

BULLETIN

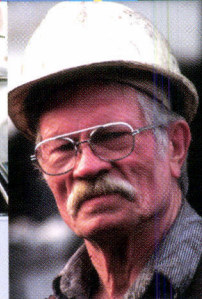
Economic and Social Committee

European Communities



98

8-9



CES: 1

EN

Facts and figures - October 1998

PRESIDENCY

President: Beatrice RANGONI MACHIAVELLI
(Italy - Various Interests)

Vice-presidents: Josly PIETTE
(Belgium - Workers)
Aina Margareta REGNELL
(Sweden - Employers)

Secretary-General: Patrick VENTURINI

ORIGINS

The ESC was set up by the 1957 Rome Treaties in order to involve economic and social interest groups in the establishment of the common market and to provide institutional machinery for briefing the European Commission and the Council of Ministers on European Union issues.

The Single European Act (1986), the Maastricht Treaty (1992) and the Amsterdam Treaty (1997) have reinforced the ESC's role.

MEMBERSHIP

The 222 members of the ESC are drawn from 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: Roger Briesch - France), Various Interests (Group III - president: Anne-Marie Sigmund - Austria). 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 task of members is to issue opinions on matters referred to the ESC by the Commission and the Council, as well as the European Parliament pursuant to the Amsterdam Treaty.

The ESC is the only socio-occupational advisory body that can be consulted by the EU Council of Ministers.

ADVISORY ROLE

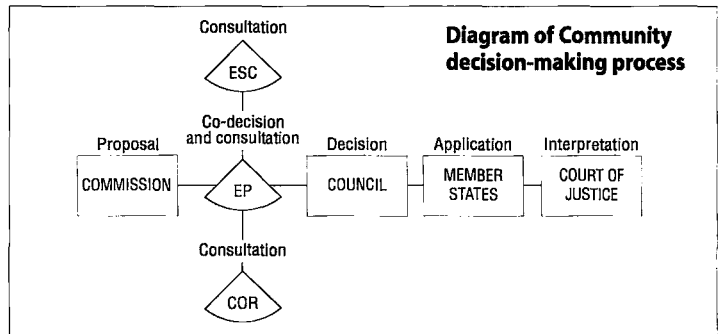
Consultation of the ESC by the Commission or the Council is mandatory in certain cases; in others it is optional. The ESC may, however, also adopt opinions on its own initiative. The Single European Act (17.2.86), the Maastricht Treaty (7.2.92) and the Treaty of Amsterdam (signed on 2.10.97) extended the range of issues which must be referred to the Committee: regional policy, environmental policy, employment policy, broad guidelines for economic policies, combating social exclusion, etc. The ESC produces 180 opinions a year (of which 15% are issued on its own initiative). All opinions are forwarded to the Community's decision-making bodies and then published in the Official Journal of the European Communities.

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. It acts as a forum for the single mar-

ket and has hosted, with the support of other EU bodies, a series of events aimed at bringing the EU closer to the people.

Diagram of the Community's decision-making process



INTERNAL ORGANIZATION

1. Presidency and Bureau

Every two years the ESC elects a Bureau made up of 21 members (seven 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 by the vice-presidents, who deputize for him in the event of his absence.

The president represents the ESC in relations with outside bodies.

Joint briefs (relations with EFTA, CEEC, AMU, ACP countries, Latin American and other third countries, and the Citizens' Europe) fall within the remit of the ESC Bureau and the president.

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

2. Sections

The Committee has six sections:

- Section for Economic and Monetary Union and Economic and Social Cohesion - secretariat tel. 546 9366 (president: Umberto Burani - Group I - Italy)
- Section for the Single Market, Production and Consumption - secretariat tel. 546 9598 (president: Klaus Schmitz - Group II - Germany)
- Section for Transport, Energy, Infrastructure and the Information Society - secretariat tel. 546 9611 (president: José Ignacio Gafo Fernández - Group I - Spain)
- Section for Employment, Social Affairs and Citizenship - secretariat tel. 546 9215 (president: Jan Olsson - Group III - Sweden)
- Section for Agriculture, Rural Development and the Environment - secretariat tel. 546 9687 (president: Etienne de Paul de Barchifontaine - Group III - Belgium)
- Section for External Relations - secretariat tel. 546 9537 (president: Tom Jenkins - Group II - United Kingdom)

3. Study groups

Section opinions are drafted by study groups, varying in size from three to 15 members, including a rapporteur who may be assisted by as many as four outside experts.

4. Other bodies

The ESC has the right to set up other ad hoc

structures under its Rules of Procedure, known as sub-committees, for specific issues. It has also set up a permanent Single Market Observatory.

5. Plenary session

As a rule, the full Committee meets in plenary session 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.

EXTERNAL RELATIONS

1. 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.

The ESC also liaises worldwide with other economic and social councils at the "International Meetings" held every two years.

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

The ESC 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 ESC sets up delegations headed by the president or a vice-president. Some meetings involving the countries of central and eastern Europe have been institutionalized with the agreement of the Council, e.g. with the Committee's counterparts in Hungary and - in the near future - with those in Bulgaria and Poland. There are also formal links with socio-economic interest groups in Turkey.

PUBLICATIONS

The ESC regularly distributes a number of publications, including its main opinions in brochure format, a monthly newsletter entitled ESC INFO and its Annual Report.

SECRETARIAT-GENERAL

The Committee is serviced by a secretariat-general, headed by a secretary-general who reports to the president, representing the Bureau.

135 staff work exclusively for the Economic and Social Committee. Since 1 January 1995, the Economic and Social Committee and the Committee of the Regions have shared a common core of departments whose staff, numbering 516, are mostly members of the ESC secretariat.



BULLETIN

Economic and Social Committee

European Communities

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This Bulletin reports on the activities of the Economic and Social Committee, a European consultative assembly. It is published after plenary sessions in French, English and German. Versions in the eleven official languages of the European Union are available on the ESC Internet site (<http://www.esc.eu.int>).

The complete texts of ESC opinions are available:

- *in the Official Journal of the European Communities,*
- *on the CELEX database,*
- *at the ESC Internet site,*
- *on written request from the ESC General Secretariat.*

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I. INAUGURAL SESSION ON 13, 14 AND 15 OCTOBER 1998

The inaugural session of the Economic and Social Committee for its eleventh four-year term of office (1998-2002) was held on 13, 14 and 15 October 1998. The oldest member present, Mr Jorge Stecher Navarra, opened the meeting. Mrs Rangoni Machiavelli, the new ESC president, took the chair after the Bureau had been installed in office. The Committee as a whole was also installed in office during this session (*for a list of all current Committee members arranged in their respective groups, please consult the ESC web site at www.esc.eu.int*). The principal decisions taken were as follows:

PRESIDENCY OF THE ECONOMIC AND SOCIAL COMMITTEE

Mrs Beatrice Rangoni Machiavelli, president of the ESC's Group III (Various Interests) from 1990 to 1998, was elected Committee president for a two-year term by 162 votes to eleven, with five abstentions.

An Italian national, **Mrs Rangoni Machiavelli** heads the Italian Council of the German Friedrich Naumann Cultural Foundation and represents the Italian Consumers Council at European level.

Mrs Aina Margareta Regnell, director of the Swedish Employers' Confederation (SAF), and **Mr Josly Piette**, secretary-general of the Belgian Confederation of Christian Trade Unions, were elected as vice-presidents.

BUREAU OF THE ECONOMIC AND SOCIAL COMMITTEE

The following members were elected to the ESC Bureau:

Mr	Ataíde Ferreira	GR III - P
Mr	Briesch	GR II - F (Group II president)
Mr	Burani	GR I - I (ECO president)
Mr	Cavaleiro Brandão	GR I - P (Group I president)
Mr	Ewert	GR III - L
Mr	Frerichs	GR I - D
Mr	Gafo Fernández	GR I - ESP (TEN president)
Mr	Giron	GR III - F
Mr	Hamro-Drotz	GR I - FIN
Mr	Jenkins	GR II - UK (REX president)
Mr	Koryfidis	GR II - GR
Mr	Noordwal	GR I - NL
Mr	Olsson	GR III - SV (SOC president)
Mr	Pariza Castaños	GR II - ESP
Mr	de Paul de Barchifontaine	GR III - B (NAT president)
Mr	Schmitz	GR II - D (INT president)
Mr	Scully	GR III - IRL

Mrs	Sigmund	GR III - A (Group III president)
Mr	Svenningsen	GR II - DK
Mr	Vogler	GR II - A
Mr	Walker	GR I - UK

GROUP PRESIDENTS

The following members were elected to chair the groups:

- *Employers*: Mr Manuel Cavaleiro Brandão, Confederation of Portuguese Industries (re-elected);
- *Workers*: Mr Roger Briesch, French Democratic Confederation of Labour - CFDT (re-elected);
- *Various Interests*: Mrs Anne-Marie Sigmund, secretary-general of the Austrian Federal Committee of the Liberal Professions.

SECTION PRESIDENTS

The following members were elected to chair the sections:

- *Section for Economic and Monetary Union and Economic and Social Cohesion (ECO)*:
Mr Umberto Burani, consultant;
- *Section for the Single Market, Production and Consumption (INT)*:
Mr Klaus Schmitz, head of structural and environmental policy division, management committee of the Confederation of German Trade Unions;
- *Section for Transport, Energy, Infrastructure and the Information Society (TEN)*:
Mr José Ignacio Gafo Fernández, director of the centre for the promotion of investment in Latin America, Spanish Employers' Confederation;
- *Section for Employment, Social Affairs and Citizenship (SOC)*:
Mr Jan Olsson, head of the European office of "Kooperativa Institutet";
- *Section for Agriculture, Rural Development and the Environment (NAT)*:
Mr Etienne de Paul de Barchifontaine, secretary-general of the Belgian agricultural alliance;
- *Section for External Relations (REX)*:
Mr Tom Jenkins, Head of the Europe Unit of the British TUC.

ESTABLISHMENT OF A SINGLE MARKET OBSERVATORY

In accordance with Rule 19A of the Rules of Procedure, the Committee set up a 21-member Single Market Observatory.

SPEECH BY THE NEW PRESIDENT OF THE ECONOMIC AND SOCIAL COMMITTEE

Following her election to the post of ESC president, Mrs Rangoni Machiavelli made a statement to the Committee. Her main points were as follows:

*The Committee must become the forum for civil society, enabling it to contribute in a major way to bringing the European Union closer to its citizens. The economic and social organizations, the associations and trade unions represented at the Committee are the cornerstone of organized civil society in Europe. **The ESC incorporates the most basic values of the "European model"**, which is founded above all on concerted action by the economic and social partners.*

*The progress of European society, on which the new role of women is leaving an indelible imprint, will be judged by its response to the questions raised by women. Society must understand that the **female condition**, in all its aspects (the labour market, financial independence, health, representation in decision-making circles etc.) is not a **sectional interest but a force for change which affects every aspect of our lives**, to which the Economic and Social Committee will continue to make a relevant and vital contribution.*

In its work on behalf of Europe's citizens, the ESC must also concern itself with young people. They have been severely affected by unemployment and it is they who must carry the growing burden of an ageing society. It is essential to prepare young citizens for the future and to broaden their horizons so as to give them more opportunity to participate in the building of Europe.

*We are all aware of the historic importance of the Val Duchesse social dialogue in enabling the social partners to have their say on European social policy and to help shape it. In a fully democratic society **the whole of civil society** must participate. To this end, it is important that a **civil dialogue** be established with NGOs to complement the social dialogue. And here the aim should be not to provide an opportunity for the selfish, corporatist defence of private interests, but rather to highlight the link between legitimate interests, rights and duties, which gives democracy its universality, a democracy based on the civic and community consciousness of citizens.*

In the course of the session the Economic and Social Committee adopted the following opinions:

Section for Economic and Monetary Union and Economic and Social Cohesion

Arie Van de Graaf, Head of Division - ☎ (32-2) 546 9227

1. TAXES / CIGARETTES AND MANUFACTURED TOBACCO

Opinion of the Economic and Social Committee on the Proposal for a Council Directive amending Directive 92/79/EEC on the approximation of taxes on cigarettes, Directive 92/80/EEC on the approximation of taxes on manufactured tobacco other than cigarettes and Directive 95/59/EC on taxes other than turnover taxes which affect the consumption of manufactured tobacco

(COM(98) 320 final - 98/0189 CNS)

(CES 1306/98 - 98/0189 CNS)

Rapporteur-general: Philip H. NOORDWAL
(Netherlands - Employers)

Gist of the Commission proposal

The aim of the proposed directive is to make some cosmetic changes to the basic directives governing taxes on cigarettes (92/79/EEC) and on manufactured tobacco (92/80/EEC) and to the directive on taxes other than turnover taxes which

affect the consumption of manufactured tobacco (95/79/EC). Specifically, it provides for a more flexible application by the Member States of excise duties which, for the most popular cigarettes, must not be lower than 57% of the retail selling price. This should make it easier to take inflation and budgetary requirements into account when setting these retail prices. The directive also stipulates minimum excise duty rates for cigars and manufactured tobacco (5% of the retail price for cigars and cigarillos, 30% for hand-rolling tobacco and 20% for pipe tobacco; or 9, 24 and 18 euros per kilo and 10, 25 and 19 from 1 January 2001). The arrangements are to be reviewed every five years.

Gist of the opinion

The ESC approves this proposal without reservation, given that the adjustments proposed are of a technical nature and seek basically to improve the functioning of the single market and enable the member states to manage their excise duties on cigarettes etc. bearing in mind their budget needs, their public health targets and the need to combat fraud.

Section for Employment, Social Affairs and Citizenship

Wolfgang Jungk, Head of Division - ☎ (32-2) 546 9227

2. THE SECOND PHASE OF THE COMMUNITY ACTION PROGRAMME IN THE FIELD OF EDUCATION (SOCRATES)

Opinion of the Economic and Social Committee on the Proposal for a Decision establishing the second phase of the Community action programme in the field of education (SOCRATES)

(COM(98) 329 final - 98/0195 COD)

(CES 1307/98 - 98/0195 COD)

Rapporteur-general: José Isaías RODRÍGUEZ GARCÍA CARO (Spain - Employers)

Gist of the Commission proposal

In presenting its three proposed decisions in the field of education, training and youth, extending and broadening the scope of the current Community action programmes which finish on 31 December 1999, the Commission is implementing the strategic guidelines announced in "Agenda 2000" and in its Communication of November 1997 "Towards a Europe of knowledge".

The current proposal relates to the establishment of the second phase of Socrates, the Community action programme in the field of education.

The programme is to be implemented in the period starting 1 January 2000 and ending 31 December 2004.

The aims of the programme are:

- to strengthen the European dimension in education,
- to promote cooperation in the field of education,
- to help remove the obstacles to such cooperation,
- to encourage innovation.

These aims are to be pursued by means of the following actions:

- school education (Comenius)
- higher education (Erasmus)
- other educational pathways (Grundtvig)
- teaching and learning of languages (Lingua)
- education and multimedia (Atlas)
- observation and innovation
- joint actions
- accompanying measures.

Under the conditions and arrangements for implementation specified in the Annex to the decision, this programme is aimed in particular at:

- all pupils, students, and learning adults;
- all categories of staff involved in education;
- all types of educational institutions;
- the people and bodies responsible for education systems and policies at local, regional and national level within the Member States.

Public or private bodies cooperating with educational institutions may also take part in the programme.

The Commission will ensure implementation of the Community actions covered by this programme.

As part of the process of building up a Europe of knowledge, the measures under this programme may, where appropriate, be implemented as joint actions.

The Commission will be assisted by a committee comprising representatives from the Member States and chaired by the Commission representative.

The committee is to be assisted by two subcommittees in the areas of school education and higher education. They are to be composed of representatives of the Member States.

The financial resources for the implementation of this programme for the period specified in Article 1 are established at ECU 1,400 million.

The programme is open to the participation of the associated Central and Eastern European countries (CEEC). Cyprus may also participate in the programme, as may Turkey and Malta.

The Commission will regularly monitor this programme in conjunction with the Member States.

Gist of the opinion

The Economic and Social Committee issued two opinions on the first phase of Socrates. The opinion on the draft decision establishing Socrates was adopted by the Committee at its plenary session held on 27 and 28 April 1994. The second opinion, on the proposed amendment of the decision, was adopted by the plenary session on 28 May 1997.

The good results obtained in the first phase of the programme and the need to further pursue the mandate of Article 126 of the Treaty establishing the European Community, have prompted the presentation of this draft decision which has been submitted to the Committee for a mandatory opinion.

The Committee welcomes the draft decision and is pleased that the Socrates Community action programme is to be continued through the establishment of a second phase.

The plethora of programmes and actions designed to achieve sometimes identical objectives requires considerable coordination and cooperation in order to ensure that the measures introduced and the related resources are applied efficiently.

Consequently, the Committee welcomes the move to promote joint actions with other Community initiatives geared towards improving knowledge.

In its opinion on the first phase of Socrates and in relation to the Socrates action aimed at the children of migrant workers, gypsies, travellers and persons with itinerant occupations, the Committee called for the children of refugees and asylum seekers to be explicitly included until such time as their legal situation was fully resolved. Examination of the annexes containing initiatives for the second phase reveals no such measures for these groups of people.

It is important to ensure that the level of income does not form a barrier for people who wish to take part in a Socrates action.

The streamlining of procedures and structures introduced in the second phase of the programme should improve its management. The Committee supports this organizational and operational overhaul and trusts that it will serve to boost effectiveness and efficiency in Socrates as a whole.

Repeating a comment made in its last opinion on the programme, the Committee considers that the Commission and Member States need to introduce mechanisms to allocate and monitor funding so that the greatest possible number of people are able to have access to Socrates, ensuring that assistance is not monopolized by specific individuals or institutions.

The Committee takes the view that the budget allocation earmarked for the second phase provides a certain degree of financial leeway to accommodate projects and assistance which may be requested under Socrates. The Committee's repeated recommendations for an increase in allocations to Socrates and the programmes preceding it, have thus been met.

Turning to the relationship between the financial resources available and the requests for project funding, the Committee restates its preference for quality over quantity. Socrates has consolidated its position and is widely acknowledged for the work it carries out. Its priority concern should not, therefore, be the number of projects approved, but rather the quality of these and their future benefits for the educational community.

The use of new communication technologies should receive sufficient support through the programme's actions. The Committee agrees with the proposal's emphasis on the use of multimedia for educational purposes.

The Committee welcomes the fact that the programme allows for the widest possible variety in the submission of education-related projects.

The Committee urges Member States to play a synergic role in this Community effort to support the European dimension of education and promote quality education.

The Committee opinion on the draft decision amending Decision 819/95/EC establishing the Socrates programme called for the funds allocated to Comenius to be increased as far as possible.

The Committee recommends that sufficient resources be allocated to this action, as it is targeted at the most receptive EU population group, namely school pupils, and will thus have a heightened impact.

The Committee supports any initiative which uses multimedia to boost the mobility of EU citizens.

The Committee welcomes the Grundtvig action.

The Committee takes the view that the activities supported under Lingua should specifically include projects which promote bilingual or trilingual teaching by encouraging schools to arrange exchanges whereby teachers go abroad to teach school subjects in their mother tongue.

The Committee supports the establishment and use of quality-assessment indicators dovetailed with quality-assurance methods and therefore welcomes activities of this nature in the Socrates programme. However, the Committee is surprised at the failure to include the European Quality Assurance Network among the programme's activities, when the network could well provide the driving force behind the dissemination of quality assurance and facilitate the use of its methods.

The "new innovatory initiatives" covered by the Observation and Innovation action look very promising in terms both of their approach and of their flexible arrangements for financing projects that foster innovation. The flexibility of the action means that it may be subsequently adapted to in-

clude innovatory initiatives emerging during the period covered by the programme. The Committee strongly supports this action.

The Committee supports the aims of the Socrates joint actions, and urges that possible calls for common proposals also involve activities under European Social Fund programmes for adult education.

Lastly, the Committee feels it appropriate that the programme's accompanying measures should include Socrates dissemination activities in those regions of the EU which submit fewer projects and request less assistance both quantitatively and proportionally. The success of Socrates, in terms of fulfilling the objectives set, hinges upon the genuine, across-the-board participation of educational establishments throughout Europe.

3. COMMUNITY ACTION PROGRAMME LEONARDO DA VINCI

Opinion of the Economic and Social Committee on the Proposal for a Council Decision establishing the second phase of the Community vocational training action programme Leonardo da Vinci (COM(98) 330 final - 98/0196 SYN)

(CES 1308/98 - 98/0196 SYN)

Rapporteur-general: Vasco CAL (Portugal - Workers)

Gist of the Commission proposal

The Commission is submitting a proposal for a second phase of the *Leonardo da Vinci* action programme for implementing a Community vocational training policy. The proposal takes on board the lessons learned from its implementation since 1995.

Main proposals for a revamped approach:

- A fundamental guideline: Community action to promote innovation in support of and as a complement to action taken in and by the Member States.
 - A broader legal basis: Article 127 of the Treaty establishing the European Community.
- Three objectives:
 - a) to improve and strengthen the social and occupational integration of young people, in particular through work-linked training and apprenticeship;
 - b) to broaden and build up access to high quality continuing training and access to lifelong skills, particularly in order to keep abreast of technological and organisational innovation, and the training investment drive;
 - c) to support the vocational training systems to assist those in difficult circumstances due to insufficient or outdated skills, to find employment and provide a smoother entry into the labour market.
 - Six types of transnational measures with demonstration actions of an experimental nature:
 - physical mobility of young people undergoing training should be stepped up;
 - virtual mobility in order to promote use of the new ICTs in vocational training;
 - transnational pilot projects to create and pass on innovation and quality;
 - European networks for the pooling of Community expertise and broad dissemination of the results;
 - the promotion of language skills tailored to the requirements of the world of work, using new products and new training methods;
 - Community terms of reference for a more systematic and a more programmed approach to the different tasks of studies, surveys and analyses.
 - A general call for proposals at the start of the programme for all objectives and for all Community actions and measures for a three-year period. A second general call for proposals, i.e. at the half-way stage of the programme.
 - Devolution of more responsibility to the Member States for the organisation and management of actions and measures thanks to a "decentralised selection" procedure and a centralised selection procedure for a restricted number of projects of an experimental nature.

- The launching of joint actions with the education and youth action programmes.

Gist of the opinion

The Leonardo programme is supposed to provide an instrument for implementing an EU vocational training policy. However, the programme's influence on Member States' vocational training systems is limited, particularly in those countries whose systems are the most developed. It has a greater impact in smaller countries, and this aspect should also be borne in mind when planning the second phase of the programme.

The second phase of the programme should not just give greater priority to dissemination activities; it should also help to exploit more fully the positive results of the projects financed during the present phase.

The programme's most important component, i.e. physical mobility measures, takes up around half of the programme's budget. It is very important to continue to implement practical measures at EU level to overcome obstacles to mobility, and that the programme should help to identify such obstacles.

When setting Member States' budgets for transnational placement and exchange programmes, the Commission proposes to take account of population, per capita GDP in purchasing power parities, geographical distance and transport costs, the size of the target population in relation to the overall population, the overall unemployment figure and the level of long-term unemployment. While the first few criteria are acceptable, the last one is questionable. The best criterion for determining vocational training needs is the existing level of training in the various countries, and this is the criterion which should be used.

Whilst the proposed statistical surveys are undeniably useful, they raise two questions: firstly, the need for harmonized concepts at EU level, to ensure that the data collected are complete and comparable; and secondly, whether it is appropriate for statistics collection and processing to be funded by the programme and conducted by consultancy firms. It would be more useful, and more fruitful in the long term, for Eurostat and national statistics institutes to include in their programmes the collection and processing of data on apprenticeships

and initial and further training, using harmonized concepts.

As regards the indicative breakdown of measures, the Committee (subject to the approval of the plenary session) considers that the pilot projects and European networks should receive greater priority, as these are the quintessential elements of the Leonardo programme.

4. COMMUNITY ACTION PROGRAMME FOR YOUTH

Opinion of the Economic and Social Committee on the Communication from the Commission entitled "*Community action programme for youth*" (COM(98) 331 final - 98/0197 COD)

(CES 1309/98 - 98/0197 COD)

Rapporteur-general: Bernd RUPP (Germany - Various Interests)

Gist of the Commission document

In presenting its three decision proposals in the domain of education, training and youth, extending and broadening the scope of the current Community action programmes which finish on 31 December 1999, the Commission is making concrete the strategic guidelines announced in "Agenda 2000" and, in the three domains in question, in its Communication of November 1997 "Towards a Europe of Knowledge.

The new "Youth" programme incorporates the "Youth for Europe" and "European voluntary service for young people" programmes, while reinforcing the initiatives intended to help young people create their own activity through the "opportunity for youth" action which forms the link between these two actions.

The programme starts on 1 January 2000 and ends on 31 December 2004.

In order to allow young people to acquire knowledge and skills, and to exercise responsible citizenship so as to become an active part of society, notably by promoting the role of young women, the objectives of the present programme are as follows:

- to strengthen their sense of solidarity;

- to promote an active contribution by young people to the building of Europe;
- to encourage young people's initiative, enterprise and creativity.

These aims are to be pursued by means of the following actions:

- European voluntary service;
- Youth for Europe;
- Opportunity for Youth;
- joint actions;
- support measures.

The programme is aimed at young people - in principle between the ages of 15 and 25 - who are legal residents of a Member State, as well as those involved in youth work.

As part of the process of building up a Europe of knowledge, the measures of this programme may be implemented as joint actions.

The Commission will be assisted in the implementation of this programme by a committee comprising representatives from the Member States and chaired by the representative of the Commission.

The financial resources for the implementation of this programme are established at ECU 600 million.

This programme is open to the participation of the associated central and eastern European countries (CEEC), Cyprus and Turkey.

It is also open to participation by Malta.

The Commission will regularly monitor this programme in conjunction with the Member States.

Gist of the opinion

Over the past few years, the Economic and Social Committee has adopted the following opinions on this topic:

- Opinion on the Proposal for a European Parliament and Council Decision adopting the

"Youth for Europe III" programme designed to promote the development of exchanges among young people and of youth activities in the Community;

- Opinion on the Proposal for a European Council Decision establishing the Community action programme "European voluntary service for young people";
- Opinion on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions "Towards a Europe of knowledge".

The draft presented by the Commission provides a major opportunity for a coordinated, common policy on young people in the Member States, particularly in the light of the plan to enhance the integration of youth and education policy.

However, the success of this programme will essentially depend on whether the different arrangements for assigning responsibilities in youth and education policy in the various Community countries can be dovetailed to avoid any conflict of remit and negative competition. The past has shown that, in some countries, this is a major obstacle to coordinated youth and education policy.

Bringing together current schemes and new, innovative action programmes can, particularly via the support measures, strengthen the Community's youth policy as a whole and generate new momentum. This also provides the opportunity to reach more young people than hitherto, and thus to consolidate European citizenship and a European identity at a formative stage in young people's political and structural development.

The efficiency of the programmes themselves should be monitored and analyzed and the findings disseminated, including via the media.

In addition, the ESC comments on specific articles of the Commission proposal wherever it deems this necessary.

Section for the Single Market, Production and Consumption
Joao Pereira dos Santos, Head of Division - ☎ (32-2) 546 9245

5. TAX- AND DUTY-FREE ALLOWANCES FOR TRAVELLERS - GERMANY AND AUSTRIA

Opinion of the Economic and Social Committee on the Proposal for a Council Directive amending Council Directive 94/4/EC of 14 February 1994 and extending the temporary derogation applicable to Germany and Austria
(COM(98) 473 final - 98/0250 CNS - 98/0251 CNS)

(CES 1310/98 - 98/0250 CNS - 98/0251 CNS)

Rapporteur-general: Giannino BERNABEI (Italy - Employers)

Gist of the Commission document

Until 31 December 1997, Germany and Austria benefit from a derogation from the system of tax- and duty-free allowances for travellers. Under the provisions, the two Member States can apply an allowance of ECU 75 (instead of ECU 175) to imports by travellers entering their territory by a land frontier linking them to countries (Czech Republic, Hungary, Slovenia, etc. ...) other than Member States and EFTA members.

The reasons given by the two Member States at the time concern both the considerable disparity in prices between their national markets and those of their neighbours to the east, and the existence of duty-free shops in close proximity to their land frontiers with those countries. These factors affected their internal trade and resulted in considerable tax losses.

On 24 June and 23 July 1997 the German and Austrian authorities respectively requested the Commission for an extension of the system. The two requests are based on the continuation, and in

certain cases the development, of the situation. Although Germany and Austria have considerably increased their supervisory resources at the frontiers concerned (redeployment of personnel, targeted and in-depth checks, special training for officials, etc.), it is unlikely that the difficulties will be resolved in the near future.

It would therefore be necessary to provide for a temporary extension of the derogation from the Community limit, and a new limit should therefore be introduced from 1 January 1999. In view of the fact that the third countries concerned by these measures are applying for accession to the Union, the derogation should be adjusted to the current situation as soon as possible, at the latest by 1 January 2003.

A proposal for a regulation concerning the customs aspects is being presented at the same time.

Gist of the opinion

The Committee broadly approves the Commission's proposal to extend - for the last time and according to an agreed calendar - the abovementioned temporary degressive derogation regarding tax- and duty-free allowances. The Committee agrees that the EU must speedily comply with its international commitments, in particular by fully applying throughout its territory the Kyoto convention which provides for an allowance of 150 SDRs (special drawing rights).

The Committee also recommends that appropriate measures be taken forthwith, using the Phare assistance and cooperation instruments, the new pre-accession instrument, and Community interregional and crossborder cooperation initiatives, to help improve the economic and employment situation and ensure the full application of the EU's single market and customs/fiscal policy rules in the areas concerned.

Section for Transport, Energy Infrastructure and the Information Society
Luigi Del Bino, Head of Division - ☎ (32-2) 546 9353

6. WEIGHTS AND DIMENSIONS/COMBINED TRANSPORT

Opinion of the Economic and Social Committee on the *proposal for a Council Directive amending Council Directive 92/106/EEC on the establishment of common rules for certain types of combined transport of goods between Member States and the proposal for a Council Directive amending Council Directive 96/53/EC, laying down for certain road vehicles circulating within the Community the maximum authorized dimensions in national and international traffic and the maximum authorised weights in international traffic* (COM(98) 414 final - 98/0226 SYN - 98/0227 SYN)

(CES 1311/98 - 98/0226 SYN - 98/0227 SYN)

Rapporteur-general: Edoardo BAGLIANO (Italy - Employers)

Gist of the Commission document

The Commission strategy on a common transport policy is based on the concept of sustainable mobility. This concept calls for an optimally integrated transport system, in which combined transport plays an important role.

The increased competitiveness of goods transport by road compared with combined transport is partly the result of the liberalization of road transport. Increasing the competitiveness of combined transport as part of logistical systems requires not only that the price should be right, but also the quality of service; in particular, reliability and punctuality must be improved. Improving the opportunities for combined transport services to be offered whenever customers see fit for their industry should stimulate the necessary improvements in quality.

The aim of these proposals is the increased use of combined transport as an alternative to the ever-expanding role for road transport.

The Commission thus proposes:

- to amend Directive 92/106/EEC with regard to initial and final road haulage as part of all types of combined transport. The following measures are proposed:
 - extension of the tax rebates from vehicle tax to each combined transport operation;
 - lifting of weekend and similar driving restrictions for initial and final road haulage that is part of combined transport.
- to amend Directive 96/53/EC to allow a maximum total weight of at least 44 tonnes in all Member States of the EU for the road haulage part of a combined transport operation.

Gist of the opinion

The Committee endorses the Commission's approach and believes that the amendments to Directives 92/106/EEC and 96/53/EEC are necessary in order to give effect to the declarations of intent and to implement the framework projects proposed by the Commission in previously published white and green papers.

Despite all efforts to the contrary, combined transport accounts for a mere 5% of goods transport by road in Europe (except for transalpine transport, where the figure is around 23%). No substantial progress has therefore been made, if one excludes specific situations in certain countries. Road transport has continued to grow over the past few years, with a 22.8% increase between 1990 and 1996. Rail transport, on the contrary, has continued to decline at an alarming rate (- 14.6%). The last official figure available (1996) was 73.6% for road transport and 13.9% for rail transport.

But on the other hand, the liberalization/privatization of the railways has been a slow process. The Commission has highlighted the fact that only two organizations provide transport services as laid down in Directive 91/440. Fur

thermore, the "freeways", in which great hopes had been placed to hasten the directive's impact, do not seem to be taking off. Neither is it conceivable to continue planning individual, isolated actions or measures, as any action geared to realigning and improving the transport sector can only be viewed in a broader context of general policy.

The two proposals must therefore be seen as a tool for facilitating and promoting combined transport via direct measures and a pragmatic methodological approach to establish a framework within which Member States can and must act, with due regard for the subsidiarity principle.

The Committee therefore considers the proposals to be both important and positive because:

- the proposed initiatives *aim to improve the profitability of combined transport*, also on those routes under the 500 km threshold currently held to be unprofitable and unproductive. Below this limit, road-only goods transport is considered more profitable;
- the proposed concessions will be of interest to *those road haulage SMEs* that can specialize in combined transport;
- the definition of combined transport has been broadened, both in terms of geographic area and transport mode, thus plugging a gap that had been causing problems of interpretation.

Section for Agriculture, Rural Development and the Environment
Francisco Vallejo, Head of Division - ☎ (32-2) 546 9396

7. COMPENSATION FOR MILK PRODUCERS - SLOM III

Opinion of the Economic and Social Committee
on the *Proposal for a Council Regulation (EC) providing for an offer of compensation to certain producers of milk and milk products temporarily restricted in carrying out their trade*
(COM(98) 464 final - 98/0244 CNS)

(CES 1312/98 - 98/0244 CNS)

Rapporteur-general: Stefan Mats Wilhelm
NILSSON (Sweden - Various Interests)

Commission proposal

The proposal lays down arrangements for settling the claims of "SLOM III" producers. The arrangements are similar to those provided in Council Regulation (EEC) No. 2187/93 for "SLOM I and II" producers.

SLOM III producers are defined as producers who, when the additional milk levy arrangements were set up in 1984, were transferees of a non-marketing or conversion premium and who had received an allocation of a reference quantity for another holding.

Gist of the opinion

Endorsement, subject to a few minor changes.

II. FUTURE WORK

Anticipated new referrals

Section for the Single Market, Production and Consumption

- Information on the fuel economy of new passenger cars
COM(1998) 489 final - 98/0272 SYN
deadline: January
- Approximation of laws - heating systems for the passenger compartment of motor vehicles
COM(1998) 526 final - 98/0277 COD
deadline: February
- Application of Treaty Article 85(3) to certain categories of agreements and concerted practices
COM(1998) 526 final - 98/0287 CNS - 98/0288 CNS
deadline: February
- Combating of counterfeiting and piracy in the internal market (green paper)
COM(1998) 569 final
deadline: to be decided

Section for Transport, Energy Infrastructure and the Information Society

- Community fleet capacity policy to promote inland waterway transport
COM(1998) 541 final - 98/0281 SYN
deadline: January/February
- Series of guidelines for trans-European energy networks
COM(1998) 542 final - 98/0284 COD
deadline: January/February

Section for Agriculture, Rural Development and the Environment

- Additives in feedingstuffs - official inspections
COM(1998) 438 final - 98/0237 CNS
deadline: December
- Waste incineration
COM(1998) 558 final
deadline: February/March
- Conservation of fisheries - protection of juvenile forms of marine life
COM(1998) 570 final
deadline: to be decided

Section for Economic and Monetary Union and Economic and Social Cohesion

- Annual Report of the Cohesion Fund (1997)
COM(1998) 543 final
deadline: to be decided

Section for Employment, Social Affairs and Citizenship

- Application of social security schemes to employment persons, self-employed persons and to members of their families moving within the Community
COM(1998) 547 final - 98/0285 CNS
deadline: January
- Classification, packaging and labelling of dangerous substances Austria/Sweden
COM(1998) 561 final
deadline: to be decided

Section for External Relations

- Multiannual scheme of generalized tariff preferences (1999-2001)
COM(1998) 521 final - 98/0280 ACC
deadline: December
- Tempus III (2000-2006) 3rd phase - non-associated Phare countries
COM(1998) 454 final - 98/0246 CNS
deadline: December

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I. 359th PLENARY SESSION ON 2 AND 3 DECEMBER 1998

The Economic and Social Committee held its 359th plenary session in Brussels on 2 and 3 December 1998. The Committee president, Mrs Rangoni Machiavelli, was in the chair.

The session was attended by **Mrs Eleonora Hostach**, Austrian Federal Minister for Labour, Health and Social Affairs on behalf of the acting presidency of the Council; **Mr Pádraig Flynn**, Member of the European Commission; and **Mr Willem Duisenberg**, president of the European Central Bank.

Mrs Rangoni Machiavelli, President of the Economic and Social Committee, presented the work programme which it was hoped would be completed over the coming two years. Of course it included promoting the interests of organized civil society as represented in this assembly, but also promoting in particular equal rights and solidarity between generations, applying to all citizens including young people, women and those marginalized by present-day society. She mentioned that the ESC opinion on the cost of poverty and exclusion had prompted Eurostat to update the relevant statistics.

Turning to the liberalization of markets, which would be complemented by the introduction of the single currency, the President said that it should not be regarded as an end in itself but should be used to serve the objectives of Article 2 of the Treaty of Rome, which provided for sustainable development of economic activities while enhancing the general welfare and standard of living; increased cohesion must be achieved through solidarity. The Committee would contribute to this, if necessary by using its right of initiative.

Employment remained an absolute priority, and the Committee was pleased that the Treaty of Rome had broadened its mandate here.

Another priority of the European democratic model was to safeguard the quality of life by protecting the environment and consumers' health. The ESC's opinions in this sector, which also covered the progress of genetic engineering and related biotechnology, were increasingly important and numerous. The Committee intends to take an active part in making a success of European Consumers Day, planned for 15 March 1999.

The external relations of the European Union were also of interest to the Committee, and its consultations with the socio-occupational groups of the ACP, Euromed and Mercosur countries, together with the regular dialogue established in the ESC/Hungary and ESC/Turkey Joint Committees, had already fully proved their worth and would soon be extended to Bulgaria, Romania and Poland. The Austrian Presidency had encouraged the ESC to contribute to the enlargement process through its contacts with organized civil society.

Finally, the President reminded those present that it was impossible to achieve such an ambitious programme without developing the ESC's good relations with other institutions to the full, and that a significant step in this direction had been taken when the Treaty of Amsterdam made it possible for the ESC to be consulted by the European Parliament.

The EP President, **Mr Gil Robles**, who had been scheduled to attend the plenary but had been prevented from coming at the last moment, had sent **Mrs Rangoni Machiavelli** a letter pointing out

that the EP was about to adopt an amendment to its rules of procedure allowing it to consult the ESC and thus strengthen the democratic legitimacy of the EU's institutions.

Mrs Hostasch, the Austrian Federal Minister for Labour, Health and Social Affairs, gave a preview of the Austrian presidency report, including the outcome of the Social Affairs Council and the Ecofin Council on 2 December.

In particular, there was to be a co-ordinated strategy to promote employment with an assessment the following autumn of the results of the different national plans based on the guidelines drawn up in Luxembourg. Minimum standards were to be laid down for working conditions and health protection, where many positive results had been achieved.

However, little progress had been made on worker participation in the future European company. But at least 14 member states (Spain being the odd man out) had managed to reach a consensus.

Other positive points were the co-ordination of social security schemes for students, the right to training in another country, accident prevention and the expansion of the "medicines" directive. Generally speaking, there would be more information and exchange of data on public health matters.

Mrs Hostasch ended by mentioning various events, conferences and forums on social matters that had been held under the Austrian presidency.

Commissioner **Pádraig Flynn**, as the Commissioner responsible both for social policy and relations with the ESC, stressed how much he appreciated the ESC's contributions to European solidarity. More than ever, he called for ESC support in meeting the current challenge of harnessing the potential of EMU, particularly in the field of technology, by transforming the EU into the world's largest economic unit, while continuing to guarantee Europeans a society based on the principles of solidarity and security. He called upon ESC members to use their experience and expertise to rise to this challenge and make the right decisions.

Commissioner Flynn also urged the ESC not to delay in examining the legislative proposals submitted in relation to the new employment strategy, an issue which was of strategic importance and which of course merited in-depth consideration.

Mr Flynn also encouraged the ESC to develop links with civil society and the social partners in the applicant countries.

Finally, the plenary session was marked by a detailed statement by the president of the ECB, **Mr Willem Duisenberg**, on the role of monetary policy in economic policy. His statement was followed by a discussion with ESC members.

Mr Duisenberg confirmed that the ECB's basic objective was price stability in the euro-zone obtained by an intelligent mix of monetary, budgetary and wage policies; this was the best guarantee of sustainable growth and the creation of new jobs. The euro would be considered stable when the harmonised index of consumer prices went up by no more than 2% per year. Any deflation, which **Mr Duisenberg** felt was not to be feared for the moment, would not meet the objective of stability. The ECB's strategy first took account of a reference value for increasing the money supply (the

German method) and then a certain number of economic data (the English method) including price and wage trends, but also the exchange rate against the dollar.

The ECB was concerned about the economic situation in the euro-zone, and especially the excessively high level of unemployment. The ECB would do as much as it could to combat this scourge, though it recognized that, since the problem was mainly structural, monetary policy on its own was not an effective instrument here.

The ECB forcefully insisted on its independence as ensured under the Maastricht Treaty, but **Mr Duisenberg** was all for his institution operating in an open and transparent manner. Through regular contacts with the Council, the European Parliament, the Economic and Social Committee and also the press, the ECB would have a policy of dialogue not only with governments but also with the social partners.

Mr Duisenberg confirmed that he did not fear any contradiction between the ECB's independence and its concern for communication and dialogue: the ECB had to be credible if the ordinary citizen and businessman were to have confidence in the ECB and the euro. To achieve this credibility, it had to be understood. So, it had to explain its policy and engage in as open a dialogue as possible.

In the course of the session the Economic and Social Committee adopted the following opinions:

Section for the Single Market, Production and Consumption
Joao Pereira dos Santos, Head of Division - ☎ (32-2) 546 9245

1. SPEEDOMETERS FOR TWO- OR THREE-WHEEL MOTOR VEHICLES

Opinion of the Economic and Social Committee
on the *Proposal for a European Parliament and Council Directive on speedometers for two- or three-wheel motor vehicles and amending Council Directive 92/61/EEC*
(COM(98) 285 final - 98/0163 COD)

(CES 1435/98 - 98/0163 COD)

Rapporteur: Paulo BARROS VALE (Portugal - Employers)

Gist of the Commission proposal

This proposal for a directive concerns speedometers for two- or three-wheel motor vehicles within the context of the type-approval procedure for such vehicles set out in the (framework) Council Directive 92/61/EEC of 30 June 1992 (on the type-approval of two- or three-wheel motor vehicles). It takes the form of an amendment to that directive.

The technical requirements contained in this proposal relate to the design of speedometers to be fitted in two- or three-wheel motor vehicles, specifications which must - along with those for other parts and characteristics provided for in Annex I to the framework directive - be complied with for vehicles to be type-approved and put on the Community market.

In preparing this proposal, the Commission has based itself extensively on the requirements adopted by the United Nation's Economic Commission for Europe in its Regulation No. 39, believing that achievement of equivalence between this proposal's requirements and those of that regulation is all the more desirable in that this will facilitate access to the markets of third countries.

The Member States must bring into force the laws, regulations and administrative provisions needed to comply with this directive by 1 January 2001.

Gist of the opinion

The Committee approves the compulsory installation of speedometers and odometers, viewing this as a positive step over Directive 92/61/EEC, which left the decision as to whether or not to install such devices up to the vehicle manufacturer.

Compulsory type-approval with the reference "SD" should be required for new vehicles and, given that the design and launch of this type of vehicle currently takes some two years, it should only come into effect two years after publication of the amended directive. Vehicles currently under production, type-approval of which does not include the reference "SD" for speedometers and odometers as now proposed, should meet this requirement from that date onwards.

2. ELECTRONIC SIGNATURES

Opinion of the Economic and Social Committee
on the *Proposal for a European Parliament and Council directive on a common framework for electronic signatures*

(COM(98) 297 final - 98/0191 COD)

(CES 1444/98 - 98/0191 COD)

Rapporteur: Umberto BURANI (Italy - Employers)

Gist of Commission document

Open networks such as the Internet are of increasing importance for world-wide communication. In order to make best use of these opportunities, a secure environment with respect to electronic authentication is needed.

In its Communication on "A European Initiative in Electronic Commerce of 16 April, the Commission recognised digital signatures as an essential tool for providing security and developing trust on open networks. The Bonn Ministerial Declaration also identified the need for digital signatures as a key issue for electronic commerce. As a first step, the Commission presented a Communication on "Ensuring Security and Trust in Electronic Communication - Towards a European Framework for Digital Signatures and Encryption", which outlined the need for a coherent approach in this field.

Since then, the Commission has received input from the various parties involved. The following conclusions were drawn from the information collected:

- The increasing legislative activity in this area in several Member States emphasises the urgent need for a harmonised legal framework at the European level.
- While there is much discussion and work on digital signature technologies which employ public-key cryptography, a Directive at the European level should be technology-neutral.
- In order to support the rapid development of the market in terms of user demand and technological innovation, prior authorisation has to be avoided. Voluntary accreditation schemes for certification of service providers are considered to be useful.
- Electronic signatures used within closed groups, for example, where contractual relationships already exist, should not automatically fall within the scope of this Directive.
- Ensuring legal recognition - in particular across borders - of electronic signatures and of certification services is regarded as the most important issue.
- Industry should take the lead with standardisation bodies in developing internationally agreed standards for electronic signatures to ensure an open environment for interoperable products and services.

- At the international level many activities and discussions are underway. These ongoing developments should be taken into account in the implementation of a legal framework at the European level.

Gist of the Opinion

The Committee agrees with the Commission's approach, but believes that not enough consideration has been given to the protection of users.

As regards the global context (e.g. UNCITRAL, OECD and WTO initiatives), although such initiatives are commendable, they present a concrete risk of overlapping, duplication, or conflict between the various sets of rules. The Committee regrets to note that global institutions are unintentionally creating confusion and uncertainty.

The Committee has some reservations on Article 1 and wonders whether it might be wiser - in the interest of the users and managers of such systems - to extend the scope of the directive to closed systems that are available to the public.

Regarding Articles 3(1) and 3(2), the Committee feels that, while it is acceptable that the number of certification providers must be unrestricted, it would be inadvisable to exempt them from a preliminary check and accreditation. Periodic checks should also be made to ensure the continuing fulfilment of the requirements listed in Annex II.

The Committee endorses Article 3(4), but feels that it might be advisable to go a step further by obliging those Member States that recognize the validity of electronic signatures in the private sector to accept them also in the public sector, albeit with "additional requirements".

The Committee would point out that Article 4 does not protect the public from the provision of services by unaccredited providers in other Member States. Here an evident analogy could be drawn with the approach taken by the second banking directive. In addition, the admissibility of electronically-signed documents as evidence in legal or extrajudicial proceedings should be recognized only if the certification has been issued by an accredited body.

Article 5(2) does not seem clear and should be reviewed.

The Committee believes that the provisions of Article 6 leave open the question of what could happen if a certification provider suspended or terminated its service. Some sort of system should be established to guarantee that consumer rights continue to be protected.

The Committee disagrees with the overall thrust of the rules in Article 7, which flout the principle of reciprocity that should be the cornerstone of global trade integration (and not just electronic). In addition, recognition of a certificate or provider from a third country on the basis of a *bilateral* agreement with a Member State would distort competition.

The Committee suggests reviewing Article 8 and simply stating that the provisions of the directives on personal data protection and money laundering will apply in full.

Concerning Articles 9 and 10, the ESC queries the necessity of setting up an additional "Electronic Signature Committee" when the Commission could perfectly well consult Member States and interested parties itself, as part of its institutional duties.

In view of the urgent need to adopt uniform legislation in the vast field of the information society, the Committee feels that a one-year period from the date of adoption of the directive should give Member States sufficient time to implement it.

3. FUEL ECONOMY

Opinion of the Economic and Social Committee on the Proposal for a Council Directive relating to the availability of consumer information on fuel economy in respect of the marketing of new passenger cars

(COM(98) 489 final - 98/0272 SYN)

(CES 1448/98 - 98/0272 SYN)

Rapporteur general: Bernardo HERNÁNDEZ BATALLER (Spain - Various Interests)

Gist of the Commission proposal

The aim of the proposed directive is to provide potential buyers of new passenger cars with fuel economy information so as to steer their choice towards the most fuel efficient models.

The proposal is in an integral part of Community strategy to reduce CO₂ emissions from passenger cars, along with an environmental agreement with the automotive industry and fiscal measures. The directive aims to make information available to consumers in four ways: a fuel economy label attached to each car in a showroom; dissemination of a summary guide containing the fuel economy data of every vehicle on the new car market; information to be displayed in a poster at points of sale; and inclusion of fuel consumption data in promotional material.

The proposal sets down a number of minimum requirements, such as mandatory use of official EU type-approval data to guarantee the consistency and reliability of fuel economy information. However, Member States will retain a certain amount of flexibility in designing the labels, guides and posters.

Gist of the opinion

The Economic and Social Committee warmly welcomes this proposed Council directive which should enhance the strategy to reduce CO₂ emissions by raising consumers' awareness and thus enabling them to make a better choice. At the same time it will reduce the consumption of non-renewable fuels, for which the Community is heavily dependent on external sources.

With regard to the articles of the proposed directive and its annexes, the following comments need to be made:

Article 2. It is difficult to distinguish between the proposed definitions of "variants" and "versions" and they should be clarified.

Article 4, first paragraph. International motor shows should be included; many visitors may decide to buy a particular car at such events.

Specialist magazines are also important factors in the consumer's decision; a study should therefore

be made of how they can be included in this consumer information scheme so that they cooperate with the bodies responsible for the application and operation of the scheme.

Article 6. Not only dealers should have to display the posters; they should also have to be displayed at international motor shows.

Annex I. Because of the impact that it may have, it would be advisable to give the maximum consumption of the vehicle for the different use cycles (road, urban, mixed), especially the urban.

Annex III. It should be stated that the poster must be displayed in a clearly visible place.

Section for Transport, Energy Infrastructure and the Information Society

Luigi Del Bino, Head of Division - ☎ (32-2) 546 9353

4. MARITIME CABOTAGE / MANNING CONDITIONS

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) amending Council Regulation (EEC) No. 3577/92, of 7 December 1992, applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage); and Proposal for a Council Directive on manning conditions for regular passenger and ferry services operating between Member States (COM(98) 251 final - 98/0158 SYN - 98/0159 SYN)

(CES 1436/98 - 98/0158 SYN - 98/0159 SYN)
Rapporteur: Eduardo CHAGAS (Portugal - Workers)

Gist of the Commission document

The main purpose of this Commission document, which follows on from a report presented during the summer of 1997, is to examine the labour situation in the entire market for regular passenger services between Member States' ports and make proposals for a way forward.

These proposals (an amending regulation and a directive), which must comply with the Community's international commitments, have a double aim: first, to promote the employment of European seafarers on scheduled passenger ferry services, which today employ 50% of all seafarers in the European Union, and second, to ensure a level playing field for all Union transport operators competing in this market.

a) The proposal for a regulation on maritime cabotage is in response to Regulation No. 3577/92, which obliges the Commission to make a proposal on a definitive set of conditions for crews, to be approved by the Council by 1 January 1999.

The proposal for a regulation, which takes account of existing differences in terms of the composition of crews in various Member States, stipulates that ferry operators who provide a cabotage service must apply the rules that pertain in the host country - i.e. that in which the cabotage takes place - with regard to the minimum number of EU nationals employed. Where a Member State permits a certain proportion of third country nationals, it must ensure that they benefit from the same working conditions as those that operate in the flag state, i.e. the country where the vessel is registered.

b) The proposal for a directive on scheduled passenger ferry services between Member States establishes the principle under which employees that are nationals of third countries must be given working conditions comparable to those that apply to EU citizens working in the same market. For that reason, it provides for third country nationals to have the same working conditions as those applicable in the Member State where the vessel is registered. If the flag state is a third country, the rules that apply will be those of the Member State that has the closest transport links, in other words the country where the service will actually operate and where the seafarers concerned live.

Working conditions cover: maximum work periods and minimum rest periods; minimum annual paid holiday; health, safety and hygiene at work; protective measures for pregnant women or women

who have just recently given birth, children and young people; equality of treatment for men and women; and all other provisions for non-discrimination.

Gist of the opinion

- **Regarding the proposed amendment to the regulation**

The Committee feels that the time is not right to push for amendments to Regulation 3577/92 as this would risk upsetting the balance of interests which allowed the Regulation to be passed.

In view of this, the Committee would suggest one of the following alternatives to the Commission:

- leaving the provisions of Article 3(2) and (3) of Regulation 3577/92 as they stand, with the inclusion of mixed passenger/cargo services and scheduled cruise services already mentioned.
or
- not making any distinctions in manning rules so that Article 3 continues to apply equally to passenger vessels and regularly operating cargo vessels engaged in island cabotage and the applicable rules on manning are those in force in the State where the service is carried out (host State).

- **Regarding the proposed directive**

The Committee agrees with the Commission's objectives in submitting this draft directive and feels that any such Community provision should take account of and respond to the concerns regarding employment and labour; the economic aspects; and the legal compatibility of the proposal with other legal instruments and its repercussions upon the international context in which the Community shipping industry operates.

5. CAPACITY OF INLAND WATERWAY FLEETS

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) on a Community fleet capacity policy to promote inland waterway transport
(COM(98) 541 final - 98/0281 SYN)

(CES 1449/98 - 98/0281 SYN)

Rapporteur general: Hubert GHIGONIS (France - Employers)

Gist of the Commission proposal

Council Regulation (EEC) No 1101/89 introduced arrangements for structural improvements in the inland waterway sector for fleets operating on the linked networks of Austria, Belgium, France, Germany, Luxembourg and the Netherlands. The objective of this Regulation was to reduce overcapacity in the fleets by means of vessel-scraping schemes coordinated at Community level. Council Regulation (EC) No 844/94 extended these arrangements until 28 April 1999.

Under the "old for new" rule, the commissioning of new vessels is contingent on the scrapping of existing capacity in a ratio determined by the Commission or after payment of a special contribution, and the Commission is proposing that this rule be retained. The different ratios applicable at present in the different branches of the market will continue to apply, but they must be gradually reduced to zero by no later than 28 April 2004.

Beyond this period this scheme is to become a standby mechanism, which can be reactivated only in the event of a serious market disturbance.

The scrapping funds set up in the Member States in question are to be retained as "Community Fleets Coordination and Promotion Funds." Each fund must have a reserve fund consisting of the surplus funding from the structural improvement schemes conducted until 28 April 1999 and the special contributions received under the "old for new" rule, and this reserve fund is to be used to pay scrapping premiums in the event of a market disturbance.

Member States can make provision for social measures to assist workers leaving the industry and to promote company mergers, the acquisition of vocational qualifications by operators and the adaptation of vessels to technical progress.

The Regulation is to enter into force on 29 April 1999.

Gist of the opinion

Reiterating comments made in previous opinions, including that of 26 January, the Economic and

Social Committee considers that balanced operation of the inland waterway market is crucial and that this is contingent on a policy to control the capacity of Community fleets. It therefore endorses the draft Council regulation.

Nonetheless, the Committee has reservations about the merit of certain exemptions from the future regulation provided for vessels operating exclusively on national waterways not linked to other waterways in the Community and vessels whose dimensions confine them to certain national waterways. The Committee also notes that such exemptions can generate distortions in treatment.

The Committee shares the goal of phasing out the ratios applicable under the "old for new" rule within five years starting on 28 April 1999.

However, it would stress that this can be no more than a stated aim which would be untenable in the event of a serious disturbance of the market warranting the retention, or indeed the tightening, of the ratios in force at that time. For this purpose, the Committee advocates that the Commission, assisted by experts, should constantly observe market developments.

The regulation must make it possible, in the event of serious disturbance of the market, to tighten the ratios in force at the time and to be constantly in a position to contend with all changes in market conditions.

In the Committee's view, the Swiss fleet must be included.

Section for Agriculture, Rural Development and the Environment
Francisco Vallejo, Head of Division - ☎ (32-2) 546 9396

6. MONITORING CO₂ EMISSIONS FROM NEW CARS

Opinion of the Economic and Social Committee on the Proposal for a Council Decision establishing a scheme to monitor the average specific emissions of carbon dioxide from new passenger cars
(COM(98) 348 final - 98/0202 SYN)

(CES 1437/98 - 98/0202 SYN)

Rapporteur: José Ignacio GAFO FERNÁNDEZ (Spain - Employers)

Co-rapporteurs: Seppo Ilmari KALLIO (Finland - Various Interests)

María Candelas SÁNCHEZ MIGUEL (Spain - Workers)

Gist of the Commission proposal

The Community's strategy to reduce the CO₂ emissions from passenger cars consists of three pillars:

- an environmental agreement with the manufacturers, including an objective for new passenger cars to attain an average specific emission of CO₂ of 120 g/km by 2005 (2010 at the latest);

- a framework for fiscal incentives;
- a fuel economy labelling scheme to influence consumer choice.

Currently, there is no mechanism at EU level for monitoring accurately the average specific emissions of CO₂ from new passenger cars. It is therefore of crucial importance to establish such a system in order to:

- assess the effectiveness of the Community's CO₂/cars strategy;
- provide information on changes in the passenger car fleet which are due to the implementation of the strategy and which may affect other Community policy objectives such as air quality, ground level ozone, regional acidification and road safety;
- assess the impact of the CO₂/cars strategy on the new car market.

The proposed Decision, which is based on Article 130s, provides for a monitoring scheme which will collect information on the specific emissions of CO₂, manufacturer, fuel type, mass, engine power and engine capacity of each newly registered passenger car.

The information required to underpin the proposed monitoring scheme is to be collected by the competent authorities in the Member States. In many instances this will be those official bodies responsible for the collection of vehicle-registration data. Such information is generated by the existing EC type-approval process for motor vehicles, of which the measurement of the specific emissions of CO₂ is an integral part.

Gist of the Opinion

Although the Committee warmly welcomes the proposal, it makes a number of specific observations:

- It suggests two further measures to increase the effectiveness of the system:
 - a labelling system for *individual vehicles* should be established, to help consumers select the most efficient vehicles for their particular needs, in line with the Commission's September 1998 proposal (COM (1998) 489 final).
 - a national system of fiscal incentives for the most efficient vehicles should be promoted.
- It has serious misgivings about the requirement to supply specified data *at the level of each manufacturer*, especially in such a detailed and disaggregated form:
 - Registration data (and thus sales figures) for each manufacturer may not be entirely representative, especially at national level, if we consider the relative specialization and market share of each manufacturer in a particular market segment.
 - Publishing this kind of detailed information at national and then EU level gives it an official status which could be used as a marketing tool; this goes beyond the objective of the proposal.

The Committee would therefore recommend one of the following alternatives:

- Limiting national publication of data per manufacturer to the entire vehicle range and type of fuel, and publishing only fully

disaggregated data for each manufacturer at Community level.

- That the Commission negotiate with the ACEA and importers of cars from third countries to decide the level of disaggregated publication of the relevant information per manufacturer or to set limits on its use for commercial or other purposes.

It urges the Commission to consider how the present proposal might interact with the request made by the Environment Council on 25 June 1996 - and reiterated in its conclusions of 23 March 1998 - that the Commission ensure that the "main car manufacturing countries implement similar policies" for reducing CO₂ emissions, given that importers should endeavour to take part in all the measures which European manufacturers adopt to improve efficiency, including emissions monitoring systems.

7. ADDITIVES IN FEEDINGSTUFFS

Opinion of the Economic and Social Committee on the Proposal for a Council Directive amending Directives 70/524/EEC concerning additives in feedingstuffs, 95/53/EC fixing the principles governing the organization of official inspections in the field of animal nutrition and 95/69/EC laying down the conditions and arrangements for approving and registering certain establishments and intermediaries operating in the animal feed sector

(COM(98) 438 final - 98/0237 CNS)

(CES 1438/98 - 98/0237 CNS)

Rapporteur working alone: Cornelius SCULLY (Ireland - Various Interests)

Gist of the Commission proposal

The proposal is designed to establish a legal framework for approval and registration procedures during the transitional period from 1 April 1998 to 1 April 2001, and to take account of the repeal of Directive 77/101/EEC.

Gist of the opinion

The Committee approves the Commission proposal without reservation.

8. CONSERVATION JUVENILE FISHERY RESOURCES

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) amending Regulation (EC) No. 850/98 of 30 March 1998 for the conservation of fishery resources through technical measures for the protection of juveniles of marine organisms (COM(1998) 570 final - 98/0291 CNS)

(CES 1439/98 - 98/0291 CNS)

Rapporteur working alone: Jesús MUÑIZ GUARDADO (Spain - Various Interests)

Gist of the Commission proposal

Council Regulation (EC) No. 850/98 has a number of omissions, textual errors and editorial inadequacies. The Commission proposal seeks to eliminate these defects.

Gist of the opinion

The Committee unreservedly endorses the proposal.

9. OZON LAYER

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation on ozone depleting substances (COM(98) 398 final - 98/0228 SYN)

(CES 1445/98 - 98/0228SYN)

Rapporteur: Sergio COLOMBO (Italy - Workers)
Co-rapporteurs:
Klaus BOISSEREE (Germany - Various Interests)
Kenneth J. GARDNER (United Kingdom - Employers)

Gist of the Commission proposal

The most important points in the new regulation are the ban on the use and production of methyl bromide (pesticide) by 2001 and the ban on hydrochlorofluorocarbons (HCFCs) in all uses within the next few years, including the ultimate phaseout of their production.

This will result in the complete elimination of the use and production of ozone depleting substances

in the EU, thereby reinforcing European leadership in this vital area of environmental protection (regulated at international level by the Montreal Protocol).

Gist of the opinion

The Committee welcomes the fact that, thanks to research and investment in perfecting alternative substances, the technological achievements of some industries will enable Europe to bring forward the phaseout date stipulated in the Protocol. This shows that in international negotiations such as the Kyoto Conference, the European position manages to be the most advanced, and is backed up by feasibility studies and concrete examples.

However, the problem is that any unilateral decision to bring forward the phaseout date must take account of the approach adopted by our trading partners (direct competitors in manufacturing, such as the United States, Japan, and developing countries which import EU goods or where EU firms have relocated), and of Europe's ability to persuade more countries to follow its lead.

We must make sure that the US and Japan do not take over the markets when European industry cuts HCFC production, and that European industry does not relocate to the developing world ("Article 5 countries"), leading to job losses at home.

Similarly, we must ensure that the ban on methyl bromide does not benefit countries with climates more suited to alternative methods, to the detriment of Mediterranean agriculture, which will also have to compete with Mediterranean developing countries which continue to use the substance until 2015. In addition to the waivers for critical use, which are left to the discretion of the Member States, development cooperation policy must promote similar practice in countries which are the beneficiaries of aid.

The Committee is aware of the criticism from industry and agriculture, which are afraid that they will lose market shares to competing countries. No doubt some firms which already produce both HCFC and HCFC substitutes will be able to respect the tighter deadlines. However, some types of end-user (often small business) plant and equipment are difficult to convert; and their cost still has to be paid off. The Committee thinks that the

Commission proposals will result in structural changes in some sectors but that these changes can be brought about by exploiting technical progress without the market suffering any lasting upheavals. As a result it will be possible to achieve the Commission's objectives within the planned

time-frame. In the Commission's view exemptions should be granted for cases of hardship with the result that in this respect, too, employment in European industry and agriculture will not suffer.

Section for Economic and Monetary Union and Economic and Social Cohesion

Arie Van de Graaf, Head of Division - ☎ (32-2) 546 9227

**10. COHESION, COMPETITIVENESS AND
RTD AND INNOVATION POLICY**

Opinion of the Economic and Social Committee
on the Communication from the Commission
*"Reinforcing cohesion and competitiveness
through research, technological development and
innovation"*

(COM(98) 275 final)

(CES 1440/98)

Rapporteur: **Giannino BERNABEI** (Italy -
Employers)

Gist of the Commission communication

The aim of this communication is to specify the means to be used, through a complementary use of the Structural Funds and the fifth framework programme for RTD and innovation, to reinforce the competitive capacity of less favoured regions and encourage lasting, job-creating growth in these regions, thus helping to achieve the objective of greater economic and social cohesion.

The communication is addressed to these regions and, in preparation for enlargement, also to the countries applying for accession. They are asked to draw up an integrated RTD and innovation strategy which is tailored to their economic structure and will progressively enhance the content of regional development plans during the next round of Structural Fund interventions.

Taking of past and present initiatives to support RTD and innovation in the less favoured regions and analyzing various statistical indicators, the Commission concludes that such an integrated

RTD and innovation strategy should have three priorities:

- promoting innovation
- improving networking and industrial cooperation
- developing human resources.

This strategy should also be based on partnership involving the regional and local players, national authorities and European Union. With this in mind, the Member States should ensure that the relevant national policies complement and support the needs and potential identified at regional and Community level.

Against this background the Commission intends:

- to promote the integration of RTD and innovation into future structural programmes, in particular by establishing, on the basis of this communication, guidelines for structural intervention in this area;
- to ask the Member States to develop jointly a set of performance indicators for RTD and innovation against which structural interventions can be better evaluated and monitored;
- to strengthen the trans-national partnership between the centres of excellence located in those regions not yet sufficiently developed at technological level and the centres of excellence in other regions;
- to ask the applicant countries to develop an appropriate RTD and innovation strategy at regional and national level, to be considered within their respective pre-accession frameworks;

- to create an RTD and innovation internet site to interlink regions, Member States and candidate countries.

Gist of the opinion

The Committee welcomes the Communication's presentation concerning the links between Community structural policies and the Union's research and innovation policies, as the Committee has urged on several occasions. The ESC also believes that close coordination of these policies is essential in order to achieve optimum levels of practical synergy and to enable the needs of citizens, businesses and society to be fully met with the overall objective of sustainable, smooth medium- to long-term growth, in keeping with the integrated RTD problem-solving approach and with the key development factor of intangible investment.

The pace of technology in Europe differs from that of its competitor countries, being far slower, less pervasive and less a part of daily life. In Europe, scientific excellence has not been accompanied by a capacity to translate it into industrial and commercial success at market level. This is because Europe has devoted fewer resources to technological intangible investment than the other trading blocs and also because the inflexibility of the surrounding environment has favoured financial investment in production rationalization over job-creating investment, as it was held to be safer, easier to control and hence more profitable.

One asset which is lacking is an innovation and enterprise culture - that is to say the strategic resource will shape the European regions' global competitiveness. If the innovation paradox is a consequence of the above-mentioned factors, and in particular of a culture which, until recently, favoured the pre-competitive nature of Community RTDD - far-removed from the market, out of sight and difficult to understand; difficult also to integrate with Community action under the structural policy and incapable of translating the potential requirements of end-users and consumers into real demand.

The new course of the multiannual action programme under the Community RTDD policy, which is now geared towards problem solving for citizens, business and society, coincides with the launching of an in-depth debate on the reform of the Structural Funds within the framework of

Agenda 2000. In the Committee's view, it is vital to take advantage of this unique opportunity presented by the simultaneous redefinition of the two key instruments, in order to take a fully integrated approach to intangible investment.

From the standpoint of Community RTDD policy, the new "problem-solving" integrated key actions should be accompanied by "new ways of managing the wide variety of disciplines and sectors; applied, generic and basic research, as well as demonstration activities, must also be all-encompassing in terms of clustering and simultaneous engineering, and companies, particularly SMEs, and end-users must work together to standardize, innovate, exploit and divulge, as well as to train. All this must be integrated by European and international cooperation - particularly EUREKA - for each key action".

With regard to structural cohesion policy, technological development and innovation can only be fostered by combined, simultaneous and straightforward action on structures, infrastructure, training, spatial planning, boosting demand, business services, computer networks, venture capital back-up and protection of intellectual property. This would, on the one hand, enhance technological development in terms of employment and social cohesion and, on the other, bring about full integration into the local/regional economic and productive fabric, in a spirit of European competitiveness.

In this connection, the Committee deems it necessary to:

- formulate and adopt an overall Community strategy for streamlining the relevant mechanisms of European policies, in order - while respecting regional identities - to allow Europe to speak with one voice from the point of view of competitiveness and the sustainable and harmonious development of the European system;
- identify integrated instruments with which to decompartmentalize local, regional and national innovation markets, which are all the more anachronistic in view of EMU and the countdown to the single European currency that will represent the completion of the European single market;

- establish the levels of integration and their interaction, inter alia in order to synchronize and ensure the compatibility of the decision-making and implementation aspects of the structural cohesion policy and RTD/innovation policy. This is vital in order that the policies be fully and effectively integrated;
- identify new ways to combine the cohesion and RTDD instruments, using simplified methods and procedures which are, wherever possible, uniform and automatic. Full advantage should be taken of the possibility allowed by the WTO agreements (whereby up to 75% of a project's costs may be subsidized) to vary the levels of support for company RTD;
- set up systems to control and monitor combined RTDD/cohesion schemes in order to assess their effectiveness in terms of the achievement of the declared objectives; this could be done by using pre-established and harmonized performance indicators, as well as benchmarking at regional level.

11. EMU AND EMPLOYMENT POLICY (Own-initiative)

Opinion of the Economic and Social Committee
on Employment policy and the role of socio-economic organizations in the third phase of economic and monetary union

(CES 1446/98)

Rapporteur: Thierry DOCK (Belgium - Workers)

Objectives of the opinion

The advent of the single currency marks a vital step forward for the European venture. It establishes new conditions that are likely to alter the behaviour of various players, including the socio-economic organizations. This behavioural change is in many respects essential, as the success of European monetary union will depend on it.

One of the major changes brought about by the abolition of national currencies is

the Member States' loss of the exchange rate tool.

The purpose of this opinion is to consider the scope for socio-economic organizations to take part in the process of formulating economic and monetary policies, as provided for under the third phase of EMU, in order to ensure that these policies take account of the employment situation in the EU.

Gist of the opinion

In many respects, the introduction of European monetary union is likely to alter the behaviour of many of those involved, including the socio-economic organizations.

Without genuine economic and political union, the task facing the European Central Bank will not be easy. To carry out its brief, the ECB has been given full independence. The Committee is convinced that the ECB would be well advised to launch exploratory dialogue with both the political authorities (Council, European Parliament) and the representatives of those involved at grassroots level, particularly the Economic and Social Committee.

The socio-economic organizations will hold important responsibilities under monetary union. They will be directly involved in wage negotiations. In order to avoid fuelling inflationary pressures, the economic and social partners should seek to enhance coordination between the different levels and fora conducting wage negotiations. With monetary union, it will no longer be possible for participating Member States to devalue in order to correct a competitive disadvantage.

Lastly, the socio-economic organizations could usefully consider mechanisms for cushioning asymmetric shocks. While the economic and social partners have some tools at their disposal, important responsibilities also rest with government authorities in the Member States, which should, if necessary, be able to activate stabilizers, using budgetary or fiscal policy in particular.

Section for External Relations

Georgina Willems, Head of Division - ☎ (32-2) 546 9471

12. ACCESSION STRATEGIES FOR ENVIRONMENT

Opinion of the Economic and Social Committee on the *Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee, the Committee of the Regions and the Candidate Countries in central and eastern Europe on Accession Strategies for Environment: Meeting the Challenge of Enlargement with the Candidate Countries in central and eastern Europe*
(COM(98) 294 final)

(CES 1441/98)

Rapporteur: José Ignacio GAFO FERNÁNDEZ
(Spain - Employers)

Gist of the Commission's Communication

In the forthcoming enlargement of the Union the environmental dimension will present greater challenges than in any previous accession.

This relates both to the sheer scale of past environmental liabilities and the gap in the level of environmental protection in central and eastern Europe compared with the situation in the EU. On the other hand, the candidate countries also possess vast areas of untouched nature which contribute considerably to biological diversity in the whole of Europe.

Agenda 2000 proposed that a special strategy for the adoption and implementation of the environmental *acquis* should be set up and combined with a reinforced Community pre-accession assistance strategy where investment for adoption of the environmental *acquis* is one of the priorities.

The aim of the communication is to examine, in view of the indications in Agenda 2000 some of the practical considerations which the Commission believes that the candidate countries should take into account when further developing their

national strategies for achieving full compliance with the environmental *acquis*.

The Communication aims to complement the Accession Partnerships, and to provide assistance to the candidate countries in the refinement of their National Programmes for the Adoption of the *Acquis*.

The Communication focuses on issues related to the ten candidate countries of central and eastern Europe. It is the intention of the Commission to propose a separate document reflecting the specific circumstances for Cyprus at a later stage.

Main aspects highlighted in the Commission's Communication:

- Substantive additional work (legislative, administrative etc.) will be necessary to achieve full compliance with the environmental *acquis*.
- Resource mobilisation for required environmental investments will be one of the most difficult challenges of the accession process.
- Effective, prioritised management of the approximation process is crucial.
- Compliance with the EU environmental *acquis* is justified both for environmental and economic reasons.
- Preventive measures need adequate attention both in the applicant countries and in Community financing and other policies.
- The Union's financial assistance will only cover a minor part of all the resources required. However, a comprehensive financial strategy and operational modalities for the use of Community financing instruments within the framework of the Accession Partnerships and the National Programmes for the Adoption of the *Acquis* should be established.

- As financial resources will be limited, it is important to ensure that the external assistance is focused, co-ordinated and targeted so as to achieve the greatest possible benefit. Guiding principles for co-operation and co-ordination with the International Financing Institutions (IFIs) have been laid down in the Memorandum of Understanding between the Commission, the European Bank for Reconstruction and Development and the World Bank.
- The Commission will also increase its efforts to provide information, guidance and technical assistance to the candidate countries in legal and administrative areas relevant to the implementation for the environmental *acquis*.
- Scientific research implemented through joint projects constitutes a key objective.

Gist of the opinion

The ESC approves the country-specific approach for compliance with the Community *acquis* as proposed by the European Commission. Such separate pre-accession strategies should make it possible to define the priorities for each country in line with its particular situation.

The ESC is aware that the Community *acquis* is continually progressing both in the fields it covers and in the level of requirements established by directives and regulations.

The ESC considers that these individual pre-accession strategies for the candidate countries should as far as possible seek to comprise some criteria common to all of them, this being the only way to avoid distortions of competition between the applicant countries themselves.

The ESC therefore considers it necessary that the accession negotiations establish transitional periods for the applicant countries based on the following factors:

- the transitional periods should be reduced in line with technical and economic possibilities;
- the transitional periods will as far as possible have to be the same for all the countries and be consistent for each directive and specific regulation within each sector;

- the transitional periods could be somewhat longer in those cases where free competition in the single market is not directly affected.

The applicant countries who are already informed regularly of the Commission's proposals and the negotiations in the Council for the introduction of new environmental legislation should forward this information immediately to their enterprises, local and regional organizations and general public, so that they can take suitable preparatory measures.

In the interests of greater efficiency, the ESC considers that new productive investment in the applicant countries should comply with the existing environmental *acquis*.

This application of the environmental *acquis* can also be a source of wealth and job creation in the candidate countries. For this reason the ESC calls on the European Commission to carry out a specific study taking stock, for each applicant country, of their technological facilities, plant manufacturing capacity and the level of training of the engineers and workers who are to carry out these tasks.

The Committee also takes the view that in certain circumstances, environmental protection schemes in these countries may prove a valuable source of information for the EU itself and for the remaining applicant countries. It asks the Commission to identify such schemes.

Finally, the ESC would point out the need to reinforce regional preparatory measures between the applicant countries in areas such as river network management, control of transborder air pollution, risk management in industrial concentrations near to borders, training and awareness-raising plans for entrepreneurs, workers and the general public.

13. TEMPUS III

Opinion of the Economic and Social Committee on the Proposal for a Council Decision adopting the third phase of the trans-European cooperation scheme for higher education - TEMPUS III (2000-2006)

(COM(98) 454 final - 98/0246 CNS)

(CES 1442/98 - 98/0246 CNS)

Rapporteur working without a study group: José Isaiás RODRÍGUEZ GARCÍA CARO (Spain - Employers)

Gist of the proposal for a decision

TEMPUS, the aim of which is to encourage the development and restructuring of the higher education systems in the beneficiary countries through co-operation with partners in the Community, was initially adopted on 1 July 1990.

The number of partner countries involved in the programme rose from the two countries of Poland and Hungary in May 1990 to 11 countries in 1992. Current participants are: Albania, Bulgaria, the Czech Republic, Slovakia, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovenia, Bosnia-Herzegovina and the Former Yugoslav Republic of Macedonia.

The following new independent states are participating in the TEMPUS programme financed by the Tacis programme: Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, the Russian Federation, Tajikistan, Turkmenistan, Ukraine and Uzbekistan, plus Mongolia.

The TEMPUS/Phare budget for Albania amounted to ECU 2.5 million in 1997 and ECU 0.7 million in 1998, for Bosnia-Herzegovina to ECU 1.5 million in 1997 and in 1998, and for FYROM to ECU 2 million in 1997 and also in principle in 1998. The TEMPUS/Tacis budget was ECU 18 million in 1997 and ECU 23.8 million in 1998.

The Commission has evaluated the implementation of the TEMPUS programme and has submitted a proposal for the continuation and adaptation of the programme for the period beginning 1 July 2000.

The aim of this proposed Council Decision is to launch a new phase of the TEMPUS programme for a six-year period (2000-2006) (TEMPUS III):

- in the non-associated CEEC eligible for the Phare programme who will not yet have had access to the Community education programmes (Socrates and Leonardo) and who in addition began to take part at a very late stage in the TEMPUS programme (Albania,

Bosnia-Herzegovina, the Former Yugoslav Republic of Macedonia),

- in the new independent states and in Mongolia, eligible for the Tacis programme.

The Joint European Projects (JEPs) have been the main instrument for inter-university co-operation under the TEMPUS programme. A JEP requires the participation of at least one university in a beneficiary country and of partner institutions in at least two Member States of the European Union (one of which must be a university).

All decisions relating to the selection of projects are taken by the Commission in agreement with the partner states after consultation with experts from these countries and from the European Union.

In the case of the TEMPUS/Phare programme, as well as the JEPs, mobility grants are provided to teachers, instructors or administrative staff of higher education establishments, to senior officials in the relevant ministries and to education planners.

In addition, grants are provided for a number of activities which complement the TEMPUS/Phare programme as a whole. These activities are designed to support the overall objective of the programme, which is to contribute to the development and restructuring of the higher education systems in the partner countries.

The European Community's political commitment to co-operation and dialogue with central and eastern Europe and the new independent states and Mongolia speaks for itself. This subject has been regularly discussed in the European Council and has been translated into operational measures, namely the Phare and Tacis programmes and the "association agreements" and "partnership agreements". Education and the development of human resources have been treated as priorities in this process.

TEMPUS also offers the opportunity to promote regional co-operation between Member States and their neighbours.

As there is no alternative instrument to support the structural reforms of higher education in the countries which are beneficiaries of Phare and

Tacis, an interruption of the TEMPUS programme from the year 2000 would slow down, or even halt, the process of adapting the university systems of these countries to the new social, economic and political situation.

The interim report on the results of the implementation of TEMPUS II, submitted simultaneously to the Council, shows that the representatives of the beneficiary countries (ministries for higher education, heads of national bureaux, projects participants) are satisfied with the results of the programme and hope to take it forward in its current form.

The external evaluation of TEMPUS which has just been carried out in the new independent states and in Mongolia shows that all the parties consulted on the spot appreciate their role in the programme.

The first TEMPUS III projects implemented at the start of the 2000/2001 academic year will be the result of a selection made in the first half of the year 2000. The applicant's guide will be drafted in the first half of 1999 ready to be translated and submitted to the TEMPUS Committee before its publication for open call for applications in September 1999. This means that the Commission needs a Council decision on the extension of the programme before the end of 1998.

As in the past, the Commission will ensure permanent monitoring of the implementation of the activities of the TEMPUS programme. This will be based on the regular reports submitted by the project managers, on financial control, and on monitoring and evaluation by on-the-spot checks. The Commission will organise the necessary technical assistance.

The draft decision also proposes an evaluation of the TEMPUS programme and the presentation of an interim report to the Council by 30 April 2004.

The Commission shall submit a final report no later than 30 June 2009.

Gist of the opinion

The Committee welcomes the continuation of the programme to 2006. Improving and reinforcing higher education and making it available to citizens is essential for balanced social and sustained economic development.

To this end, the Committee believes that close and flexible links are needed between universities and firms so that academic institutions will be worthwhile both on their own terms and as a necessary and dynamic support to the life of the state in which they are located.

Universities must be well placed to observe society's higher education needs. The Committee feels that the economic and social interest groups should be more closely involved in decisions on the implementation of the programme and the selection of projects.

The Committee endorses the part of the explanatory memorandum to the proposal for a decision dealing with the harnessing of solidarity in the part of ex-Yugoslavia participating in PHARE. The Committee calls on the Commission to step up and give priority to the active participation of universities in order to bring citizens of these zones of conflict closer together.

Reform of education systems must go hand-in-hand with continuous qualitative improvement in higher education institutions. The Committee feels that the projects should include activities aimed at the continuous improvement of quality in higher education and in study plans and programmes.

The Committee does not share the view that associated Central and Eastern European Countries should be excluded from TEMPUS on the grounds that they are already covered by the SOCRATES programme. The objectives of SOCRATES do not include the development of the participants' higher education systems, and countries which still need to reinforce and improve this sector should be free to benefit from TEMPUS.

The Committee notes that reciprocal language learning opportunities between the Member States and the eligible countries are not listed among the objectives of the third phase of TEMPUS. This initiative should therefore be reincorporated with support for the training of language teachers.

The Committee welcomes the priority which the programme attaches to projects for the mutual recognition of courses undertaken in other universities.

Improving national and local public administration in the eligible countries is a priority for the states

covered by the PHARE and TACIS programmes. The universities of the eligible countries can play an important part in the retraining of civil servants. The Committee feels that these training activities should be given greater weight within the programme and the objectives spelt out more clearly in the appendix.

The Committee feels that activities aimed at improving the training of the economic and social players in the eligible countries should be taken into account in developing programmes for promoting the reform of socio-economic systems in these states.

In conclusion, the Committee recommends that, in publicizing the information needed to encourage participation in the programme, maximum transparency be practised.

14. GSP 1999-2001

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) applying a multiannual scheme of generalized tariff preferences for the period 1 January 1999 to 31 December 2001

(COM(98) 521 final - 98/0280 ACC)

(CES 1443/98 - 98/0280 ACC)

Rapporteur: Helmut GIESECKE (Germany - Employers)

Gist of the Commission document

The aim of the Commission proposal is to implement the industrial products component of the European Community's second multiannual scheme of generalised tariff preferences. The second scheme is to enter into force on 1 January 1999 for a period of three years, i.e. until 31 December 2001. It largely consists of an update of the previous scheme but provides for the following features and innovations:

- simplified presentation by grouping all legislation in a single regulation covering the industrial and agricultural components and the various other arrangements;
- updated graduation mechanisms, though the Commission is not proposing updating in the

near future. It retains the possibility of revising them next year depending on the pattern of growth and trade with the EU's Asian and Latin American partners;

- renewal of the special drugs arrangements with the Andean and Central American countries, which in return requires that the countries concerned step up their own efforts in three areas:

- these countries must adopt legal and political measures which will increase their effectiveness in the areas of precursors and money laundering; they must also implement the international commitments they have entered into;

- preferential access to the EU market must be matched by further export diversification and an improvement in the institutional environment so as to attract new investment;

- the Commission proposes to introduce a social and environmental component into the special drugs arrangements. If the countries eligible for these arrangements fail to comply with the social and environmental standards applicable to beneficiary countries of the special incentive schemes, their tariff benefits will be reduced by a percentage equal to the additional preferential margins offered under these schemes;

- extending product coverage under the environmental clause to a number of non-wood products of tropical forests;

- special arrangements for the LLDC which will lead, by the year 2005, to duty-free access for practically all products originating in the LLDC.

Gist of the opinion

The Committee endorses the proposal for a Council Regulation which seeks to reward, in particular, good conduct on the part of developing countries in the fields of labour law, protection of the environment and anti-drug measures. In the Committee's view, maintenance of the GSP sends out the right message to developing countries

experiencing grave economic crises which in some cases may well totally destabilize their democratic systems.

The Committee also welcomes the Commission's proposal - in the light of economic developments in a number of developing and transition countries - to postpone updating the basic data used in the graduation mechanism.

The Committee calls upon the Commission to examine the existing *de minimis* provision (Article 30(2)) with a view to considering the case for increasing the values concerned. The ESC also

proposes that the Commission incorporate ILO labour standards, including Conventions 100 and 111, into the GSP. The ESC deplores the fact that a number of EU Member States have yet to ratify some of these conventions.

The Committee supports the principle of ensuring that the GSP measures have an overall neutral effect. The ESC does, however, ask the Commission to provide a detailed report on trends in imports under the GSP, broken down by value and supplier country.

Section for Employment, Social Affairs and Citizenship
Wolfgang Jungk, Head of Division - ☎ (32-2) 546 9227

15. LABELLING OF DANGEROUS SUBSTANCES (AUSTRIA - SWEDEN)

Opinion of the Economic and Social Committee
on the *Proposal for a European Parliament and Council Directive amending Council Directive 67/548/EEC as regards the labelling of certain dangerous substances in Austria and Sweden*
(COM(98) 561 final - 98/0290 COD)

(CES 1447/98 - 98/0290 COD)

Rapporteur general: Klaus STÖLLNERBERGER
(Austria - Employers)

Gist of the Commission proposal

This proposal for a Directive aims to amend Article 23 of Council Directive 67/548/EEC on the approximation of the laws, regulations and administrative provisions relating to the classification, packaging and labelling of dangerous substances, in order to allow Austria and Sweden to continue using certain labelling elements not included in that directive.

Article 23 (2) of Directive 67/548/EEC contains provisions to label every package of a dangerous substance with appropriate danger symbols, R(risk)-phrases and S(safety)-phrases. The Accession Treaty for Austria, Finland and Sweden to the EU provides *inter alia* exemptions from these labelling provisions, the large majority of which have been reviewed to the satisfaction of all

Member States during the review period provided for by that Treaty (from 1 January 1995 to 31 December 1998). However, it was not possible to complete the review of certain labelling issues concerning Austria and Sweden in the time allotted, and this makes it necessary to amend Directive 67/548/EEC in order to provide an additional two years to complete the review.

Gist of the opinion

The Economic and Social Committee endorses the Commission proposal to amend Article 23 of Directive 67/548/EEC so that Austria and Sweden can continue to require the use of additional labelling elements for dangerous substances from 1 January 1999 to 31 December 2000, bearing in mind the level of their standards for the protection of human health and the environment.

The Committee urges the Commission to pursue the further work which is planned regarding the revision of existing categories of danger and the taking up of internationally harmonised standards for the classification of dangerous substances.

Furthermore, the Committee would like in particular to emphasise the following:

- this work should be concluded in time for a revision of the directive on the classification, packaging and labelling of dangerous substances to be drawn up by 31 December 2000;

- relevant conclusions should also be drawn within the same time-frame on all other "associated initiatives", as required in order to revise this and/or other relevant Community legislation in a properly informed manner. Such "associated initiatives" would include,

inter alia, those on "dangerous household waste" and on considerations concerning the availability of antidotes included in Council Resolution 90/C329/03.

II. FUTURE WORK

FOR INFORMATION

- Undertakings for collective investment in transferable securities (UCITS) - Management companies (INT-FEB)
COM(1998) 451 final - 98/0242 COD
- Coordination of laws relating to certain undertakings for collective investment in transferable securities (UCITS) (INT-FEB)
COM(1998) 449 final - 98/0243 COD
- Emission of gaseous pollutants by engines intended to power agricultural or forestry tractors (INT-JAN)
COM(1998) 472 final - 98/0247 COD
- Access to the business of electronic money institutions (INT-JAN)
COM(1998) 461 final 98/0252 COD - 98/0252 COD - 98/0253 COD
- Application of Art. 85(3) to categories of agreements and concerted practices (INT-FEB)
COM(1998) 546 final - 98/0287 CNS - 98/0288 CNS
- Green Paper on combating counterfeiting and piracy in the single market (INT-FEB/MARCH)
COM(1998) 569 final
- Heating systems for the passenger compartment of motor vehicles (INT-JAN)
COM(1998) 526 final - 98/0277 COD
- Development of the Community's railways (TEN-APRIL)
COM(1998) 480 final - 98/0265 SYN - 98/0266 SYN - 98/0267 SYN
- Trans-European energy networks (TEN-JAN)
COM(1998) 542 final - 98/0284 COD
- Limitation of emissions of certain pollutants into the air from large combustion plants (NAT-JAN)
COM(1998) 415 final - 98/0225 SYN
- Circulation of compound feedingstuffs for animals (NAT-JAN)
COM(1998) 435 final - 98/0238 COD
- Waste incineration (NAT-FEB)
COM(1998) 558 final - 98/0289 SYN

- Freedom of movement and the movement and residence of workers and their families (**SOC-MARCH/APRIL**)
COM(1998) 394 final - 98/0229 COD - 98/0230 COD - 98/0231 COD
- Orphan medicinal products (**SOC-JAN**)
COM(1998) 450 final - 98/0240 COD
- Social security schemes for workers (**SOC-JAN**)
COM(1998) 547 final - 98/0285 CNS

IN ANTICIPATION

- Customs 2000 (**INT-MARCH**)
COM(1998) 644 final - 98/0314 COD
- Certain legal aspects of electronic commerce in the internal market (**INT-APRIL**)
COM(1998) 586 final
- Consumer policy action plan (1999-2001) (**INT-APRIL**)
COM(1998) 696 final
- Corporate competitiveness in the global marketplace (**INT - to be decided**)
- Organization of working hours in exempted sectors (road, rail and sea transport; trainee doctors) (**TEN-to be decided**)
COM(1998) 662 final - 98/0318 SYN - 98/0319 SYN - 98/0321 SYN
- Information of public sector in the information society (Green Paper) (**TEN-APRIL**)
COM(1998) 585 final
- Policy on frequencies (Green Paper) (**TEN-APRIL**)
COM(1998) 596 final
- Community transport policy (**to be confirmed**) (**TEN - to be decided**)
COM(1998) 716 final
- Ceiling values for benzene and carbon monoxide in ambient air (**NAT-MARCH**)
COM(1998) 591 final
- Prevention and control of certain transmissible spongiform encephalopathies (**NAT-MARCH/APRIL**)
COM(1998) 623 final
- Official inspections in the animal nutrition field (**NAT-MARCH**)
COM(1998) 602 final - 98/0301 COD
- Community eco-management and audit scheme (**NAT-MARCH**)
COM(1998) 622 final - 98/0303 SYN
- Guarantee thresholds for leaf tobacco (**NAT-FEB**)
COM(1998) 633 final - 98/0306 CNS

- Common organization of the market in fruit - Aid for producers of citrus fruits (NAT-FEB)
COM(1998) 647 final - 98/0309 CNS - 98/0310 CNS
- Information campaigns and promotion of agricultural products in non-EU countries (NAT-MARCH)
COM(1998) 683 final
- Determination of liability to pay VAT (ECO-to be decided)
COM(1998) 660 final
- Common VAT system (ECO-to be decided)
COM(1998) 693 final
- Information and consultation of workers in the European Community (SOC-MAY)
COM(1998) 612 final - 98/0315 SYN
- Minimum safety and health provisions - Use of work appliances by workers (SOC-to be decided)
COM(1998) 678 final

OWN-INITIATIVE WORK

- Multiannual scheme of generalized tariff preferences (1999-2001) (conversion of an anticipated referral into an own-initiative opinion) (REX-DEC)
- Relations between the EU and Latin America (information report) (REX-APRIL)
- 5th Euro-Mediterranean Summit (information report) (REX-MAY/JULY)

III. CORRECTION

Bulletin 7/98 contained an inaccurate summary of the Committee's opinion on the *Proposal for a Council Directive laying down minimum standards for the protection of laying hens kept in various systems of rearing*, adopted at the September plenary session. The summary that appeared referred, in fact, to the text of the section opinion that was rejected during the general discussion.

The opinion adopted by the ESC was broadly favorable to the Commission's proposal, with some reservations. It notes the widespread concern about animal welfare in the European Union, but also points out that awareness of the problems of laying hens (e.g. the restriction of movement in a cage space of 450 cm² per bird) varies greatly between the Member States. On the other hand, (a) producers would have to bear considerable one-off costs when adapting or replacing their infrastructure, and (b) the proposed welfare improvements would make EU products less competitive owing to increased imports from countries where lower welfare standards apply, such as the USA or China. In this connection, the Committee insists that the Commission must commit itself to addressing animal welfare in its negotiating position in the next stage of WTO rounds. The Committee agrees with the Commission that another possible long-term solution would be to use consumer pressure in order to discourage the sale of imports made under poor welfare standards.

The ESC concludes that the Commission's proposal would appreciably improve animal welfare but would increase egg prices for consumers and costs for producers. In any case, it cannot endorse radical amendments in this area until the minimum requirements enshrined in the old directive have actually been implemented in all EU Member States.

IV. PRESENCE AND INFLUENCE OF THE ECONOMIC AND SOCIAL COMMITTEE

Activities of the ESC presidency

Mr Jenkins - the outgoing Committee president - made a speech at an international conference on 28-29 September in Vienna, organized by Austria's Economic and Social Advisory Council (*Beirat für Wirtschafts- und Sozialfragen*) on the subject of how to make EMU a success. This event was also attended by other ESC members.

Mr Regaldo, the then vice-president, met a high-level group of visitors from Hungary on 22 September. These included representatives from the Hungarian Ministry for Economic Affairs and representatives of Hungarian employers' associations.

Also on 22 September, Mr Jaschick - the outgoing vice-president - stood in for the president at a seminar organized by the European Commission on action to promote lesser used languages.

On 5 November the new ESC president, Mrs Rangoni Machiavelli, attended a workshop in Brussels organized by the European Commission on the subject of how big companies could help to secure their smaller suppliers' support for the euro.

Between 17-19 November Mrs Rangoni Machiavelli met senior representatives of various bodies, including the European Citizens' Association, the European Bureau of Consumer Unions and the European Youth Forum.

On 27 November the Committee president took part as rapporteur in a congress on the subject of individual freedom and collective security in the era of the euro, hosted in Rome by the European Federalist Movement. Later, on 30 November, she spoke at the fortieth anniversary of the founding of the European Committee of Professional Farming Organizations at the Palais des Congrès, Brussels.

Activities of ESC sections and members

On 14-15 September Mr Sequeira took part in a conference organized by the European Commission on the subject of equality between women and men in the Structural Funds (Viana do Castelo, Portugal).

Mr Moreland and Mr Bernabei attended a seminar on knowledge as a promoter of development. The event was held in Manchester (UK) on 17-18 September, and hosted jointly by the European Commission and the British government.

A number of members (Mr Burkhard, Mr Delapina, Mr Frerichs, Mr Pezzini, Mr Reuna, Mrs Sigmund, Mr Stecher Navarra, Mr Strasser, Mr Stöllnberger and Mr Vogler) attended the conference on 28-29 September in Vienna, organized by Austria's Economic and Social Advisory Council on the subject of how to make EMU a success.

Mr Gafo Fernández, president of the Transport section, took part in a conference on the EU-Latin American dialogue on the promotion of energy efficiency, organized by the European Commission's DG XVII (Brussels, 28-30 October).

Mrs Sigmund and Mr Sklavounos represented the ESC at a seminar on the participation of children and young people in the political decision-making process (Vienna, 2-3 October).

On 15-16 October Mrs Sánchez Miguel attended a seminar on the topic of rural-urban partnerships, organized jointly by the European Commission and the Spanish government in Salamanca.

Mr Rupp took part in a conference organized jointly by the European Commission and the Swedish government on environmentally-sensitive areas (Gothenburg, 26-27 October).

The president of the ESC's Economic section, Mr Burani, spoke in a conference on subject of the impact of the euro in the world of banking and business organized by Calabria's chambers of commerce and industry (Brussels, 17 November)

Mr Konz, vice-president of the Transport section, attended celebrations to mark the fiftieth anniversary of the International Road Transport Union (Geneva, 18-19 November).

Mr Decaillon took part in a seminar on economic and social cohesion, organized by the *Commission pour l'étude des Communautés européennes* (Grenoble, France, 19-21 November)

On 24 November Mr Gafo Fernández attended a seminar on the restructuring of Poland's oil industry, at the invitation of Ambassador Truszczynski, head of Poland's Mission to the EU.

Also on 24 November, Mr Pezzini represented the ESC at a conference in Brussels organized by the European Commission entitled Risk capital markets: a key to job creation in Europe.

On 25-26 November, Mr Hamro-Drotz and Mr Rupp participated in a conference in Vienna on the topic of cooperation in the field of spatial planning in an enlarged Union hosted jointly by the European Commission and the Austrian government.

On 26-27 November, meanwhile, Mr Vinay attended a forum on the future of Europe's cities, organized by the European Commission in Vienna.

Other news and activities

– ESC hearing on the subject "Which single market beyond the euro?" (Brussels, 15 September)

This event was attended by 150 representatives of economic and social interest groups, and was chaired by Mr Bruno Vever, president of the permanent study group of the Committee's Single Market Observatory. Six workshops dealt with various aspects of the single market: efficiency and simplification of rules; the economic and fiscal challenges; adjustment of the labour market; transnational corporate strategies; the challenges of the information society; and the prospects for opening the EU up to the Central and Eastern European countries.

The hearing concluded that, more than ever before, the European economic and social players needed a successful and efficient single market. Furthermore, although encouraging progress had been made, far too many measures were still incomplete.

A survey conducted by the ESC in advance of the hearing revealed a very contrasting picture of the operation of the single market: on the one hand, those involved on the ground confirm that progress has been - and is being - made; on the other, they deplore the persistence of shortcomings and obstacles in key areas:

The participants therefore urged the Commission to set an irrevocable deadline by which to remedy the principal shortcomings which prevent the single market from being fully operational. The deadline suggested is before the end of 2002. They also called on the Commission to provide better information on all current opportunities offered by the single market, including an interactive database incorporated into the Europa internet site.

– ***Fourth Euro-Mediterranean Summit of Economic and Social Councils and similar institutions (Lisbon, 24-25 September)***

The fourth summit of economic and social councils and similar institutions from the 27 Euro-Mediterranean partner countries was held in Lisbon on 24 and 25 September. The event was hosted by the Portuguese Economic and Social Council. Participants approved a declaration which will give a strong boost to Mediterranean cooperation. It contains the following key points:

a) As regards investment in infrastructure:

- an emphasis placed on the key role which investment in transport, telecommunications, water and energy infrastructure should play in the economic development of the south and east Mediterranean countries and in strengthening economic relations between these countries and with those of the European Union;
- the recommendation that the financial institutions and authorities of the EU and of the Euro-Mediterranean countries mobilize more resources for the financing of infrastructure investment in this region;
- the need to establish masterplans for large-scale schemes that involve several Mediterranean countries;
- the conclusion that projects and activities by private operators can be extremely useful when infrastructure schemes are being established and implemented, and that private initiatives should be supported.

b) As regards vocational training:

- the recommendation that economic and social councils and other bodies representing the socio-economic players be given a greater role in the framing of vocational training programmes, so that such programmes can be more closely geared to the needs of their potential beneficiaries, whether these be individuals or companies;
- the advisability of according greater attention to vocational training for women, and for emigrants living in EU Member States;
- the need to increase the budget for vocational training programmes, in line with the political objective of establishing a free trade area by the year 2010.

c) As regards specific cooperation projects, submission to the European Commission - for MEDA funding - of a number of initiatives. These include study visits to the EU for the social partners of south and east Mediterranean countries, the creation of an internet site, and local development partnership schemes.

– ***Third meeting of the EU-Hungary Joint Consultative Committee (Budapest, 26 October)***

Member of the JCC were briefed by - among others - the Hungarian State Secretary at the Foreign Ministry on the progress reached in accession negotiations between Hungary and the EU. A resolution adopted unanimously by the committee stressed the need for social dialogue to be made a priority in accession talks, and for the Hungarian government to include the socio-occupational organizations in social policy decision-making.

– ***Conference on New European public utilities: Reconciling general interest and market efficiency (Brussels, 25 November 1998)***

This event was organized jointly by the European Parliament, the European Commission and the Economic and Social Committee, and was chaired by Mrs Angela Billingham, MEP. Discussions centred on the following round tables:

- Services of general interest: the way to excellence
- Prospects for financing general interest services
- How can an efficient and consistent regulation system be developed?

Mr Gafo Fernández, Mr Hofman and Mr van Dijk, ESC members represented the Committee.

– *News from the Association of Former Members*

The Association of Former ESC Members, chaired by Mr Fons Margot, made a study trip to France on September 9-13. Some forty former members and their wives took part. They were met in Souillac (Dordogne) by Mr Roger Louet, former secretary-general and founder of the Association, who organized the programme of the visit together with Mr Jean Marvier, the Association's treasurer.

V. IN MEMORIAM

Mr Preben Nielsen, who had been a Committee member from 5 April 1977 to 20 September 1994, died on 29 September 1998. The ESC president paid tribute to him at the October plenary session and Committee members observed a minute's silence in his memory.

Mr Carlos Ferrer - who was president of the Economic and Social Committee from October 1994 to October 1996 - died on 18 October in Barcelona. Mrs Rangoni Machiavelli paid tribute to his work for the European cause and his efforts to advance social dialogue. The assembly observed a minute's silence in his memory during the December plenary.

VI. INFORMATION VISITS

The following groups visited the ESC during the period in question:

Delegation of Bulgarian interpreters
Confartigianato Lecco - Italy
Satakuntaliito - Finland
Bisowe des DBB - Germany
Deutsche Gesellschaft - Germany
Jugendwerk für Int. Zusammenarbeit Aachen - Germany
Universiteit Gent - Belgium
Sindicato dos bancários do Norte de Portugal
Delegation from Borsod-Abaúj Zemplén County - Hungary
Katholisch Soziales Institut - Germany
Deutsche Gesellschaft - Germany
Euro-Region ESC Delegation - Germany
Karl-Arnold-Stiftung - Germany
Universidad de Castilla-La Mancha - Spain
European Federation of Journalists (mixed)
Union FOA - Denmark
Université de Paris (Léonard de Vinci) - France
Briefing of new EU officials (mixed)
Hogeschool Maastricht - Netherlands
University of Joensuu - Finland
ESC Nantes-Atlantique - France
TAIEX (mixed)
Chamber of Commerce of Slovenia
Friedrich-Naumann-Stiftung (mixed)
Politischer Jügendring Dresden - Germany
Juridisk Selskab I Aarhus (JUS) - Denmark
Politische Akademie Biggesee - Germany

Friedrich-Ebert-Stiftung - Germany
American University - United States
Centro de Formação João Soares - Portugal
MESLAY - France
Università Cattolica del Sacro Cuore - Italy
Katholisches Bildungswerk - Germany
Confédération internationale des fonctionnaires - France
Barton Peveril College - United Kingdom
Gymnasium Zeitz - Germany
CERGIV - France
ACIB and DECO - Portugal
UEAPME - Italy
Università di Forlì - Italy
Warsaw University - Poland
Instituto Superior de Economia e Gestão - Portugal
SNCF - France
Yorkshire-Humberside employers' delegation - United Kingdom
Sønderborg Business School - Denmark
IPSE - France
Ichtbus Hogeschool - Netherlands
Maison familiale d'Eyeagues - France
University of Wales at Bangor - United Kingdom
Consorzio Export - Italy
ICOSI - France
Delegation of Turkish universities
CISL - Italy
Lärarhögskolan - Sweden
UNSA - France
VDL - Bundesverband - Germany
Istituto tecnico commerciale statale Rosa Luxemburg - Italy
Institut rural de Lesneven - France
Gymnasium Luckau - Germany
Délégation CES de Provence-Alpes-Côte d'Azur - France
Instituto Superior de Administração - Portugal
Delegación de la ciudad de Valencia - Spain
