of the Commission of the European Communities with special responsibility for industrial and research affairs, on the Commission's intentions in this sector.

ANNEX 2 contains a brief summary of Mr Spinelli's speech.

The European Parliament approved a motion in which it "noted with approval the Commission's attempt to combine into a coherent industrial policy the various measures relating to industry in the European Treaties and also the effects on enterprises, in both the public and the private sector, of various general provisions of the Treaties".



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The information and articles published in this Bulletin concern European scientific cooperation. Hence they are not simply confined to reports on the decisions or views of the Commission of the European Communities, but cover the whole field of questions discussed in circles concerned in European cooperation in science and technology.



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- ** An oral question from Mr Hougardy, Belgian member of the European Parliament, on the COMMUNITY'S RESEARCH AND DEVELOPMENT POLICY, gave rise to a short debate in the European Parliament on 11 February. The various parliamentary groups expressed their marked satisfaction at the Commission's recent proposals to set up a single centre at which all questions concerning research and development in Europe would be thrashed out (see "Research and Northcharm" No. 75), and the President of the Council confirmed that these proposals are being studied by the Council's departments.
- ** ELECTRICITY CONSUMPTION IN THE COMMUNITY ROSE BY 7.9% IN 1970, reaching a total of 558,000 million kWh, and thus exceeding the rate of increase (7.2%) that produces a doubling of consumption in 10 years. The figures are taken from a survey conducted by the Statistical Office of the European Communities, a short summary of which is given in ANNEX 3.
- ** The Commission of the European Communities and the CNEN

 (Italian Nuclear Energy Committee) are arranging a SYMPOSIUM

 ON RADIOECOLOGY APPLIED TO THE PROTECTION OF MAN AND HIS

 ENVIRONMENT, to be held in Rome on 7-10 September 1971.

 The aim of the symposium is to consider how the recent information supplied by radioecology defined as the study of the relations between all aspects of nuclear energy and the environment can be utilized to protect man and his environment, with a view more especially to improving the organization and efficiency of radiation protection. It will also provide an opportunity of discussing how the principles and methods of radioecology can be applied to combat non-radioactive pollution.

Further information on the Symposium may be obtained from the Directorate for Health and Safety, Commission of the European Communities, 29 rue Aldringer, Luxembourg.

- ** A contract for the SUPPLY OF ENRICHED URANIUM for the
 770 MW nuclear power plant at present under construction
 at Brunsbüttel, in Germany, was concluded on 9 February 1971
 between the Euratom Supply Agency, the Kernkraftwerk
 Brunsbüttel GmbH (KKB), whose associates are the Hamburgische
 Electricitäts-Werke and the Nordwestdeutsche Kraftwerke, and
 the US Atomic Energy Commission (USAEC). Under this contract
 the USAEC undertakes to enrich supplies of uranium from the
 KKB as they are delivered up to 31 December 1990; for this
 purpose a total of 1,573,000 kg separative work units will
 be required between 1972 and 1990 for the first core and
 the make-up charges. The total cost of this separative
 work about US \$50 million will be correspondingly
 distributed over the 20-year period of the contract.
- ** It is estimated that there are 12 million handicapped people living in the six Community countries today. Adjusting them to social and occupational activity raises problems of preparation and training which are far from being fully solved. A European-scale effort would enable us to state these problems in fresh terms and to work out common aims. With this in view, the Commission of the European Communities is organizing a CONFERENCE ON THE RETRAINING AND PLACING OF HANDICAPPED PERSONS IN SUITABLE OCCUPATIONS (with reference to handicaps substained), to be held at Luxembourg on 24-26 May 1971.
- ** The Commission of the European Communities is to have a structural survey carried out on the Community's OPTICS

 AND PRECISION MECHANICS INDUSTRY; in addition to the present-day situation and conditions of competition, the survey will cover the industry's medium- and long-term prospects.

The Commission's Programme for 1971 in the Industry, Research and Energy Sectors

(extract from the speech delivered by Mr Malfatti, President of the Commission of the European Communities, to the European Parliament in Strasbourg on 10 February 1971)

Integration of productive structures and a better territorial distribution of investments are essential if progress towards monetary union and the harmonization of economic policies are to take place against a background of rapid, balanced growth.

It is necessary, first and foremost, to expedite and round off the programme for the abolition of technical obstacles to trade which has already been undertaken by the Commission.

Another fundamental component of a Community industrial policy is modern arrangements for <u>freedom to tender for public contracts</u>, which are still subject to substantial limitations and restrictions of a national character. We know how complex the matter is, and therefore look for realistic solutions which can make a practical contribution to the implementation of a common industrial policy.

Industrial policy cannot be regarded solely as an instrument for the maximum quantitative growth of industry. It should be dovetailed into a set of regional and social measures which reduce the cost of development, spread its benefits among all the inhabitants of the Community and ensure the defence of the natural environment.

This will show the links that exist between the industrial policy and the programme for protecting the Community environment.

On account of this, a study and research programme for identifying the causes and possible remedies for environmental difficulties will be a prominent part of our proposals for scientific research.

Furthermore, the Treaty provisions on the approximation of laws can, in certain specific cases, serve as a basis for harmonization of national measures.

But this kind of intervention a posteriori lacks effectiveness, since the individual States are under increasing pressure to prepare legislative measures against pollution, and sometimes to adopt them as a matter of urgency. Such measures must be adopted in a Community setting, to ensure that they do not distort competition or create fresh obstacles to trade. The Commission plans to submit proposals on these lines in 1971, perhaps making use of the possibilities opened by Article 235 of the Treaty.

It is certain that an industrial programme with such complex political implications should be made the subject of the widest possible political debate. The Commission therefore plans to convene in 1972 a major conference on "Industry and Society in the European Community", but to prepare for it this year. We propose to discuss the measures by which the Community could best link industrial growth to the requirements stemming from social and regional considerations and the need to improve the quality of life of our peoples.

This conference should provide the forum for a full confrontation of ideas among the Commission, governments, representatives of the trade associations, trade unions and qualified figures from the academic world.

* *

And that brings me on to the subject of research and technology.

The JRC, reorganized in accordance with the decisions taken by the Council last December, will have to pursue its activities with a wide margin of independence - within the framework of the general guidelines laid down by the Commission and the Council - as regards its own internal organization and the preparation and execution of research and teaching programmes.

The Commission is pushing ahead with the drafting of a <u>multiannual</u> research programme which will allow Euratom to emerge from its inactivity of recent years and should enable it to carry out research in both nuclear and non-nuclear fields.

The decisions of December 1970 are certainly an initial success, but it would be an error to ignore the fact that they are merely a modest stop towards the adoption of a genuine common policy for scientific and technical research. Achievement of such a common policy is contingent on three developments.

First and foremost, the Community's research effort will have to be extended to embrace the non-nuclear fields, including problems which are fundamental and of joint interest, such as those of pollution and public transport. Furthermore, the Community's scientific and technical research will have to be linked to industrial policy. Finally, the Community will have to provide itself with effective instruments for devising and administering a common scientific and technical research policy.

Last November the Commission submitted to the Council - and informed this House of the fact - a preliminary memorandum containing indications on these lines. In the next few months it will embody this guidance in concrete proposals.

The Community's undertaking to provide itself with the necessary means for action in this field is not aimed at an inward-looking system or technological autarchy, but is the essential condition for extensive, open international collaboration.

* *

The overriding need for common positions on energy at Community level has been very much felt in recent weeks.

This is inducing the Commission to continue with its work on preparing ways and means and making a start with the measures set out in the outline programme of 13 November 1969.

This year the Commission will seek - having regard to the medium-term supply situation in particular - to push shead, even more than in the past, its work on the security of supplies. The importance and urgent need for a common policy is clear, both for the safeguarding of stocks and in connection with the general pattern of the Community's supplies of oil and natural gas.

Furthermore, the Commission will apply itself to ensuring that its proposals for various facets of energy policy new before the Council can be approved this year.

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Development of the Community's Industrial Policy

(Summary of a statement made by Mr Spinelli, Member of the Commission of the European Communities with special responsibility for industrial and research affairs, before the European Parliament in Strasbourg on 10 February 1971)

The whole question of the Community's development makes it necessary to set its industrial policy in the context of a general economic policy. Thus it has to fit in with a consistent political vision.

To promote the industrial policy, the Commission bases its action on three fundamental principles:

- 1. The first task is to secure progressive elimination of the obstacles that still hamper the development of European enterprises. In particular, we have to ensure free movement of capital, harmonize the legal and fiscal regulations affecting industry, etc. It is urgently necessary to speed up the implementation of the measures aimed at removing technical barriers to trade, which seriously impede the proper functioning of the common market. Similarly, we must open up the way for public tendering, step by step admittedly, but completely.
- 2. The Community, being a major commercial power, cannot be happy with any form of protectionism and must brace itself against the present wave which is threatening to crush world trade. The difficulties that Community industry sometimes encounters in dealings with external firms are caused by the weaknesses of our economic system and political structures. Europe will only overcome these difficulties by increasing its unity in depth.

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3. Industrial development has to take the needs of society as a whole into account. Hence the Community's industrial policy would have no chance of success, and the process of economic unification would be completely arrested, if this policy did not fit into a harmonious pattern of measures and projects under its social and regional policies. The Commission's intention is to give absolute priority to this aspect in presenting its proposals, with due allowance for the fact that the industrially backward regions are frequently the ones from which the labour drain is the greatest.

The major conference which the Commission proposes to arrange in early 1972 on "Industry and Society in the European Community" will provide a forum for a truly open debate on the whole subject.

It is certain, however, that in many fields, e.g., the struggle to protect the environment, the harmonizing of laws will certainly not provide an efficient means of tackling the problems involved; the Community will probably need direct legislative powers to integrate and adapt the powers of the Member-State governments. The Commission, for its own part, is determined to explore all the opportunities offered by the Treaties, and even to try to go beyond them where necessary, in order to find practical solutions to the many problems raised by the development and implementing of a real Community policy for industry.

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Electricity in the Community in 1970

(from a survey by the Statistics Office of the European Communities)

Although the Community continued to enjoy prosperous economic conditions in 1970, the expansion of economic activity was not so marked as in 1969. Even so, electricity requirements again displayed a high growth rate, namely, 7.9%, which is consistent with the ten-year doubling rate. Net consumption (including losses) amounted to 558,000 million kWh.

In France, the demand for electric power expanded steadily and satisfactorily throughout the year, whereas in Germany a distinct slackening tendency was noted. In Italy, the healthy recovery of industrial production during the second half of the year only partly made up for the low power consumption in the first six months, due to social strife. In Belgium, the falling-off in the rate of growth of demand matched the corresponding trend in industrial output. In the Netherlands, the steady growth of electricity consumption at a very high rate continues to reflect the development of its industry and the structural changes that have taken place there in the last few years.

As regards the output of the Community power plants, their growth (+ 7.1%) was less than that of the electricity demand, much larger quantities having been imported, notably from Switzerland and Austria.

The hydroelectric power plants enjoyed better water conditions than usual and, in spite of their low constructional growth rate, were able to increase their output by 5.8%. Meanwhile

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nuclear power plants, steadily increasing their share of the market, raised their output by nearly 30%, thus stepping up their cut of total output to 2.6%. This increase from the two sources, hydroelectric and nuclear, had the effect of pegging the conventional power plants' contribution to the total output at the same level as in 1969 and, consequently, of limiting the additional fuel consumption to only 6%, a considerably lower rate than in previous years. From the initial data received it is seen that hydrocarbons not only covered the whole of this increase but even partly replaced coal.

Net electricity consumption (including losses):

in kWh $\times 10^9$

	COMMUNITY	Germany	France	Italy	Netherlands	Belgium	Luxembourg
Year 1960 1969 1970	272.2 517.9 558.5	114.2 215.0 232.4	72.0 130.7 140.0	54.7 107.6 115.6	15.8 34.9 38.7	14.2 27.3 29.3	1.40 2.40 2.52
Change 1970/69 Ratio 1970/60	+7.9% 2.1	+8.1% 2.0	+7.1% 1.9	+7.4% 2.1	+10.8% 2.4	↑7.4% 2.1	+5.3% 1.8

Total net output

in kWh x 10^9

	COMMUNITY	Germany	France	Italy	Netherlands	Belgium	Luxembourg
Year 1969 1 970		211.0 22 6. 7	131 . 5 140 . 7	106.3 113.0	35.2 39.0	27 . 7 29 . 0	2,12 2 . 07
Change 1970/69	+7.1%	+7.4%	+7.0%	+6.2%	+10.6%	+4.7%	-2.3%