BULLETIN

9

ECONOMIC AND S O C I A L C O M M I T T E E



FACTS AND FIGURES - 1994/1996

THE ECONOMIC AND SOCIAL COMMITTEE OF THE EUROPEAN COMMUNITIES

Chair

President:

Carlos FERRER (Spain - Employers)

Vice-Presidents:

Bent NIELSEN (Denmark -Workers)

André LAUR

(France - Various Interests)

Secretary-General:

Simon-Pierre NOTHOMB

(Belgium)

Origins

The Committee was established by the 1957 Rome Treaties in order to involve the various economic and social interest groups in the establishment of the common market and to provide the institutional machinery for briefing the Commission and the Council on all matters relating to the Community.

The Single European Act (1986) and the Maastricht Treaty (1992) reinforced the ESC's role.

Membership

The Committee has 222 members (195 men, 27 women) representing economic and social interest groups in Europe. Members are nominated by national governments and appointed by the Council of the European Union for a renewable 4-year term of office. They belong to one of three Groups: Employers (Group I - President: Manuel Eugénio CAVALEIRO BRANDÃO - Portugal), Workers (Group II - President: Tom JENKINS - United Kingdom), Various Interests (Group III - President: Beatrice RANGONI MACHIAVELLI - Italy). Germany, France, Italy and the United Kingdom have 24 members each, Spain has 21, Belgium, Greece, the Netherlands, Portugal, Austria and Sweden 12, Denmark, Ireland and Finland 9 and Luxembourg 6.

The Members' Mandate

The ESC members' main task is to issue Opinions on matters referred to the Committee by the Commission and the Council.

It should be noted that the ESC is the only body of its type which advises the EU Council of Ministers directly.

Advisory Role

Consultation of the Committee by the Commission or the Council is mandatory in certain cases; in others it is optional. The Committee may, however, also adopt Opinions on its own initiative. Both the Single Act (17.2.86) and the Maastricht Treaty (7.2.92) extended the range of issues which must be referred to the Committee, in particular the new policies (regional and environment policy). On average the ESC delivers 180 Opinions a year (of which 10% are Own-initiative Opinions). All Opinions are forwarded to the Community's decision-making bodies and then published in the EC's Official Journal.

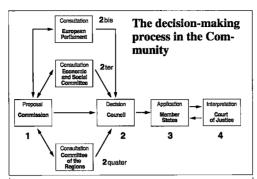
Information and Integration Role

Over the last few years the ESC has stepped up its role in the European Union and has transcended the straightforward duties flowing from the Treaties. Providing a forum for the Single Market, the ESC has, in conjunction with other Community Institutions, organized a number of events designed to improve links between the general public in Europe and the European Institutions.

Internal organization

1. Presidency and Bureau

Every two years the Committee elects a Bureau made up of 36 members (12 per Group), and a President and two Vice-Presidents chosen from each of the three Groups in rotation.



The President is responsible for the orderly conduct of the Committee's business. He is assisted in the discharge of his duties by the Vice-Presidents who deputize for him in the event of his absence.

The President represents the Committee in relations with outside bodies.

Joint briefs: relations with EFTA, CEEC, AMU, ACP countries, Latin America and other third countries fall within the remit of the Committee Bureau and President.

The Bureau's main task is to organize and coordinate the work of the Committee's various bodies and to lay down the political guidelines for this work.

2. Sections

The Committee has nine Sections:

Economic, Financial and Monetary Questions - secretariat tel. 546.94.71

(President: Jean Pardon - Group I - Belgium)

 External Relations, Trade and Development Policy secretariat tel. 546.93.16 (President: Roger Briesch - Group II - France)

 Social, Family, Educational and Cultural Affairs secretariat tel. 546.93.02
 (President: John F. Carroll - Group II - Ireland)

Protection of the Environment, Public Health and

secretariat tel. 546.92.27

(President: Manuel Ataíde Ferreira - Group III - Portugal)

- Agriculture and Fisheries secretariat tel. 546.93.96
 (President: Pere Margalef Masià - Group III - Spain)
- Regional Development and Town and Country Planning secretariat tel. 546.92.57
 (President: Robert Moreland - Group III - United Kingdom)
- Industry, Commerce, Crafts and Services secretariat tel. 546.93.85
 (President: Liam Connellan - Group I - Ireland)
- Transport and Communications secretariat tel. 546.93.53

(President: René Bleser - Group II - Luxembourg)

 Energy, Nuclear Questions and Research secretariat tel. 546.97.94
 (President: José Ignacio Gafo Fernández - Group I - Spain)

3. Study Groups

Section Opinions are drafted by Study Groups comprising an average of 12 members, including a Rapporteur, who may be **assisted** by experts (usually four with a maximum of six).

4. Sub-Committees

Where appropriate, the Committee can set up a temporary sub-committee, which operates on the same lines as Sections.

5. Plenary Session

The Committee meets in Plenary Session as a rule ten times a year. At the Plenary Sessions, Opinions are adopted on the basis of Section Opinions by a simple majority. They are forwarded to the institutions and published in the Official Journal of the European Communities.

6. Relations with economic and social councils

The ESC maintains regular links with regional and national economic and social councils throughout the European Union. These links mainly involve exchanges of information and joint discussions every year on specific issues.

Moreover, the ESC maintains similar contacts worldwide with other economic and social councils in the "International Meetings" held every two years.

7. Relations with economic and social interest groups in third countries

The Committee has links with economic and social interest groups in a number of non-member countries and groups of countries, including Mediterranean countries, the ACP countries, Central and Eastern Europe, Latin America and EFTA. For this purpose the Committee sets up 15-30 man delegations headed by the President. For links with the countries of Central and Eastern Europe, some meetings will be institutionalized under the European Agreements.

Meetings

The average number of meetings held each year is as follows:

Plenary Sessions	10
Sections	70
Study Groups	350
Group meetings	85
Meetings of sub-groups recognized	
by the three Groups	160
Miscellaneous	370
Visitors' groups (approx. 8,000 visitors)	200
TOTAL	1,245

Publications

The ESC regularly distributes a number of publications free of charge (Order in writing by mail or fax - 546.98.22) inter alia its main Opinions in brochure format and a monthly newsletter.

Secretariat-General

The Committee is serviced by a Secretariat-General, headed by a Secretary-General, reporting to the Chairman representing the Bureau.

The number of officials (including temporary and auxiliary staff) is as follows:

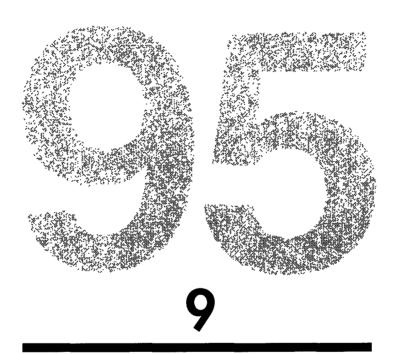
Category A (Administrators) 59 (48 men, 11 women)
Category B
(administrative assistants) 65 (25 men, 40 women)
Category C (secretarial
and clerical staff) 237 (59 men, 178 women)
Category D
(skilled employees) 48 (36 men, 12 women)
Language Service 121 (67 men, 54 women)

Total: 530 (235 men, 295 women), more than a third of whom are involved in language work, given the need to operate in the Community's 11 official languages. However, as of 1 January 1995, the Economic and Social Committee and the Committee of the Regions will share a common core of services, drawing the bulk of their manpower from the ESC's secretariat.

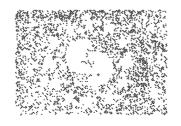
1995 Budget

The 1995 Budget appropriations total ECU 83,900,000, of which ECU 57,800,000 have been earmarked for the joint services which the ESC shares with the Committee of the Regions.

BULLETIN



ECONOMIC AND S O C I A L C O M M I T T E E



CES

This Bulletin reports on the activities of the Economic and Social Committee, a consultative body of the European Communities. It is published by the ESC's General Secretariat (2, rue Ravenstein, B-1000 Brussels) in the official Community languages (10 editions per annum)

ECONOMIC AND SOCIAL COMMITTEE

Directorate for Communications
Division for Relations with Economic and Social Councils
and socio-economic groups

2, rue Ravenstein, B-1000 Brussels

Tel.: 546 90 11 Telegram: ECOSEUR Fax: 546 98 22 Telex: 25 983 CESEUR

Catalogue number: ESC-95-018-EN

Brussels: General Secretariat of the Economic and Social Committee, 1995

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged.

Printed in Belgium

CONTENTS

I.	330th PLENARY SESSION HELD ON 22 AND 23 NOVEMBER 1995	. 1
1.	Industrial policy	. 1
2.	Trans-European telecommunications networks	. 6
3.	Roadworthiness test	. 7
4.	Air statistics	. 8
5.	Safety, hygiene and health at work	. 9
6.	Social security - Amendments to Regulations 1408/71 and 574/72	11
7.	Conservation of fishery resources/Fishing rights (Own-initiative Opinion)	12
8.	Fourth Action Programme on Equal Opportunities for Women and Men	13
9.	Commission legislative programme for transport/Common transport policy (Own-initiative Opinion) (adopted unanimously)	15
10.	Mobile and personal communications	17
11.	Opening up the telecommunications market	18
12.	Internal Market and Consumer Protection (Own-initiative Opinion)	-19
13.	Internal market observatory - 2nd Report on the internal market	21
14.	XXIVth Report on Competition Policy	24
15.	The 1996 IGC and the role of the ESC (Own-initiative Opinion)	28
16.	Baltic Sea fishing/Monitoring measures	. 30
17.	Common market organization - Rice	. 30
18.	Inland waterways/Supporting measures	. 32
19.	Aid for combined transport	. 34

20.	Shipbuilding aid	35
II.	FUTURE WORK	36
III.	PRESENCE AND INFLUENCE OF THE ECONOMIC AND SOCIAL COMMITTEE	39
IV.	APPOINTMENTS - RESIGNATIONS	40
v.	INFORMATION VISITS	40

The complete texts of the Opinions summarized in this brochure can be obtained either in the Official Journal of the European Communities, Office for Official Publications, 2, rue Mercier, L-2985 Luxembourg, or directly from the ESC Division for Relations with Economic and Social Councils and socio-economic groups (Fax: +32.2.546.98.22)

I. 330th PLENARY SESSION HELD ON 22 AND 23 NOVEMBER 1995

The 330th Plenary Session of the Economic and Social Committee was held in Brussels on 22 and 23 November 1995, with Mr Carlos FERRER in the chair.

The following Opinions were adopted:

1. INDUSTRIAL POLICY

Opinion of the Economic and Social Committee on the Communications from the Commission to the Council, to the European Parliament, Economic and Social Committee and the Committee of the Regions: An industrial competitiveness policy for the European Union (COM(94) 319 final); Action programme and timetable for implementation of the action announced in the Communication on an industrial competitiveness policy for the European Union (COM(95) 87 final - 95/0081 CNS)

(CES 1296/95 - 95/0081 CNS)

Rapporteur: Mr Jens Peter PETERSEN (Germany - Employers)

Gist of the Commission document

Communication (COM(94) 319 final)

The Treaty on European Union calls on the Community and the Member States, acting in line with the subsidiarity principle, to ensure that the conditions necessary for the competitiveness of the Community's industry exist.

To support this national action, the Community will generally help to achieve this objective of improving competitiveness by taking horizontal measures under a series of common policies (on research, cohesion, vocational training, networks and foreign trade), implemented by qualified majority vote in most cases, and by implementing the competition policy. The Council may also, ruling unanimously on a proposal from the Commission, "decide specific measures destined to support actions taken by Member States in order to attain stated objectives", according to Article 130, paragraph 1 of the EU Treaty.

Accordingly, a policy for industrial competitiveness has a coherent legal basis in Title XIII (Industry) of the Treaty on European Union, Title XV (Article 130f et seq.) on research and technological development, Title VIII (Article 123) on social policy and industrial changes, Title XIV on economic and social cohesion (Articles 130a and 130b) and Title XII on trans-European networks.

In the Commission's view the preconditions for a competitive Community industry should be created vigorously and dynamically so that, in particular, new jobs are generated in Europe.

The Commission Communication, An industrial competitiveness policy for the European Union, is based on the principles set out in the 1990 Communication, Industrial policy in an open and competitive environment¹.

Furthermore, the Commission's White Paper on Growth, Competitiveness, Employment², endorsed by the European Council as the benchmark for the action taken by the European Union and its Member States, advocated an approach to industrial development aiming at global competitiveness. The objective of this approach is to bolster the Union's position on the markets of the future generating jobs and value added.

ESC Opinion of 27 November 1991 OJ No. C 40 of 17 February 1992

ESC Opinions of 1 June 1994
 CES 750/94, CES 751/94 and CES 752/94 (not yet published)

The Commission considers that in recent years European industry has improved its competitiveness considerably, both in commercial terms and in areas such as companies research effort and financial structure. But now, at a time when it is making an unprecedented effort to restructure and innovate, it is facing:

- mounting international competition;
- far-reaching changes in the conditions for industrial competition, particularly under the impact of the emergence of the information society and of the uncertainties concerning the environment in which it will develop;
- the need for industrial change in the less developed regions;
- the inadequacy of the major European networks (telecommunications, energy, transport, etc.) for reaping maximum benefit from the large market, which is certainly more integrated but is still highly diverse and is not yet operating satisfactorily;
- combinations of technological innovations (information technology, biotechnology, new materials, etc.) which have led to intangible investment (in research, patents, training, etc.) growing faster than capital investment.

Against this background the Commission Communication looks at the following four key areas:

- promotion of intangible investment;
- development of industrial cooperation;
- strengthening competition;
- modernization of the role of the public authorities in industry.

The Commission has identified the action to be taken on these priorities and intends to proceed immediately with the measures for which it is directly responsible. It starts from the assumption, however, that it is primarily up to businesses to ensure that they are competitive on the market. It is the role of the public authorities in turn to ensure the consistency of all the measures which could enhance industrial efficiency.

Action programme (COM(95) 87 final)

In March 1995 the Commission presented its proposed action programme for implementation of an industrial competitiveness policy for the European Union in response to the Council's request to the Commission, set out in its resolution of 8 November 1994³, "to submit to it ... a schedule for the drafting of appropriate proposals formalizing the initiatives announced by the Commission in its Communication dated 14 September 1994, on 'An industrial competitiveness policy for the European Union' in the areas of intangible investments, industrial cooperation, competition and modernization of the role of public authorities".

This most recent Communication comprises priorities for action and a draft Council Decision on implementation of a Communication action programme.

The Commission's starting point is that the following four objectives are particularly important in industrial competitiveness policy:

- development of the internal market;
- the need to take industry's requirements more effectively into account in research policy;

OJ No. C 343 of 6 December 1994, p. 1 et seq.

- establishment of the information society;
- promotion of industrial cooperation.

There are two Annexes to the Commission's Communication, Annex 2 being the crucial one. It sets out a concrete timetable and the individual measures to be taken, as already listed in the aforementioned 1994 Communication on this subject and highlights four objectives: promotion of intangible investment, development of industrial cooperation, fair competition and modernization of the role of the public authorities.

At its meeting on 7 April 1995 the Council considered the Commission's proposed measures and priorities. In the conclusions on industrial policy set out at the end of the meeting the Council called for an intermediate report to be drawn up in 1996 which should also include proposals for further action.

Gist of the Opinion

Introduction

The Committee supports the Commission's plan for a policy setting clear and predictable conditions for the optimum allocation of resources via the market, accelerating the process of structural adaptation and boosting the competitiveness of European firms. The public authorities play the role of catalyst and pathbreaker for innovation, and firms can expect them to provide not only clear and predictable conditions but also the right prospects for their activities. The main responsibility for industrial competitiveness lies however with firms themselves. The Committee feels that Article 130 of the EC Treaty provides a coherent legal basis for a horizontal Community industrial competitiveness policy.

The competitiveness of European industry

The macroeconomic variables used by the Commission in its empirical analysis show that the position of European firms in the context of the international division of labour is clearly inferior to that of major competitors. The Committee regrets that the Commission has paid insufficient attention in its analysis to the time factor (shorter production cycles).

The Commission is right to point out that macroeconomic data cannot reflect certain fundamental elements underlying competitiveness: the microeconomic dimension, the enterprise spirit, high quality of the labour force, individual effort.

The Committee therefore supported the strategic line of the White Paper on Growth, Competitiveness and Employment, which identifies a technology-intensive, highly productive and profitable industry as the backbone of a European economic development model.

The Community's priorities for industrial policy action

In its Opinion the Committee concentrates on the Commission's industrial policy action programme of March 1995. The Committee feels however that the priorities break down into too many individual measures and that existing policy areas are dispersed. It is also unclear how the roles are to be allocated between firms and the state and between the Community and its Member States. There is also a lack of clarity over the allocation of objectives and measures if the industrial policy Communication is compared with the action programme - (COM(95) 87 final).

The Committee supports the (two-year?) priorities for action put forward in the Commission's action programme: development of the internal market, better taking industry's needs into account in research policy, establishment of the information society and promotion of industrial cooperation. It is surprising however that other, no less important priorities are mentioned only in passing or are indeed entirely omitted.

The Commission has submitted an action programme with objectives and programmed measures and an indicative timetable for the implementation of the industrial competitiveness policy. As in its industrial policy communication of September 1994, the Commission here sets out the following four priorities for action, reflecting the need for technological change and guiding the future approach to industry policy:

Promotion of intangible investment

The Committee regrets however that the proposed individual measures for education show no evidence of an overall plan. Only if education and employment systems are better coordinated than in the past can labour-market tensions and problems be alleviated. More weight must be given to further vocational education.

The Committee regrets however that whilst the Commission specifically advocates modernization of the forms of labour organization, it does not propose concrete measures.

The Commission's intention of laying down a suitable framework for promoting the development of environment-friendly technologies and ensuring their rapid dissemination is to be welcomed.

Promotion of industrial cooperation

As the Commission rightly points out, the European Union is not responsible for setting up industrial cooperation schemes. The EU must nevertheless endeavour to promote such schemes, inter alia by establishing discussion rounds in the industry. The Committee regrets that the Commission says nothing about the composition of these discussion rounds.

The Committee unreservedly shares the Commission's view that there are still no suitable legal instruments for cross-border organization and cooperation for EU firms. It is now time to offer firms European legal vehicles. The European Company proposals are particularly relevant here.

The Committee supports the initiatives listed concerning closer cooperation with the associated Central European states and the independent republics of the former Soviet Union.

Guarantee of fair competition

The Commission's intention of seeking multilateral competition rules and effective control mechanisms aimed at achieving greater openness of foreign markets deserves support. The Committee fears, however, that plans such as competition rules with binding arbitration procedures are at present unrealistic. The Commission should, as a first step, improve cooperation between the existing competition authorities of the main trading partners in order to achieve convergence of administrative practice.

With regard to the internal market, the Committee regrets that in the field of competition policy the Commission has concentrated purely on subsidies. Here it is doing insufficient justice to the role of competition policy as one of the pillars of European industrial policy. The Committee feels that EU competition policy has not kept pace with the internationalization of business activity. With the exception of merger control, the Community's procedures in matters of competition date from the early 1960s and were designed for six Member States.

The Committee unreservedly welcomes the Commission's announcement that it will reconsider its policy on monitoring national subsidies. The results of the Commission's most recent report on subsidies confirm the Committee's fears, that during the reporting period (1990/1992), differences between the Member States widened relatively, to the detriment of the Member States in the process of "catching up" (Greece, Ireland, Portugal and Spain). The Commission must do more to document and assess the distortions of competition caused by national subsidies. (Publicly accessible register proposed).

Modernization of the role of the public authorities

The Committee welcomes the Commission's initiative to redefine the responsibilities of the public authorities. This will include the further, targeted development of the instruments with which the state carries out its many

policy tasks. Anyone expecting the Commission to put forward concrete proposals in the action programme will be disappointed. However, the Committee also regrets that in its action programme the Commission deals only sporadically with macroeconomic conditions. In its relevant Opinions the Committee has repeatedly stressed the importance of stable and foreseeable macroeconomic conditions for the strengthening of industrial competitiveness.

Other areas for joint state action are the promotion of socially significant growth sectors of the kind referred to by the Commission in its strategic objectives. The Committee feels that the Community and its Member States have considerable scope for action in these growth areas, in particular the whole area of infrastructure (transport, energy, environment). There is further scope for action in the setting of legal, public order, regulatory and political conditions. The Committee feels that government should make specifically targeted use of its scope for action, creating conditions conducive to the release of innovative energies. Wherever possible and appropriate, the commitment of the private sector can be exploited to smooth the way.

For the Commission the continuation of the process of deregulation is an integral part of its action programme. The Committee feels that too many unduly complicated provisions, guided too little by economic criteria, risk restricting firms' ability to act, weaken the market's self-regulatory forces and threaten corporate flexibility, especially in the small/medium business sector. At the same time the Committee stressed that the flexibility which firms needed to have should not jeopardize workers' social protection. In relation to the report on legislative and administrative simplification submitted by an independent group of experts, the Committee supports the proposal that all new draft laws should indicate the expected positive or negative impact on employment and competitiveness, costs and innovation.

The Commission intends to support and accelerate industrial change with the help of structural policy financial instruments, in particular via improvements in the new programmes for Community initiatives, forming partnerships between large firms and SMEs and setting up networks and clusters. The Committee appreciates these plans but points out that official influence going beyond this catalytic function would be out of place. Government should encourage the various parties and the industrial operators to come together in a dialogue.

The Committee feels that further expansion of the objectives of the Structural Funds should not be allowed to place an excessive burden on the system. The Commission should therefore constantly review its list of measures qualifying for support (timely evaluation) and set more priorities. The Committee also feels that the individual Funds should be more closely coordinated than in the past.

Timetable for the action programme

The Committee regrets that the Commission's timetable for its numerous initiatives is incomplete. Above all, in relation to certain important actions to strengthen industrial competitiveness, there appears to be no plan as to the steps to be taken or the timetable. The Committee hopes that the report on the progress of the industrial policy measures, and possible adjustments, to the action programme, which the Council asked be drawn up for 1996, will be used by the Commission to fill gaps.

Coordination of industrial policy activities

The Committee shares the Commission's concern that the public decision-making centres shaping industrial activity are growing in number and exercising their powers without any real overview or constant coordination and reminds the Commission that Article 130(2) of the EC Treaty stipulates that the Member States shall consult each other in liaison with the Commission and, where necessary, shall coordinate their action.

The Committee feels that the Commission's coordinating task covers two main areas: first, coordination of national industrial policies with each other and with Community-level industrial policy initiatives; secondly, closer coordination of the numerous industrial policy activities between the Commission's departments. The Committee considers the first of these two areas to be imperative. The Council should therefore adopt the proposal for a Decision submitted by the Commission on implementation of a Community action programme to strengthen the competitiveness of European industry. The priorities should be implemented without delay by the Commission and the Member States.

The Committee feels that social dialogue is an important component of the competitiveness of European industry. Although the Committee fully supports the ongoing dialogue between government and the various groups, it is concerned at the number of advisory bodies and the speed with which they are multiplying. The Committee urges that in setting up such bodies more attention be paid than hitherto to transparent selection criteria and the professional competence of their members; due consideration should be given to the social groups here (e.g. employers' and workers' representatives). Finally, the Commission should also make the results of these bodies' discussions public and ensure that there is an appropriate follow-up.

2. TRANS-EUROPEAN TELECOMMUNICATIONS NETWORKS

Opinion of the Economic and Social Committee on Towards the information society: Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on a methodology for the implementation of information society applications; Proposal for a European Parliament and Council Decision on a series of guidelines for trans-European telecommunications networks (COM(95) 224 final - 95/0124 COD)

(CES 1297/95 - 95/0124 COD)

Rapporteur: Graf Alexander-Michael von SCHWERIN (Germany - Workers)

Gist of the Commission document

The document sets out an approach and measures to stimulate the development of the Information Society in Europe; it is composed of two parts:

Part I Commission Communication on a Methodology for the implementation of information society applications

In response to a request by the Council of Industry and Communications Ministers on 28 September 1994, the Commission describes how the Community can make the most efficient use of its resources to stimulate the deployment of Information Society applications.

Part II Proposal for a European Parliament and Council Decision on a series of guidelines for trans-European telecommunications networks

The draft decision contains a series of guidelines covering the objectives, priorities and broad lines of measures envisaged for trans-European networks, in application of Article 129c of the Treaty of the European Union.

These guidelines identify projects of common interest in relation to the three layers which form the model for trans-European telecommunications networks: applications, generic services and basic networks. It also establishes a procedure for identifying specific projects in these areas and defines the project selection criteria. Since the specific nature of the sector makes it impossible to define specific projects a priori (unlike the situation in the transport sector for example), these projects must be identified via a demand-oriented approach involving calls for proposals in given areas.

Gist of the Opinion

The Committee basically endorses the Commission proposal for a European Parliament and Council Decision, although it has a number of comments to make.

The Committee thinks that the proposed projects should attach special importance to social, cultural, educational and environmental issues. In these areas in particular a universal network serving as many of Europe's citizens as possible is important and would, in the Committee's view, be a step in the right direction. Emphasis should

be placed in this connection on the creation of intelligent infrastructure but also on the full protection of the data transferred.

With special regard to the liberalization of the telecommunications sector and the associated commercialization of R&D programmes, too, the Committee thinks that the projects should be continuously vetted by the Commission to see whether overall European-wide economic considerations are brought to bear within the framework of a modern, active and forward-looking industrial policy. The Committee thinks that an annual report would be desirable.

The Committee feels that the trans-European networks mark a further step towards the social and economic modernization of Europe. They are of particular importance for the further improvement of living and working conditions, the satisfaction of consumer interests, future developments with regard to production and jobs and the further safeguarding and strengthening of European firms' capacity to innovate. In this context, it will not be possible to find the requisite funds for investment unless:

- European firms form strong alliances which can operate on the world market as global players and
- the principle of reciprocity is applied in world trade.

3. ROADWORTHINESS TEST

Opinion of the Economic and Social Committee on the Proposal for a Council Directive on the approximation of the laws of the Member States relating to roadworthiness tests for motor vehicles and their trailers

(COM(95) 415 final - 95/0226)

(CES 1298/95 - 95/0226)

Rapporteur working alone: Mr Roy DONOVAN (Ireland - Employers)

Gist of the Commission document

Council Directive 77/143/EEC⁴, as last amended by Commission Directive 94/23/EEC⁵, covers roadworthiness tests for motor vehicles and their trailers. It lays down the intervals at which the tests must be carried out and lists the points that have to be checked.

The installation in certain categories of vehicles, and use in the Community, of speed limitation devices was made mandatory by Council Directive 92/6/EEC⁶.

The purpose of this proposal is to amend Directive 77/143/EEC:

- to include the effective and regular testing of speed limitation devices installed on certain categories of heavy goods vehicles and buses;
- to clarify the situation with regard to the vehicles of historical interest;
- to deal with category 4 vehicles (taxis and ambulances) differently.

OJ No. L 47 of 18.2.1977, p. 47.

⁵ OJ No. L 147, 14.6.1994, p. 6.

⁶ OJ No. L 57, 2.3.1992, p. 27.

At the same time, the proposal will allow Directive 77/143/EEC, which has undergone successive amendments, to be replaced with a single, consolidated text.

Gist of the Opinion

The Committee welcomes the Commission proposal for consolidating, in the interest of clarity, the various Directives relating to roadworthiness tests for motor vehicles and their trailers.

It is also supportive of the further amendments and in particular the proposal for the testing of speed-limitation devices in all vehicles fitted with a tachograph. This latter provision should greatly enhance safety on EU roads.

4. AIR STATISTICS

Opinion of the Economic and Social Committee on the Draft Council Regulation (EC) on Statistical Returns in respect of Carriage of Passengers, Freight and Mail by Air (COM(95) 353 final - 95/0232)

(CES 1299/95 - 95/0232)

Rapporteur working alone: Mr Robert J. MORELAND (United Kingdom - Various Interests)

Gist of the Commission proposal

The White Paper on the completion of the single market pointed out that the justification for future initiatives and measures for assessing the functions of the market for transport services depended on the availability of relevant information.

As regards the particular case of aviation, the Member States and the Commission have, since 1992, acquired a number of responsibilities concerning the execution of the third liberalisation package.

These new responsibilities, together with the strong growth rate in air traffic in Europe, the growing importance of inter-modality and the planned development of a trans-European network which includes aviation, have all heightened the need for reliable Community statistics.

The statistical information currently available in the Member States is incomplete and what does exist is often not comparable from one country to another due to different national practices, despite the efforts of the ICAO and ECAC over many years to encourage the use of standard definitions.

So, the aim of the proposed regulation is the production of harmonised statistics on the transport of passengers, freight and mail by air comparable to those for other modes of transport. These statistics are necessary for the development, monitoring, control and evaluation of Community air transport policy.

Gist of the Opinion

In the light of the need for better and consistent information on air transport, the Committee welcomes the Commission proposal. It does, however, draw attention to the need for appropriate funding and for ready access to be provided to the data collected.

The Committee welcomes the Commission's intention to avoid burdening airports and airlines with extra cost. In this context it considers that air-taxi services should be excluded from the current definition of non-scheduled services.

The Committee asks that the European Parliament and itself be provided with a copy of the report proposed in Article 8.

5. SAFETY, HYGIENE AND HEALTH AT WORK

Opinion of the Economic and Social Committee on the Communication from the Commission on a Community programme concerning safety, hygiene and health at work (1996-2000) and a Proposal for a Council Decision adopting a programme of non-legislative measures to improve health and safety at work

(COM(95) 282 final - 95/0155 CNS)

(CES 1300/95 - 95/0155 CNS)

Rapporteur: Mr Richard PICKERING (United Kingdom - Workers)

Gist of the Commission Proposal

The objective of the Commission's policy in the field of safety and health at work over the past thirty years has been to reduce to a minimum both work accidents and occupational diseases. However, despite the considerable progress made, both the number of work accidents and the incidence of occupational diseases are too high.

In the past the main focus of EU action on health and safety at work has been legislative. This was particularly the case under the third action programme, initiated in 1988, which coincided with the introduction of the Single European Act. It gave the Commission a new competence under Article 118a of the Treaty to promote improved health and safety. In particular it was considered essential to provide a set of minimum standards in health and safety to facilitate the completion of the internal market and the freedom of movement of workers.

The focus of the new programme will be broadened to provide a much greater emphasis on information. This is necessary to ensure that the substantial body of EU health and safety legislation in place is correctly and effectively communicated. It is also required to ensure that the particular needs of small and medium sized enterprises are accommodated. In this respect a new initiative will be launched aimed specifically at SMEs. This programme, SAFE, Safety Actions for Europe, will support the development of reference workplaces which have developed practical solutions to workplace risks and which can serve as models for others.

The Commission considers that measures aimed at reducing the costs (to employers, workers and Member States) of ill-health and accidents can all play their part in the development of an efficient, competitive, quality-based economy. The Commission will encourage the integration of efficient health and safety practices in best management practices under this programme.

Legislation will also remain a focus of EU activity. EU legislation on health and safety must be transposed accurately and on time into national legislation. It must also be enforced effectively and impartially in all Member States. Otherwise the effectiveness of this legislation will be impaired and safety standards will be damaged. The Commission aims to ensure that the Member States fulfil their obligations and transpose accurately and on time the Community health and safety directives. It is proposed, therefore, under this programme to initiate infringement proceedings in those cases where Member States fail to do so.

To facilitate the improved enforcement of EU legislation, the Commission proposes that the "Group of Senior Labour Inspectors" be placed on a formal footing. This will assist, on the basis of close cooperation between its members and the Commission, the effective and equivalent enforcement of Community health and safety legislation. Similarly, the Commission proposes to formally establish a scientific committee to provide it with expert scientific advice, where legislation requires it.

The programme, therefore, includes draft Commission decisions to establish both of these committees.

Finally, the Commission will also press for the adoption by Council of the draft directives presented to it on "physical agents", "chemical agents", "transport" and "work equipment". The enactment of these directives would serve to consolidate and rationalise the Union's overall approach to health and safety.

New legislation will be considered where appropriate. The rapid pace of technological change can result in the resurgence of occupational diseases which had been mastered previously or the appearance of new risks. Additional measures, including new legislation, may be necessary to deal with such developments. The Commission will be undertaking investigations to evaluate the health and safety implications of such developments and the appropriate response. The Commission will also use all the legal powers at its disposal to combat accidents and occupational diseases arising from the worst cases of risks and hazards. Finally, new legislation may also be necessary to review and update existing legislation in line with changed circumstances and technical developments.

The success of the Commission's action in safety and health at work has been largely due to the involvement of the social partners.

Successful action on health and safety can only be achieved with their joint support. In its previous three programmes the Commission has ensured that the social partners have been consulted by means of the two advisory committees set up for this purpose. This policy will continue under the new programme.

Summary of the Opinion

The Economic and Social Committee welcomes the general direction of the Commission programme and proposed Council decision. It is disappointed, however, that the practical objectives of the programme are ambiguous, that the methods of action are in some instances vague and unclearly costed, and that the case for a European occupational health and safety "action" programme has not been convincingly stated.

The Commission has drafted a mainly exploratory and explanatory programme of good intent based essentially on "awareness", "investigation", "analysis" and "cooperation". It has not produced a comprehensive programme of "action" based on "concrete policies and measures for the next few years", as called for by the Committee.

The Commission should set its sights higher and achieve instead a balanced policy-mix of legislative, enforcement and non-legislative actions.

Little or no mention is made of Article 118A which is the clear and uncontested Treaty provision for improving basic health and safety standards at the workplace. The overall objective of attaining a safe and healthy working environment requires a more vigilant approach. Basic framework legislation cannot be ruled out, and indeed should be anticipated if **prevention** of new occupational accidents and illness is to be achieved.

Rapidly changing shifts in employment patterns need speedily to be identified and attended to. The growth of the service sector, office employment, home-working and teleworking, and of very small and owner-managed firms has been somewhat neglected under previous health and safety programmes.

The Committee has consistently registered its concern that the social partners play a full consultative role in the initiation and implementation of EU occupational health and safety policy. It has particularly emphasized the key role of the Advisory Committee for Safety, Hygiene and Health Protection at Work. It is therefore concerned that a plethora of new "committees" is planned in the programme and draft decision, appearing to sideline the Advisory Committee and not include the participation of the social partners.

The Committee would once again stress that EU support for SMEs in the field of occupational health and safety requires further resourcing.

The Commission's commitment to the "development of comprehensive occupational safety and health studies" at school and in further eduction, as proposed by the Committee is unclear.

In particular, the Commission should take on board the Committee's recommendation to "develop Community-wide training standards e.g. for occupational safety and health professionals, or for certain high-risk occupations".

The Committee urges the Commission to incorporate in the programme the unanimously agreed Opinion of the Committee given in April 1994 which, on the question of legislation, stated that: "There must be a review of the existing body of Community occupational safety and health legislation to see which major risk issues are still not addressed by specific Directives".

It also is of vital importance that existing directives are implemented in all Member States. It is in the interest of the employees and to the benefit of fair competition between Member States.

As underlined in earlier Opinions of the Committee, consolidation of legislative texts ought to involve simplification of standards without any lowering of standards or diluting of existing requirements.

The Committee welcomes the Commission's attention to the health and safety needs of the self-employed.

The Committee has consistently called for an integrated strategy and has highlighted the question of "multidisciplinary preventive services" as a "priority".

SOCIAL SECURITY - AMENDMENTS TO REGULATIONS 1408/71 and 574/72

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) amending Regulation (EEC) No. 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EEC) No. 574/72 laying down the procedure for implementing Regulation (EEC) No. 1408/71

(COM(95) 352 final - 95/0196 CNS)

(CES 1301/95 - 5/0196 CNS)

Rapporteur working alone: Mr Pierre CHEVALIER (France - Various Interests)

Gist of the Draft Regulation

Since the entry into force of Regulation (EEC) No. 2001/83, updating into a single official text Regulations (EEC) Nos. 1408/71 and 574/72, following the extension of their scope to include self-employed persons, these Regulations have been amended by Council Regulations (EEC) Nos. 1660/85 and 1661/85, Commission Regulation No. 513/86, Council Regulation Nos. 3811/86, 1305/89, 2332/89, 3427/89, 2195/91, 1247/92, 1248/92, 1249/92 and 1945/93, and the Acts of Accession of the Kingdom of Spain and the Portuguese Republic in 1985 and the Republics of Austria and Finland and the Kingdom of Sweden in 1995.

The proposal is intended to update the Community Regulations in the light of certain administrative, procedural or substantive amendments to national legislation, to take account of certain bilateral agreements signed between Member States and to improve coordination.

Gist of the Opinion

The Committee welcomes the Proposal since it is necessary to carry on the work of amending and updating texts in order to facilitate the coordination of social security systems, thereby paving the way for the convergence of Member States' social security policies.

The Committee would nevertheless like to see the Commission make particular efforts to remove the remaining lacunae and imperfections that continue to hinder the free movement of workers and members of their families.

7. CONSERVATION OF FISHERY RESOURCES/FISHING RIGHTS (Own-initiative Opinion)

Opinion of the Economic and Social Committee on the *Conservation of fishery resources and fishing rights*

(CES 1302/95)

Rapporteur: Mrs Maria Luísa SANTIAGO (Portugal - Employers)

Reasons for drawing up the Opinion

The United Nations Convention on the Law of the Sea, adopted in 1982, represented the culmination of many years' work. The Convention enshrined the obligation to conserve and rationally manage natural resources as a basic principle of fisheries law. It also encouraged States which exploit stocks outside their areas of national jurisdiction to cooperate with a view to adopting appropriate measures to protect and conserve these stocks.

These provisions have proved vital with the extension of fishing zones or EEZs to 200 miles from coastlines, and with the continuing increase in distant-water fishing activity.

International conventions to which the EU is a party seek to defend species directly (e.g. the North Atlantic Salmon Conservation Organization NASCO) or to protect them within certain geographical areas (e.g. the Northwest Atlantic Fisheries Organization NAFO).

Multilateral cooperation rests on the distribution, between countries, of fishing quotas by species or zone, on the basis of scientific data supplied by international bodies on which the EU has observer status.

The situation of fishery resources in zones under Community jurisdiction has not been the subject of research at EU level.

For international instruments to operate smoothly, it is therefore important to know the state of the stock(s) or zone which the convention is designed to protect. Resource evaluation is the key to properly defined, reliable management rules.

It is a recognized fact that coastal States in zones which are rich in fishery resources tend to under-evaluate their stocks in order to discourage foreign fleets, thereby affecting rational fishing activity and the maintenance or adjustment of fishing by countries with a long-established fishing industry.

The EU and its fisheries sector increasingly depend on "external" resources to meet growing domestic consumer demand. Hence the EU and the sector cannot remain indifferent to the problems of fishing in international waters and access to third country waters.

EU involvement in multilateral cooperation instruments implies that the conditions are met, within the Community, for it to play a full part and effectively defend its interests, given the nature of the commitments entered into and the increasingly strict provisions of international fisheries law.

The Own-initiative Opinion will analyze the EU's role in multilateral cooperation and, more particularly, its status as a "sui generis" international organization within these conventions, its internal cohesion as regards the conservation of fishery resources under the CFP, and its research policy on marine resources.

Gist of the Opinion

The ESC believes that the main aim of the structural measures aimed at offsetting the impoverishment of fish resources - generally attributed to the combined effects of over-capacity and over-fishing - is still to reduce the number of vessels.

These structural measures should be backed up by all socio-economic measures which might minimize the impact on the populations concerned of restructuring fisheries and the fishing fleet. The Committee stresses the need for these measures to be transparent and fair, adequately publicized and explained in the communities affected by them.

Managing the fish population requires information on the state of stocks, including rapid feedback about the effects of measures taken to maintain or increase stocks.

Consequently, the ESC advocates that it be left up to the Community institutions as a whole, together with the institutions of the Member States, to carry out the urgent task of boosting and promoting research into fisheries, by encouraging the dissemination of existing techniques and scientific data, continuous compilation of new data and implementation of research programmes dealing with both fish populations and fishing techniques.

It would be up to the Community (more precisely, the Commission) to carry out the important task of coordinating the different areas of research, avoiding duplication of effort, promoting better links between existing research institutes and setting up a Community data bank, which would help make the system more effective overall.

The effect of this would almost certainly be an increase in the amount and quality of information available, a better understanding of shared problems, and a keener concentration of the efforts of all concerned on shared problems.

Although the decisions and measures needed for stocks to be managed properly will have to be rooted in credible scientific data, their application must be monitored effectively; the responsibility for this falls to Member States, backed by the Commission for overall monitoring. The Committee feels that it would be helpful for more monitoring tasks to be carried out by Community supervisors/inspectors.

At the same time as improving the application of its rules on monitoring stocks, internally, the EU must also strive to ensure that the rules which it adopts on fishing methods, which its own fishermen must comply with, are also adopted internationally.

The Committee believes that the European Union must act in keeping with its position as one of the world's principal consumers of fishery products. It must also play its part as one of the leading fisheries powers and turn to good account its position as leading authority in all matters relating to conservation of marine resources and especially fish stocks.

8. FOURTH ACTION PROGRAMME ON EQUAL OPPORTUNITIES FOR WOMEN AND MEN

Opinion of the Economic and Social Committee on the *Proposal for a Council Decision on the Fourth Medium-Term Community Action Programme on Equal Opportunities for Women and Men (1996-2000)* (COM(95) 381 final - 95/0206 CNS)

(CES 1303/95 - 95/0206 CNS)

Rapporteur: Mrs Bridin TWIST (Ireland - Various Interests)

Gist of the Commission Communication

Changes in the respective roles of women and men are one of the major features of social change in Europe. Upheavals in the labour market, changes in demographic and family structures and developments in education and training have all played a major part. Policies conducted on the initiative of the Member States and the activities of organizations involved in promoting equal opportunities have led to some real progress.

The Community has been one of the prime movers in changing the status of women in society. It first consolidated the legal principle of equal treatment at work and to a large extent with regard to social security, on the basis of Article 119 of the Treaty enshrining the principle of equal pay. Realizing that equal opportunities are conditional upon, but not necessarily guaranteed by, equality in law, the Commission also instituted a host of measures to promote *de facto* equality - mainly through its three consecutive equal opportunities programmes - in many different and mutually complementary ways, such as forming networks, stepping up information and communication activities, supporting pilot activities or studies, and identifying and disseminating sound practice.

Nevertheless, gender bias persists in many fields. The rate of unemployment amongst women is higher than amongst men, women account for the majority of the long-term unemployed, they often have low-skilled, poorly paid and insecure jobs and there are still gaps in pay between men and women in most regions of the Union. And there are still not enough women to whom decision-making posts and a full share in political and social life are open. Furthermore, their participation in the economy as entrepreneurs is still very limited.

The drive to promote equal opportunities must therefore be continued and stepped up. The Union has a duty to make its contribution, within the limits of its powers and its resources, notably by consolidating the *acquis* communautaire, ensuring that equality law is built upon and that existing legislation is applied consistently, and working towards the integration of equal opportunities in the process of preparing, implementing and monitoring all policies, measures and activities at Community, national, regional and local level.

Recently the European Council - the highest level of the Council - acknowledged that promoting equal opportunities, together with combating unemployment, was one of the Union's paramount tasks. The European Parliament, pursuing its commitment in this area, urged the Union to step up and expand its equal opportunities activities.

This was the background against which the Commission prepared its proposal for the new programme. To this end, it launched a wide-ranging consultation process and designed the programme to provide a framework for action, discussion and exchange for all initiatives contributing to equal opportunities for men and women in the EU and its Member States.

The programme is scheduled to run for five years (1996-2000) and concentrates on six aims:

- mobilizing all the economic and social players to promote equal opportunities;
- promoting equal opportunities in a changing economy;
- encouraging a policy to reconcile family and working life for women and men;
- promoting a gender balance in decision-making;
- making conditions more conducive to exercising equality rights;
- supporting the implementation monitoring and assessment of activities in order to achieve the above aims.

The Commission document contains the proposed Decision, which has eight Articles, and a five-year programme detailing the six chosen objectives and the proposed action for achieving them.

Summary of the Opinion

The Committee welcomes the basic thrust and objectives of the fourth action programme and stresses once again that equal opportunities must be a constant Community concern.

The Commission can be proud of its legislative achievements emanating from Article 119 and complementary Articles. Much still remains to be done. Networking, partnership, active information exchange, mobilization of public opinion and concerted efforts to achieve a fundamental change of attitudes with regard to the role of

women in society are all, no doubt, vital. The Committee would stress, however, that, in the final event, it is in terms of real equality before the law and in the application of law that concrete progress towards effective equality of opportunity will continue to be made. It is important for the Commission and the EU as a whole not to lose sight of this.

The Committee has urged the Community Institutions to expand their traditional consultation network by making every effort to step up discussions on women's questions with trade unions and employers' associations, and with the national bodies responsible for such matters in the Member States. In this context, the Committee welcomes the new composition of the Advisory Committee which will consist of the Member States, the national equal opportunities bodies and the social partners. The Committee, however, regrets that the role of non-governmental organizations in the Advisory Committee will remain that of an observer.

The commendable objectives of the action programme must be matched by credible means, resources and methodology. There are possible problems in this respect.

The Committee would urge that the Intergovernmental Conference consider the inclusion of the principle of equality and equal treatment into the Treaty, including a provision for positive measures so as to give a firm legal base to equality.

The Committee welcomes the new role of the social partners in the context of this Advisory Committee. The Committee also notes with satisfaction that the Commission emphasizes the role of the Social Partners in promoting the equality dimension in the social dialogue.

The Committee welcomes the Commission's emphasis on promoting equality in a changing economy by encouraging women's entrepreneurship and through mechanisms of mainstreaming, studies, and greater information dissemination. It regrets that there is very little on encouraging good equal opportunity practices at work other than through studies and research. The Committee notes with regret that no measures and actions have been proposed in the programme which focus on health and safety issues at work or the problems associated with all forms of a-typical work, and it regrets that no specific measures are included in the programme which address the issues associated with homeworking.

The Committee is in favour of the Commission's proposal for a Framework Directive for the Care of Children and Other Dependents. It welcomes the specific reference to the role of the Social Partners in developing, promoting and evaluating an appropriate range of care options, care time packages and reconciliation measures suited and adapted to the employment environment of both women and men. It also reiterates its support for the individualization of rights in a collectively negotiated framework.

The Committee fully supports the principle of gender balance in decision-making.

The Committee considers that rights should be the number one priority and the first objective of the programme, that it should be highlighted more and that more effort should be made to achieve **comprehensive** equal opportunity decisions applicable to **all** Member States with a healthy balance between legislative initiatives and other accompanying measures.

The Committee regards implementing, monitoring and evaluating the programme as crucial.

9. COMMISSION LEGISLATIVE PROGRAMME FOR TRANSPORT/COMMON TRANSPORT POLICY (Own-initiative Opinion)

Opinion of the Economic and Social Committee on the Commission's legislative programme for transport/the common transport policy action programme 1995-2000

(CES 1305/95)

Rapporteur: Mr George WRIGHT (United Kingdom - Workers)

Aim of the Opinion

The aim of the Opinion is to carry out an assessment of the Commission's 1995 work programme⁷ on transport, on the basis of the positions agreed on in past Committee Opinions, such as those on:

- the Transport 2000+ report⁸, the Green Paper on the impact of transport on the environment⁹ and the White Paper on the future development of the Common Transport Policy (CTP)¹⁰, which have formed the basis for the development of a common transport policy;
- the presentation of guidelines for trans-European transport networks; the Committee's recent Opinion on the matter¹¹ contained important ingredients for a development blueprint;
- relations with non-member countries regarding transport¹².

The Opinion also makes suggestions for the 1996 programme.

In view of the debate on the run-up to 1996 and the Committee's future role, it would be useful if the specialized analyses contained in these Opinions were to be reinforced by a strategic outlook. The Own-initiative Opinion's review of the Committee's key pronouncements on a future transport policy and its further implementation is important for the continuity and consistency of the Section's work. At the same time it will also lay the foundations for the meaningful development of the Committee's advisory role within the institutional machinery.

Content of the Opinion

This Own-initiative Opinion is to assess the Commission's transport policy on the basis of positions already reached. It is important, therefore, to highlight the main questions which have been raised hitherto in order to determine whether or not they are addressed by either the Commission's legislative programme, or the Communication on the Common Transport Policy Action Programme 1995-2000. Whilst the Committee warmly welcomes the increasing attention given by the Commission to the need for a common transport policy as set out in the White Paper, and is encouraged by the further developments in this regard detailed in the CTP Action Programme 1995-2000, a number of longstanding issues remain to be addressed.

The Committee draws particular attention to the following points:

- the Commission appears to have given insufficient attention to the structural shifts evident in the economies of all Member States and the implications thereof for transport use and modal development;
- the difficulty faced by most Member States of reconciling the advocacy of liberal economic policies stressing choice and competition with regard to transport, and the advocacy of subsidies to promote particular transport systems and usage;
- the failure of the Commission to publish data concerning the consumption and impact of transport modes across the EU in recent years, and the absence of forward projections of the supply of, and demand for,

8 Opinion CES 1514/91 - OJ C 49 of 24.02.92, page 52

9 Opinion CES 1040/92 - OJ C 313 of 30.11.92, page 40

Opinion CES 1006/93 - OJ C 352 of 30.12.93, page 11

11 Opinion CES 1305/94

Opinion CES 1030/90 - OJ C 332 of 31.12.90, page 35

⁷ COM(95) 26 final

transport within and external to the EU in order to guide the development of a Common Transport Policy;

- the need for the Commission to provide detailed guidelines on the issue of external costs arising e.g. from pollution and congestion and how such costs could be internalized by modal and inter-modal transport suppliers. The Committee places a high priority on finding appropriate ways of identifying and apportioning costs to the environmental performance of the transport industry. It therefore looks forward to the proposed study by the Commission on environmental improvements and the internalization of environmental costs. The Committee supports the idea of a wide ranging debate on this issue and would urge the Commission to make available, as soon as practicable, the expert studies and testimony they have drawn upon in finalizing their study;
- the need for the Commission to draw up a definitive "concept plan" to guide the development of Trans-European Networks (TEN) and take account of the impact on the economy as a whole, on transport policy and on social policy objectives. The Committee has frequently stressed the importance of, and the need to improve working conditions in the industry, particularly in those situations where excessive hours of work might impair health and safety. It also believes that the general issue of working time has been seriously neglected in the Action Programme.

As regards the CTP Action Programme 1995-2000, the Committee supports actions and policies announced therein, but profoundly regrets the failure of the Action Programme to highlight the fundamental aspect of job creation. The Committee has regretted the job losses which have occurred due to changing demands and operating practices in certain transport operations, but it is encouraged by the actual and potential creation of new jobs occasioned by new technologies and expanded services due to the continually increasing demand for the movement of goods and expanded passenger services.

In the Committee's view, the Action Programme would be strengthened if it distinguished and emphasized the job creation potential flowing from changes in working time as well as job creation from the likely growth of the sector promoted by the completion of the single market.

10. MOBILE AND PERSONAL COMMUNICATIONS

Opinion of the Economic and Social Committee on the Draft Commission Directive amending Directive 90/388/EEC with regard to mobile and personal communications (SEC(95) 1382 final)

(CES 1307/95)

Rapporteur-General: Mr Michael MOBBS (United Kingdom - Employers)

Gist of the Commission Proposal

The Draft Commission Directive amending Directive 90/388/EEC¹³ aims to introduce full competition into the EU mobile and personal telecommunications market by allowing new operators to set up their own infrastructure networks and to use alternative existing infrastructure with no requirement to use the infrastructure of the principal incumbent operators.

The document, which springs from the broad debate that followed the publication of the Commission's Green Paper on mobile and personal communications in 1990¹⁴, requires Member States to abolish all exclusive and special rights in the area of mobile communications, and to establish licensing procedures for the launch of digital services where they do not already exist.

OJ L 192 of 24.07.1990, p. 10

COM(94) 145 final. ESC Opinion: OJ C 393 of 31.12.1994, p. 64

The Directive (based on Treaty Article 90 which gives a certain freedom of action to the Commission) will enable Europe to become the first world power with the right regulatory conditions for the development of mobile and personal communications into a vast mass market. The European market will thus be the first to enjoy the combination of liberalization of services and networks together with the deployment of harmonized, leading edge, digital standards over such a wide area. These standards are GSM, DCS 1800 (for the two frequencies available for digital mobile services) and DECT (for digital cordless telephony within a fixed radius).

Gist of the Opinion

The Committee welcomes the Commission proposal as liberalization of mobile and personal communication services is one of the major outstanding activities of the Commission's overall strategy to achieve full liberalization of telecommunication services by 1 January 1998.

However, the Committee would like to express to the Commission its concern that competition in the market in telecommunications services be developed in an orderly manner and with regard to social consequences. Therefore, it is of the view that the "benchmark" date of 1 January 1996 should be kept and that those Member States who do have difficulty in meeting that date should have the benefit of derogations.

Regarding the licensing conditions, the committee considers that to ensure effective competition in the provision of infrastructures and services, they should be expanded to include:

- accounting separation of the business of any operator;
- access to mobile operators to the network of any operator on terms at least as favourable as those applicable to any mobile operator owned by it;
- likewise with regard to the sale of airtime to any service provider;
- prohibition of any unfair cross-subsidies or linked sales or any other matter likely to have an anticompetitive effect.

Finally, the Committee is pleased to see that (subsequent to the publication of this proposal) the Commission has launched a special investigation into the effects of radio frequency radiation on the health of mobile phone users. This was a concern expressed by the Committee in its Opinion on the Green Paper (CES 1007/94) which is now receiving consideration.

11. OPENING UP THE TELECOMMUNICATIONS MARKET

Opinion of the Economic and Social Committee on the *Draft Commission Directive amending Commission Directive 90/388/EEC regarding the implementation of full competition in telecommunications markets* (C(95) 1843)

(CES 1308/95)

Rapporteur-General: Mr Michael MOBBS (United Kingdom - Employers)

Gist of the Commission proposal

The draft Directive presented by the Commission (in accordance with Article 90 of the Treaty) implements the Member States' political agreement, set out in the Resolution of 22 July 1993¹⁵ and confirmed by the Resolution of 17 November 1994¹⁶, to liberalize all telecommunications services (including public voice telephony) and telecommunications infrastructures by 1 January 1998, with transition periods for some Member States.

The proposal thus sets down the basic principles guaranteeing the introduction of competition in these sectors and stipulates the measures needed for safeguarding universal service in Member States.

To this end it sets firm dates for Member States to publish the legislation in question so that the aim of complete liberalization by 1998 can be fully achieved.

Moreover, the proposed Directive will also liberalize use of alternative infrastructure for already liberalized telecommunications services by 1 January 1996. This means that from this date the use of the telecommunications networks of public services such as railways, electricity and water is permitted for all telecommunications services except public voice telephony.

In both cases, Member States with less developed telecommunications networks or very small networks will be able, at their own request, to obtain periods of extension of up to five years and two years respectively.

Gist of the Opinion

The Committee is pleased at having been officially consulted on a proposal submitted under Article 90 of the Treaty. However, it regrets that the time allocated is not sufficient to give full consideration to such an important matter.

In general, the Committee is pleased that the Commission proposal for full liberalization is proceeding. However, it would like to express its concern that competition in the market of telecommunications services be developed in an orderly manner and with regard to social consequences. In this context, it is awaiting with interest a Commission report on the consequences for employment resulting from liberalization on the telecommunications sector.

Regarding NRAs, the Committee considers that unless they exist and operate to a common set of Commission guidelines and there is an appeal procedure, there is little likelihood of common rules, regulations and practices being applied throughout the EU.

The Committee also recommends that, to avoid confusion and the risk of varying interpretations of the often amended text of Directive 90/388, the Commission should produce a consolidated text as a matter of urgency.

12. INTERNAL MARKET AND CONSUMER PROTECTION (Own-initiative Opinion)

Opinion of the Economic and Social Committee on the *Internal Market and Consumer Protection:* opportunities and obstacles in the internal market

(CES 1309/95)

Rapporteur: Mr Francisco CEBALLO HERRERO (Spain - Various Interests)

¹⁵ Council Resolution (OJ C 231 of 27.8.1993, p. 1).

¹⁶ Council Resolution (OJ C 379 of 31.12.1994, p. 4).

Aim of the Opinion

The aim is to update the Own-initiative work undertaken in 1991 and 1992 in the run-up to the completion of the internal market.

To what extent have the concerns and difficulties highlighted at that time been resolved?

What outstanding problems remain?

What new consumer protection guarantees have been introduced following the inclusion of Article 129a in the Maastricht Treaty?

What improvements could be proposed on this front, with a view to the revision of the Treaties in 1996?

What effect does the accession of the new Member States have on the question of maintaining more stringent protective measures (Article 129a(3))?

Do consumer information and consultation mechanisms operate satisfactorily?

Among topics to be discussed, members have specifically mentioned information and labelling, cross-border payments and purchases, insurance, credit, bank services, safety standards and, more generally, consideration of consumer interests in other EU policies (e.g. agriculture, trade, competition, health, environment).

The ESC appreciates that the work should preferably be coordinated with other Committee work on the internal market.

Gist of the Opinion

The ESC has had various opportunities to voice its views on the completion of the Single Market and the protection of consumer interests, both before the Maastricht Treaty and since.

In this context, the ESC considers some positive progress to have been made in some areas, among which the following may be noted:

- the creation of some cross-border information centres and the new DG XXIV, and the revamping of the CCC;
- the adoption of some important directives (e.g. on unfair terms in consumer contracts);
- the preparation of two Green Papers (access to justice and the settlement of trans-frontier disputes; guarantees for consumer goods and after-sales services);
- the first steps towards computerized information (Internet) in limited sectors (EHLASS programme, etc.);
- the PHARE programme for the protection of consumers in the countries of central and eastern Europe.

Nevertheless, tangible progress is still needed in certain areas of fundamental importance to consumers, such as:

- problems in the transposition of directives and the application of secondary legislation;
- lack of:
 - . application of consumer protection legislation;
 - . effective information on basic consumer rights and how to exercise them;
 - . general recognition of the direct horizontal effect of directives on consumer matters;
 - . integrated training programmes;

- a genuine single market in insurance and financial services in general;
- . a uniform mortgage system;
- . concrete results in respect of general consumer safety, safety of services and defective products liability;
- binding rules on unfair advertising and for public services in general (water etc.);
- inequalities in the application of VAT;
- difficulties in mutual recognition of professional qualifications.

Furthermore, the opportunities provided by the Maastricht Treaty concerning consumer policy have not been fully followed up. These include:

- use of Article 129a(1)(b);
- application of the subsidiarity principle;
- transparency and simplicity in Community legal processes at Council and monitoring committee level;
- openness in the interpretation and application of Articles K.1 and K.9 of the Maastricht Treaty;
- recognition of a general power of representation for consumer organizations in legal disputes at any level before the Court of Justice:
- the Ombudsman to take up his duties sooner.

The forthcoming revision of the Maastricht Treaty should be used to incorporate some basic provisions to improve consumer protection and promote their participation and representation at all levels of decision-making. The following measures, in particular, will have to be taken:

- a revision of the wording of Article 129a to recognize an integrated common consumer policy and the promotion of all consumer interests;
- clear listing of the rights of consumers;
- a definition of the horizontal nature of consumer policy;
- mutual recognition of consumer organizations as parties to consumer class actions;
- introduction of a special new appeal procedure for the final decision on the adjustment of the practical application of the subsidiarity principle.

13. INTERNAL MARKET OBSERVATORY - 2nd REPORT ON THE INTERNAL MARKET

Opinion of the Economic and Social Committee on the single market in 1994 - Commission report to the European Parliament and the Council (COM (95) 238 final)

(CES 1310/95)

Rapporteur: Mr Bruno VEVER (France - Employers)

Gist of the Commission document

The Commission intends the annual report to be an increasingly useful tool for individuals and businesses. It is designed not only to keep them informed of legislative and other measures aimed at enhancing the operation of the single market but also to provide a basis for discussion and debate on its practical advantages and remaining problems. This was a particular concern of the European Parliament and of the Economic and Social Committee in their reactions to the 1993 report. The Commission has included this year more specific information on outstanding problems, although it was unable to respond in full to those requests. Representative organizations were also encouraged to give their views on the operation of the single market during preparation of this report, and contributions from interested parties will continue to be welcome for future reports. The Commission intends to incorporate more economic analysis of the single market in future reports, as the instruments necessary for such analysis are developed and data from the major study to be published in 1996 become available.

The benefits of the single market

There is now clear evidence that many benefits of the 1992 legislative programme are already being widely felt as the practical effects of legislative measures feed through to the marketplace, although surveys tend to focus on remaining problems rather than on benefits already being enjoyed.

For example:

- the **elimination of border controls for goods** has considerably improved the efficiency of transport services and reduced costs and delivery times for the distribution of goods within the Community;
- as regards the opening-up of **public procurement**, many companies have won new contracts following the entry into force of Community legislation but delays in transposal and inadequate enforcement of the legislation by the Member States are still causing major difficulties in some cases;
- the **removal of tax barriers**: most companies trading across frontiers find the current value-added-tax regime has brought them considerable savings in terms of a reduction in transport costs, abolition of the pre-payment of VAT on intra-Community imports and elimination of the costs of completing customs formalities.

Shortcomings in the operation of the single market

- delays in transposal and differences in the interpretation of Community rules at national level (particularly serious in the fields of public procurement, intellectual property, advanced technologies and services, and general product safety);
- the apparent persistence of **technical barriers to trade**, especially those resulting from the failure by national authorities to observe the principle of mutual recognition of national legislation in areas that have been harmonized (problems have been noted with regard to road vehicles, foodstuffs and pharmaceuticals in particular);
- difficulties faced by individuals and businesses in obtaining **redress**. This explains, for example, why so few official complaints are made about technical barriers to trade.

Priorities for action in 1995

- improving the rate and quality of transposal of Community directives into national law;
- completing the single market for individuals, so that they will experience the advantages of European integration in their daily lives;

- achieving full freedom of movement of people by removing all remaining border controls within the Union:
- further harmonizing tax legislation;
- improving the operation of the single market for business, with special reference to mutual recognition of technical standards, to company law and to intellectual property rights;
- working towards uniform enforcement of Community law, among other things by improving access to justice and establishing effective penalties in the event of infringements;
- preparing an appropriate basic regulatory framework for services linked to the information society;
- opening up public utilities to competition;
- assisting the central and eastern European countries to adapt to single-market requirements, and giving priority to the preparation of the White Paper on the subject.

Gist of the Opinion

The Committee welcomes the Community institutions' recognition of the role of the economic and social interest groups - and particularly the Internal Market Observatory set up by the Committee - contributing to the analysis of, and in providing a direction for, work to complete the internal market. It therefore invites all European socio-economic interest groups to participate directly in the evaluation of the internal market and to convey to the ESC any information which may be of use in helping to improve it.

In spite of the considerable progress made since the publication of the 1985 White Paper, the Committee notes that the Commission report also makes it clear that the single market is still incomplete. While aware of the different reasons for these delays, the Committee would reiterate that the completion of the single market is essential for improving the competitiveness of European businesses, ensuring political, economic and social cohesion in the EU and helping to make a success of Economic and Monetary Union.

The ESC also considers it essential to extend the study of the current position by including clearer priorities in terms of progress and barriers, pointing in particular to what Europeans are entitled to expect from a genuine single market, given the diversity that will remain. The ESC thus supports the impact study, carried out by the Commission. The ESC's Internal Market Observatory intends to make a full contribution through surveys, hearings, and other instruments.

Concerned about the growing difficulties associated with the adoption of the final pieces of single market legislation, in contrast to the general speeding-up of issues affecting the Union and the timetable in which they are set out, the Committee urges the Member States and the Community institutions to agree to make every effort to round off the necessary outstanding legislation - about thirty separate instruments - between now and the 1999 deadline for economic and monetary union. A list of the main measures required to complete the single market is appended to this Opinion. The 1996 IGC should examine how qualified majority voting on questions vital to the internal market can be extended, particularly in respect of free movement of persons, customs cooperation, environmental protection and intra-Community taxation.

The Committee would further point to the need to bolster the application of measures by introducing better monitoring, underpinned, at all levels, by effective sanctions. The correct application of single market rules also requires the provision of a tighter framework for national exemptions from the principle of free movement, the extension of mutual recognition, and the introduction of harmonization in respect of national customs services.

The ESC would finally stress the importance of the need to create, apart from provisions to loosen up trade and to ensure that they are correctly applied, a true force for convergence to relieve the pressures and imbalances that are caused both by the incomplete single market and the remoteness of economic and monetary union. Among other things, this will require increased economic and social convergence, better use of the Structural Funds, adjusting competition policy in line with the new realities of the opening-up of international markets, while at the same time actively preparing the countries of Central and Eastern Europe for their participation in the single market. The Committee trusts that meeting points and observatories drawing together the different single market interest groups will be established at the various levels, including regionally and on a cross-border basis. At the same time, the Committee will ensure that it develops its own contacts with these groups.

14. XXIVth REPORT ON COMPETITION POLICY

Opinion of the Economic and Social Committee on the XXIVth Report of the Commission on Competition Policy - 1994 (COM(95) 142 final)

(CES 1311/95)

Rapporteur: Mr Mario SEPI (Italy - Workers)

Gist of the Commission document

The XXIVth Report on Competition Policy gives a complete overview of the Commission's activities in 1994 in the areas covered by Union competition policy: restrictive practices; the abuse of dominant positions; merger control; the control of state aid; the liberalization of areas (such as posts, telecommunications and energy) where Member States have given special or exclusive rights to certain bodies and finally international aspects of competition policy.

Restrictive practices and abuse of dominant positions (Articles 85 and 86 of the Rome Treaty)

Detecting and prosecuting cartels remains one of the Commission's priorities. The year 1994 was particularly noteworthy because no fewer than three "hard core cartels", involving large numbers of firms, were prohibited by decisions which also imposed substantial fines.

In applying the competition rules, however, the Commission bore in mind the need to support the restructuring of Community industry so as to increase competitiveness. That is why it took a much more sympathetic approach in cases where firms, rather than protecting themselves artificially against outside competition, preferred to step up cooperation by means of technology transfer licenses, joint ventures, what were termed "strategic alliances", or mergers.

Merger control

On the merger control front, 1994 saw a higher number of notified cases than in previous years; there was also an increase in the number of cases in which the Commission expressed serious doubts as to the compatibility with the common market of the transaction proposed, and authorized it only after the parties had undertaken to make changes to the operation. Finally the Commission issued a prohibition decision in the pay TV sector in Germany (this was the second case of prohibition since merger control arrangements were established at Union level). In the Commission's view the breaking down of borders facilitates more intense competition, in which only the more efficient will survive, but it has to go hand in hand with strict control of mergers in order to ensure that they do not endanger the development of effective competition on the relevant markets.

State aid

The Commission believes it must intensify supervision of state aid in order to maintain undistorted competition and to facilitate the convergence of the economies of the Member States. But it is prepared to take account of the situation of the firm, its employees and the region. In 1994 it adopted guidelines on state aid for rescuing and restructuring firms in difficulty. The Commission is prepared to allow such aid, especially on social or regional grounds, if it is linked to a restructuring plan that will make it possible to restore the long-term viability of the firm, and if it is limited to the strict minimum needed to enable that plan to be implemented. The Commission began consultations on draft guidelines on aid to employment and a revised version of guidelines on aid for research and development, particularly in order to take account of the thinking in the White Paper on Growth, Competitiveness and Employment. It sought to reduce the level of aid granted in the economically more advantaged central regions of the Union, where aid could work against the policy of cohesion.

Liberalizing monopolies

In 1994 fresh progress was again made towards liberalizing sectors in which competition was restricted or indeed eliminated entirely by special or exclusive rights granted to enterprises entrusted with the operation of particular services (for example in areas such as telecommunications, energy, posts, etc.). Without wishing to call the public service function into question, and bearing in mind the specific features of each sector, the Commission takes the view that there should be demonopolization wherever possible. A lack of sufficient competition makes these services a burden on consumers and entails a loss of productivity throughout Community industry.

The international dimension

There were several events over the course of 1994 which illustrated the fact that the process of globalization of the economy is accelerating and that competition policy must take account of this new dimension.

First of all in dealing with individual cases the Commission would take greater account of trade with non-Member countries and of the worldwide competition which existed in some industries. Secondly, the Microsoft case provided an example of the necessity and usefulness of genuine collaboration between the competition authorities of the Union and non-Member countries. The Commission also continued its efforts to develop a real body of competition rules at international level, and even more important to establish effective mechanisms to police them.

Finally, the economic integration of neighbouring countries, especially the countries of Central Europe, has been benefiting from a systematic effort to apply competition rules on a bilateral basis in accordance with the Union model.

Gist of the Opinion

The Committee feels there is a need for more coherence between competition policy and other EU policies, especially the policies on trade and industry, employment, social cohesion, competitiveness, inflation and consumer protection.

The Committee believes that the trade policies and the initiatives for cooperation with the CEECs envisaged by industrial cooperation agreements must respect certain social parameters, so as not to distort competition or encourage industrial relocation which might have an adverse economic and social impact within the EU.

The Committee feels that the work of market cooperatives and non-profit organizations operating in sectors far removed from business interests should not be hindered. Special competition rules should therefore be drawn up for such cooperatives and organizations. More particularly, voluntary and social activities in support of marginalized groups might be allowed to benefit from state aid and specific legislative concessions.

Certain financial mechanisms are still not covered by proper competition rules. For instance the rules governing certain inter-bank services do not allow the contracting parties to exercise a free choice. The Commission's aim should be to make competition possible for these services, bearing in mind the specific characteristics of the banking sector.

Agreements

Sanctions against cartels must be commensurate with the various intervention levels of each participant.

As regards associations of undertakings, it is vital to define clearly whether sanctions apply to the associations or to their members, in order to avoid a party being penalized twice for the same act.

Competition policy-makers should also help to provide a clearer framework for SMEs, offer them special exemptions, and review mechanisms for encouraging cooperation among them. To this end, the creation of specific financial instruments and joint marketing and purchasing facilities should be encouraged, always subject to reasonable market shares.

Mergers and concentrations

The Committee urges the Commission, in light of the efforts and experience already gained with the task force, to take an increasingly global view in assessing the markets and to keep a careful eye on the unfair practices deployed by third-country firms in some strategic sectors.

The Committee is also concerned that concentrations might not be assessed consistently because of the competence of the national authorities. Here it would refer to its recent Opinion calling for a reduction in thresholds and hence an extension of the remit of the Commission bodies.

State aid

The Committee notes with satisfaction that total annual state aid has fallen by 8.5% compared with the previous period; nevertheless ECU 93.8 billion continues to be a very high sum, particularly when one considers that 84% of state aid to industry is granted by the four largest Member States. The Committee would like to see this figure reduced still further in the next reference period. The Committee would urge the Commission once more to take vigorous action to ensure the rigorous application of rules governing the grant of state aid.

The Committee considers that the general policy must be to obtain a gradual reduction in direct and indirect state aid in individual Member States, and at the same time increase Community funds for reducing social and geographical imbalances.

Liberalization of the public sector

The Delors White Paper advocates the opening up of all sectors to competition. The introduction of competition is impeded by entrenched rules and regulations in the Member States which allow monopolies for certain services traditionally the preserve of the public sector. These rules reflect differing values, habits and legislative practices - and public monopolies are not always inefficient.

The Committee asks the Commission to make a study of the impact which competition has had in areas where it has been introduced.

The Committee also feels that the universality of service at present guaranteed by public ownership must be maintained, by not allowing liberalization and the introduction of competition to lead to cuts which may exclude certain categories and geographical regions that may not be economically attractive.

The subsidiarity principle

The Committee stresses the Commission's intention to leave responsibility for part of the implementation of competition law to the national authorities. The Committee's Opinion on the XXIIIrd Report mentioned the need for Member States to "act more effectively".

The Committee will consider this matter in more detail when the Commission issues its Communication on the subject.

Globalization and competition policy

In the ambit of the WTO, there should be a minimum number of rules on workers' and trade union rights as laid down in ILO Conventions; the intention would not be protectionist, but rather to further civil progress at world level as advocated in the final document of the UN Conference in Copenhagen, and to safeguard the EU's social system. It is clear from these international documents that the violation of minimum workers' rights represents an actual distortion of rules of competition between companies.

Special attention must be given to the EU's association agreements and trading policy with the CEECs to avoid distortions of competition deriving from the fact that these countries still have institutional structures, industrial policy instruments and labour-supply rules incompatible with a proper competition policy.

The Committee urges the Commission to continue to work with the antitrust authorities of the United States, Canada and Australia. It feels that further, strong pressure should be exerted on the Japanese Government, with whom dialogue at present seems extremely difficult.

Consultation procedures

In consultations on competition policy, the Commission should seek a dialogue with European trade unions and other interested EU socio-economic organizations, as well as with BEUC and UNICE which have requested it.

Dialogue between DG IV and the ESC might be improved if the ESC's Industry Section were informed of the line DG IV intended to take before the Committee was actually consulted on the annual report.

It would be useful to consult workers' organizations and sub-contractors on aid for company restructuring as a matter of course, and not only as "interested third parties".

Operational efficiency

The Committee endorses the Commission's efforts to improve the transparency and speed of its actions.

It feels that simplifying the rules and applying the subsidiarity principle through appropriate threshold solutions can go at least some way towards meeting this need.

Independence of the application of competition law

As well as playing an investigative role, DG IV also takes decisions, if only in the administrative sphere. In some European countries, however, the antitrust authority is independent from the bodies with executive powers.

The Committee opposes the proposals to make the function of administrative decision independent.

Other factors which distort competition

The Committee considers that the Commission should be particularly attentive to at least two new disruptive factors:

a) the destabilization of interest rates and exchange rates caused by speculation on the money markets;

b) competition policy cannot turn a blind eye to the possibility of social dumping between weak and strong areas in the absence of minimum labour legislation.

15. THE 1996 IGC AND THE ROLE OF THE ESC (Own-initiative Opinion)

Opinion of the Economic and Social Committee on the 1996 inter-governmental conference and the role of the Committee

(CES 1312/95)

Rapporteur:

Mrs Giacomina CASSINA (Italy - Workers)

Co-rapporteurs:

Mr Manuel CAVALEIRO BRANDÃO (Portugal - Employers),

Mr Tom JENKINS (United Kingdom - Workers) and

Mrs Beatrice RANGONI MACHIAVELLI (Italy - Various Interests)

Gist of the document

Summary of the stages in the preparation of the 1996 IGC

In accordance with the brief which they were given at the Corfu Summit, the institutions and other bodies have drawn up reports for the Reflection Group set up under the Spanish Presidency.

In their reports the Council, the Commission and the European Parliament also made observations with regard to the role of the ESC.

The next stages will be as follows:

- finalization of the interim report by the Reflection Group December 1995;
- opening of the Inter-Governmental Conference under the Italian Presidency (starting March/April 1996).

Summary of the stages in the ESC's preparation for the IGC

The ESC started a wide-ranging appraisal of its role immediately after the close of the IGC held in Maastricht.

At its Plenary Sessions in April and December 1993, the ESC considered its role in the institutional framework, together with the provisions of the Treaty of Maastricht (extension of the Committee's advisory role and enhanced institutional autonomy).

On 25 January 1994 the Bureau decided to set up an Ad Hoc Group. The report by this Group (CES 483/94) was considered at the Bureau meeting on 5 July 1994. The Bureau decided to forward this report to the new Bureau following the renewal of the Committee in October.

Following the renewal of the Committee, the Ad Hoc Group continued its work and submitted its next report to the Bureau on 26 April 1995. The report (cf. R/CES 404/95) was adopted by the Bureau.

The ESC President, Mr FERRER, subsequently met a number of representatives of the EU institutions and governments, including:

- representatives of the Commission (meetings with the Commission President, Mr SANTER and Mr FLYNN and Mr OREJA, Members of the Commission);

- representatives of the European Parliament (meeting with the EP President, Mr HÄNSCH, and contacts with the EP Rapporteurs concerned). The EP's Committee on Institutional Affairs invited the ESC President to address it; this address was followed by a wide-ranging discussion;
- representatives of the governments holding the Council Presidency and other Member State governments.

Debate with Mr WESTENDORP at the ESC Plenary Session on the interim report of the Reflection Group

On the subject of the ESC, the draft interim report of the Westendorp group states that its (the ESC's) position will be considered in the light of the requirements in respect of the reform of the institutions.

The ESC President and members who took part in the debate drew attention to the following points:

- the need to consolidate and adjust the role of the ESC and, in particular, to make provision for it to be consulted by the European Parliament;
- the need to introduce an effective system for monitoring the action taken by the Council on ESC Opinions;
- the need to extend the scope of consultation of the ESC to take in other political fields;
- the need for active involvement by the ESC in the pre-legislative phases (Green Papers and White Papers) and the post-legislative phases (particularly with regard to the internal market);
- the role of the ESC in relations with non-EU States;
- the role of the EU in socio-economic dialogue and consultations, in the broad sense of these terms.

Referring to the ESC and its tremendous potential as a vehicle for dialogue with citizens, the President of the Council, Mr WESTENDORP, gave an undertaking that the role of the Committee would be considered in greater depth at a subsequent meeting of the Reflection Group. He stated that consideration should be given to the following ways in which the ESC's role could be enhanced:

- broadening of the Committee's advisory role;
- enhancement of the Committee's pre- and post-legislative role;
- providing a role for the Committee in monitoring the internal market;
- providing a role for the Committee as a standing forum for social dialogue.

Mr WESTENDORP supported all the various aspirations expressed in the past by the Committee.

Subsequent stages in the ESC's work on preparing the IGC

With a view to the next stages in the preparation of the IGC, and in response to the proposals put forward by the Bureau's Ad Hoc Group at its meeting on 23 October 1995, the Bureau decided to propose to the Assembly that an Own-initiative Opinion be drawn up on this subject. The second part of the Bureau's Report adopted on 26 April 1995, would be submitted as a Draft Own-initiative Opinion.

16. BALTIC SEA FISHING/MONITORING MEASURES

Draft Opinion of the Economic and Social Committee on the *Proposal for a Council Regulation (EC)* laying down certain monitoring measures applicable to fishing activities carried out in the waters of the Baltic Sea, the Belts and the Sound (COM(95) 249 final - 95/0233 CNS)

(CES 1313/95 - 95/0223 CNS)

Rapporteur-General: Mr Seppo Ilmari KALLIO (Finland - Various Interests)

Gist of the Commission proposal

The proposal is designed to supplement the existing legislation by certain additional monitoring measures applicable to fishing activities carried out in the waters of the Baltic, the Belts and the Sound, pursuant to the recommendations adopted by the Baltic Commission in November 1994.

The measures relate to:

- (a) the forwarding to the Commission of a list of the Community fishing vessels fishing for cod;
- (b) the monthly notification to the Commission of the landings made by each individual fishing vessel flying the flag of a Member State or of the other Contracting Parties to the Baltic Convention;
- (c) the ban on the transshipment of cod caught in the Baltic in the absence of monitoring by the authorities;
- (d) the ban on the landing or transshipment of catches taken by vessels flying the flag of another Contracting Party after the national quota has been used up.

Provision is not made for these measures in Council Regulation (EEC) No. 2847/93 establishing a control system applicable to the common fisheries policy, the provisions of which apply without prejudice to International Conventions to which the Community is a party. It therefore falls to the Council to adopt the monitoring measures in question so that the international obligations entered into under the Baltic Convention may be fulfilled.

Gist of the Opinion

The Committee endorses the proposal.

17. COMMON MARKET ORGANIZATION - RICE

Opinion of the Economic and Social Committee on the *Proposal for a Council Regulation (EC) on the common organization of the market in rice* (COM(95) 331 final - 95/0203 CNS)

(CES 1314/95 - 95/0203 CNS)

Rapporteur: Mrs Maria Luísa SANTIAGO (Portugal - Employers)

Gist of the Commission proposal

The entry into force on 1 July 1995 of the agricultural provisions of the GATT Uruguay Round Agreement alters the international trade arrangements for rice. In signing the Agreement, the EU undertook gradually to reduce customs duties for rice. This will inevitably lead to a fall in Community prices, in the interests of competitiveness. The GATT innovations spell the end of the Community aid system which has applied hitherto.

The new GATT regime will change the present variable levy system into a system of fixed tariffs, which must be reduced by 36% between 1995 and the year 2000. The Agreement also requires the establishment of a ceiling of ECU 633 per tonne on the duty-paid import price for husked rice and ECU 925 per tonne for milled white rice. This means a reduction in subsidized exports, in both volume and budgetary terms.

The obligations resulting from the GATT Agreement imply changing from a system of floor prices based on the threshold price to a system of ceiling prices. This will mean stiffer international competition for the EU, as regards both agricultural production and the industrial processing of paddy rice into milled rice. To respond to this, the Commission proposes the following new set of rules:

Fall in producer prices

The Commission estimates that producer prices could fall by between 15% (ECU 53/t) and 34% (ECU 119/t).

Compensatory aid for producers

The fall in producer prices is bound to make Community rice-growing less profitable. In order to maintain present income levels, compensatory production aid must be introduced, while retaining a production level that is compatible with market needs.

This aid will therefore be fixed per hectare under rice, subject to a Community maximum guaranteed area (CMGA). This area will be calculated on the basis of the average number of hectares under rice in 1990, 1991 and 1992: 367,018 ha for the EU, 212,732 ha for Italy, 89,711 ha for Spain, 28,924 ha for Portugal, 20,550 ha for France and 15,101 ha for Greece.

Any overshoot will be penalized: an overshoot of up to 5% will incur a six-point cut in aid for each percentage point of overshoot. If the area given over to rice exceeds 105% of the CMGA, aid will be cut further in the Member States responsible.

Intervention price

The intervention price for paddy rice will be ECU 351/t for the 1996/97 marketing year, tapering to ECU 298.35/t for 1999/2000 and subsequent marketing years.

Precautionary intervention

This should only be used as an exceptional safety net, as it is expensive and storage of rice is difficult. The Commission proposes a precautionary intervention system whereby the producer stores the product at his own expense for four months, subject to an advance payment equal to 60% of the price. During this period, the producer may seek a more advantageous outlet on the market, and sell the product after informing the intervention agency.

Establishment of a quality strategy

The Commission feels that quality standards need to be improved, with particular emphasis on the varietal structure of production. The fact that support has not been differentiated according to variety has led Community producers to concentrate on the most productive varieties rather than those in greatest market demand. The Commission therefore proposes to use compensatory aid as an incentive to the production of certain varieties, so as to alter the structure of Community production in the long term.

Gist of the Opinion

The ESC considers that the proposed drop in intervention prices must be offset by full financial compensation in order to maintain producers' income levels and ensure their survival.

Similarly, the principle of equal treatment requires that for all producer Member States, the compensatory aid be calculated on the basis of the average of the last three marketing years (93, 94, 95) in each producer country, with due account for trends in consumption and for the accession of the new Member States.

The ESC feels that the proposed penalties for overshooting the national maximum guaranteed areas need to be revised.

The ESC draws attention to the social consequences of the probable reduction in the area under rice. It is surprised that the Commission proposal does not analyze the social impact of rice growing, and does not quantify the workforce in the agro-industrial sector as a whole.

The reform of the common market organization and the reduction of customs tariffs following the GATT Agreements will mean a significant reduction in the prices of Community rice and rice imports. The ESC considers it vital that this reduction be passed on to the consumer.

The ESC agrees that quality policy should be better geared to consumer requirements.

18. INLAND WATERWAYS/SUPPORTING MEASURES

Opinion of the Economic and Social Committee on the Communication on a common policy on the organization of the inland waterway transport market and supporting measures; Proposal for a Council Directive on the systems of chartering and pricing in national and international inland waterway transport in the Community; Proposal for a Council Regulation amending Council Regulation (EEC) No. 1101/89 on structural improvement in inland waterway transport; Proposal for a Council Regulation amending Regulation (EEC) No. 1107/70 on the granting of aids for transport by rail, road and inland waterway

(COM(95) 199 final - 95/0121 - 95/0122 - 95/0123 SYN)

(CES 1315/95 - 95/0121 - 95/0122 - 95/0123 SYN)

Rapporteur: Mr Bernardus POMPEN (The Netherlands - Various Interests)

Gist of the Commission document

When the Council adopted Regulation (EEC) No. 3921/91 (cabotage)¹⁷, it requested the Commission to study the position, from the point of view of Community law, of the systems of rotation and compulsory tariffs fixed by the state which are in force in Belgium, France and the Netherlands and to submit a report to the Council on this subject. In making this analysis, the Commission took account of the judgments of the Court of Justice on 17 November 1993 on the compulsory-tariff arrangements in road haulage in Germany¹⁸.

In its report of 9 June 1994¹⁹, the Commission considered that the inland waterway market had to be gradually liberalized but, in view of the difficult socio-economic circumstances of many small transporters, liberalization had to be accompanied by measures designed to strengthen the sector's structure (see Annex 2) and to promote waterway transportation.

Regulation (EEC) No. 3921 of 16 December 1991 laying down the conditions under which non-resident carriers may transport goods or passengers by inland waterway within a Member State (OJ No. L 373 of 31.12.91, p. 29.)
ESC Opinion 765/86 (OJ C 328 of 22.12.86, p. 34).

¹⁸ ECJ cases Ohra, Meng and Reiff.

¹⁹ SEC(94) 921 final of 09.06.94

In its resolution of 24 October 1994²⁰ the Council generally considered the measures recommended by the Commission. The Council considered that it was important to institute a substantial structural reform to guarantee sustained competitiveness and requested the Commission to submit an overall proposal on inland waterway transport, in particular with regard to the future organization of the market and scrapping programmes.

The present draft communication and its back-up measures develop this strategy of adopting a global approach to the sector, with three interwoven complementary components. Indeed, if this mode of transport is to be promoted, it must be more flexible, strike a better balance between supply and demand and its prices must obey the rules of the markets.

The draft communication is thus backed up by the following three proposals:

- proposal for a Directive on the systems of chartering and pricing in national and international waterway transport in the Community (Annex I), designed to abolish the rotation systems between the Member States concerned gradually and in a synchronized manner with a view to achieving complete liberalization of the market by 1 January 2000;
- proposal for a Regulation amending Council Regulation EEC No. 1101/89 on structural improvements in inland waterway transport (Annex II), designed to implement new, large- scale structural improvements over three years (1996-1998) with an annual evaluation;
- proposal for a Regulation amending Regulation EEC No. 1107/70 on the granting of aids for transport by rail, road and inland waterway (Annex III), designed to promote the waterway transport system by setting up temporary support schemes granted by the Member States for investments in inland waterway ports or in the fixed and mobile equipment necessary for trans-shipment to and from the waterway.

Gist of the Opinion

The Committee endorses the tenor of the Commission proposals which are aimed not only at reducing overcapacity, but also at improving infrastructure and ensuring liberalization. This will make for more open market conditions, improved competitiveness - not only between inland waterway transport operators themselves but also between inland waterways and other modes of transport - and improved intermodal transport.

This objective is a key feature of the transport policy financed by the EU and applied to the whole of the Community. As carriers are not in a position to finance this policy fully on their own, the Committee approves co-financing by the EU, providing it remains within the budget set for the period up to 1999. The Committee also endorses the other principles of solidarity which underlie the proposal. With regard to financing, solidarity is expressed in the contributions by the Member States and carriers pro rata to carrying capacity per Member State and carrier.

The Committee assumes that the provision of subsidies for the construction and equipping of terminals and loading and unloading equipment will not absolve the authorities of the Member States from all further responsibility for providing sufficient public infrastructure connections with road and rail or for renovating and maintaining public navigable waterways, banks and ports. In view of the importance of inland waterway transport for transport in Europe, steps must be taken to ensure that the general level of infrastructure provision in inland waterway transport does not fall below that of road or rail transport.

It must be made clear that the restructuring of inland waterway transport will be completed on 1 January 2000. A situation must be avoided where a "permanent latent crisis" is assumed to exist necessitating periodic financial support from the Member States and the EU. Once these measures have been implemented, the proper operation of a free, modern and profitable inland waterway transport sector will be primarily a matter for the industry itself and its carriers.

In order to ensure that any imbalances in inland waterway transport after 2000 can be promptly and effectively tackled, the Committee feels that the following rules should remain in force:

- a) further development of the Commission's intended market observation system;
- b) the formation of a reserve fund for emergency measures, financed by the sector;
- c) the application of the existing scrapping arrangements and old-for-new rules in unforeseen crisis situations; and
- d) the possibility of strengthening the position of (small) operators by means of trade groups.

19. AID FOR COMBINED TRANSPORT

Opinion of the Economic and Social Committee on the *Proposal for a Council Regulation (EC)* amending Regulation (EEC) 1107/70 of the Council on the granting of aids for transport by rail, road and inland waterway

(COM(95) 377 final - 95/0204 SYN)

(CES 1316/95 - 95/0204 SYN)

Rapporteur working alone: Mr Dethmer H. KIELMAN (The Netherlands - Employers)

Gist of the Commission Proposal

The general aim of the proposal is to renew the mechanism for aid for combined transport as laid down by Regulation (EEC) No. 1107/70²¹, as last amended by Regulation (EEC) No. 3578/92²², and to improve certain of its procedural aspects. The unequal distribution of infrastructure costs between modes and types of usage and the failure to take social costs into account in transport pricing operate against non-road forms of transport and therefore against combined transport. Given that this situation is improving only slowly, it seems necessary to extend the existing support mechanism for intermodal transport. The diversity of national situations should be taken into account by permitting Member States to choose the most appropriate form of aid to suit their national choices, in accordance with the subsidiarity principle.

The proposal therefore includes the option of national aid for combined transport infrastructure (including intermodal terminals), equipment for transfer between modes and specialized equipment for intermodal transport. Aid for running costs remains possible for transit lines but only for crossing Switzerland and the former Yugoslav republics.

The proposal also aims to simplify the procedure in all the cases covered by Article 3 (1)(e) of Regulation No. 1107/70 by explicitly limiting it to subsequent monitoring via the submission of a report. It deletes Article 4, which has been overridden by the abrogation of the Council Decision on the basis of Directive No. 91/440²³ which took effect on 1 January 1993 and was referred to in the Article.

So that operators can take decisions with an adequate guarantee of stability and transparency, the proposal envisages keeping the arrangements in force until 31 December 1997.

OJ L 130 of 15.06.1970, p. 1

²² OJ L 364 of 12.12.1992, p. 11

²³ OJ L 237 of 24.08.1991, p. 5

Gist of the Opinion

The ESC endorses the Commission Proposal. At the same time it requests that Regulation No. 1107/70 should not be restricted to road/rail and road/waterway combinations but should be extended to include sea transport (coastal shipping).

The ESC would also draw the Commission's attention to the practical difficulties which may arise in connection with the subsidizing of running costs on transit routes through ex-Yugoslavia. On the transit routes in Switzerland it will be necessary to modernize the Lötschberg tunnel and it will also be important to build the new St. Gotthard tunnel.

Finally, so as not to cause confusion, the ESC recommends that the term "intermodal transport" be used instead of "combined transport" or "mixed transport".

20. SHIPBUILDING AID

Opinion of the Economic and Social Committee on the *Proposal for a Council Regulation (EC) on aid to shipbuilding* (COM(95) 410 final - 95/0219 CNS)

(CES 1317/95 - 95/0219 CNS)

Rapporteur: Mr John SIMPSON (United Kingdom - Various Interests)

Gist of the Commission document

The current rules are laid down in the Seventh Council Directive on aid to shipbuilding which expires on 31 December 1995. Thereafter new arrangements will be necessary in order to comply with the OECD Agreement respecting normal competitive conditions in the commercial shipbuilding and repair industry, which should enter into force on 1 January 1996 and can be reviewed after three years. Under the agreement, all measures of support specifically provided to commercial shipbuilding are prohibited except:

- aid for research and development;
- social aid related to closures;
- export credits for ships in accordance with the revised OECD Understanding on Export Credits for ships;
- domestic credits under equivalent terms and conditions.

Aid for restructuring is generally not allowed, apart from special derogations provided for in the OECD Agreement for Belgium, Portugal and Spain.

The Commission will be asking the Council to adopt the regulation before the end of the year.

Gist of the Opinion

The Committee welcomes the moves to place the world-wide shipbuilding industry in a normal competitive environment without excessive State aid.

To achieve a more normal competitive environment, abnormal aids must be removed in all major sectors of the industry and in all countries which influence the world market for shipbuilders.

The OECD Agreement offers a prospect that fair competition will produce an industry with a better balance of supply and demand and willing to invest in innovative techniques. It also provides an opportunity to introduce better environmental and safety criteria into the industry.

The Committee is concerned that the draft Regulation does not contain adequate means to ensure that sanctions can be applied to ships, and shipbuilders, which are outside the scope of the OECD Agreement.

There are obvious concerns which still remain. Will the Agreement be comprehensive enough to influence most of the shipbuilding industry world wide? Will the Agreement be ratified by all the major parties, and in time to be enforced in 1996? The Committee recommends that the Commission should be ready to introduce a further short-term extension of the Seventh Directive if there is a delay in ratification by all signatories.

Will the introduction of new capacity in Korea and South East Asia destabilize the position? Will the conversion of military vessel shipbuilders to supply normal commercial markets, in the USA, Russia and in other east European countries, further destabilize the position?

In these circumstances, the OECD Agreement may not be an adequate mechanism to cope with further changes. The Commission must, therefore, prepare its position for further developments.

The OECD Agreement represents an opportunity to develop a coherent policy with world-wide significance. It sets a precedent for this type of agreement. The Committee recommends that the Commission, in negotiations of this kind, should also take explicit account of the consequences, not just for the industry, but also the need to protect the environment and the maintenance of basic social conditions for citizens who will be affected.

As a step towards a more competitive and profitable shipbuilding sector within the European Union, and on a global basis, the Committee welcomes the Draft Regulation.

II. FUTURE WORK

Industry Section

- Emission of gaseous and particulate pollutants from internal combustion engines

COM(95) 350 final - 95/0209 COD

Deadline: January

- Supplementary supervision of insurance undertakings in an insurance group

COM(95) 406 final - 95/0245 COD

Deadline: February

Transport Section

 Approximation of the laws of the Member States relating to roadworthiness tests for motor vehicles and their trailers

COM(95) 415 final - 95/0226

Deadline: November

Social Affairs Section

Safety and health protection of workers potentially at risk from explosive atmospheres

COM(95) 310 final - 95/0235 Deadline: January/February

Elimination of controls of persons crossing internal frontiers

COM(95) 347 final - 95/0201 COD

Deadline: February

- The future of social protection - Framework for a general debate

COM(95) 466 final Deadline: March

Agriculture Section

- COM in the fruit and vegetables sector and in processed fruit and vegetables

COM(95) 434 final - 95/0247-95/0248 CNS

Deadline: December

IN ANTICIPATION

Environment Section

- Sale of consumer goods, guarantees and after-sale services

COM(95) 520 final Deadline: March

Industry Section

- Approximation of laws in the Member States concerning individual protection equipment

COM(95) 552 final Deadline: February

- Programme to promote linguistic diversity in the information society

COM(95) 486 final - 95/0263 CNS

Deadline: March

- Creation of a European guarantee fund for the audiovisual sector

COM(95) 546 final Deadline: April

Directive on the supervision of banks (to be confirmed)

Deadline: to be decided

- Communication on the European Company Statute (to be confirmed)

Deadline: to be decided

Regional Development Section

Integrated management of coastal zones

COM(95) 511 final Deadline: March

Transport Section

- Community action in the field of satellite telecommunication services

COM(95) 529 final

Deadline: February/March

Competitive environment in the telecommunications sector

COM(95) 543 final Deadline: March/April Individual licences in the telecommunications services sector

COM(95) 545 final Deadline: March/April

Social Affairs Section

Worker information and consultation

COM(95) 547 final Deadline: April

Energy Section

- Health protection of persons against the dangers of ionizing radiation during exposure for medical

reasons

COM(95) 560 final Deadline: April

- RTD programme - cooperation with third countries and international organizations

COM(95) 539 final

Deadline: to be determined

Agriculture Section

Quality wines produced in specified regions

COM(95) 506 final - 95/0266 CNS

Deadline: January

- Intra-Community trade in poultry, hatching eggs and fresh poultrymeat from third countries

COM(95) 535 final - 95/0268 CNS - 95/0269 CNS

Deadline: January

- Common organization of the markets in the sugar sector

COM(95) 561 final

Deadline: to be determined

- Rules on the definition and presentation of aromatized wines

COM(95) 570 final

Deadline: to be determined

OWN-INITIATIVE WORK

External Relations Section

- Relations between the European Union and Canada

Deadline: March/April

Relations between the European Union and Cuba

Deadline: April/May

Development aid, good governance and the role of the socio-economic interest groups

Deadline: May/June

INFORMATION REPORT

External Relations Section

- Relations between the European Union and China

Deadline: May/June

III. PRESENCE AND INFLUENCE OF THE ECONOMIC AND SOCIAL COMMITTEE

On 24 October, Mr RAMAEKERS represented the President, Mr FERRER, at the 5th Conference on the Social Economy in Seville.

From 30 October to 3 November, an ESC delegation led by Mr BRIESCH, President of the Section for External Relations, Trade and Development Policy, visited Thailand and Indonesia as part of the work of the Study Group on relations between the European Union and ASEAN. The delegates met many senior figures from the administrations of both countries and from the ASEAN secretariat as well as leaders of socio-professional groups and representatives of international organizations. During the visit, the delegates gathered a great deal of information and forged contacts which will be very useful in the implementation of the Union's new strategy towards Asia proposed by the Commission and approved by the Council.

From 7 to 9 November, the Committee took part in the Employment Week exhibition held in the Palais des Congrès in Brussels, where an ESC stand provided information on the Committee's activities in the employment field.

From 9 to 10 November, the annual meeting of the Presidents and Secretaries-General of the Economic and Social Councils and similar institutions in the European Union was held in Lisbon. The ESC was represented by the President, Mr FERRER, the Secretary-General, Mr NOTHOMB, and Mr FRERICHS, President of the Study Group on local development initiatives, the theme of this year's meeting. On this occasion, the Committee also represented, with the agreement of the governments concerned, the five Member States of the European Union which do not at present have national Economic and Social Councils: Germany (Mr G. Frerichs), Denmark (Mr L. Nielsen), the United Kingdom (Mr R. Moreland), Finland (Mr S. Kallio) and Sweden (Mr A. Lönnberg).

On 16 November, the inaugural meeting of the Joint EU/Turkey Consultative Committee was held at the ESC building; this Consultative Committee is made up of members of the Economic and Social Committee and representatives of Turkish socio-economic interest groups.

From 29 November to 1 December, an ESC delegation, led by its President, Mr FERRER, took part in the Euromed Civil Forum in Barcelona. The Committee was invited to this conference as one of the chief civil society discussion partners on Euro-Mediterranean partnership.

The President's activities

On 20 November, Mr Carlos FERRER, accompanied by the Vice-Presidents, the Group Presidents and the Secretary-General, Mr NOTHOMB, was received by the Spanish Prime Minister, Mr Felipe GONZALEZ, at Moncloa Palace in Madrid.

The talks focused on the concerns of the socio-economic sectors represented in the ESC (unemployment, the need to increase competitiveness without jeopardizing the European social model, the need to involve the citizen in the Union's goals) and also on the future role of the Committee against the backdrop of the 1996 Intergovernmental Conference.

Mr GONZALEZ gave his support to the ESC's objectives and to the wider utilization of the Committee's potential. After the meeting, Mr FERRER spoke to the press. In particular, he underlined the importance of

dialogue and concerted action on the part of all the social partners in order to enhance competitiveness in a way that creates jobs; he also stressed that the social model had to be adapted if it were to survive.

On 22 November, the President, Mr FERRER, received the Mayor of Madrid, Mr ALVAREZ del MANZANO, at the ESC.

IV. APPOINTMENTS - RESIGNATIONS

During the Plenary Session of 22 and 23 November, the President installed:

- Mr Henri MALOSSE (France Employers' Group), replacing Mr SEGUY, who had resigned;
- Mr Michael KUBENZ (Germany Employers' Group), replacing the late Mr DENKHAUS.

The President also announced the resignation of Mr Ronald JANSSEN (Belgium - Workers' Group) who had been a member of the Committee since 22 July 1991 and that of Mr Liam CONNELLAN (Ireland - Employers' Group), a Committee member since 20 September 1990.

V. INFORMATION VISITS

During November, the following information visits took place at the Economic and Social Committee:

- 6 November: Technical Architects, United Kingdom

- 7 November: Economy Committee of the Municipality Council, Billunds, Denmark

- 9 November: Union of Clerical and Commercial Employees, Arhus, Denmark

- 14 November: Coleg Normal Bangor, United Kingdom

- 15 November: ESC Nantes Atlantique, Nantes, France

- 16 November: Lawyers' delegation, Sweden

- 16 November: Bund der deutschen Katholischen Jugend, Mainz, Germany

- 16 November: Neath College, United Kingdom

- 20 November: Helsinki University, Finland

- 20 November: Hoge School Maastricht, Netherlands

- 21 November: Regione Toscana, Italy

- 22 November: Institut für Lehrerfortbildung Mülheim/Ruhr, Germany

23 November: Ring Christlich-Demokratischer Studenten, Bonn, Germany

- 27 November: Wirtschafts- und Sozialgeographisches Institut, University of Cologne, Germany

- 27 November: Instituut Schoever, Tilburg, Netherlands

- 28 November: Funktionærernes og Tjenestemændenes Fællesråd, Copenhagen, Denmark

- 29 November: Social democratic workers, Portugal

- 29 November: Biesbosch College, Dordrecht, Netherlands

- 29 November: University of Bamberg, Germany

- 30 November: Deutsches Rotes Kreuz, Germany.
