BULLETIN

3

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



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

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Catalogue number: ESC-94-005-EN

Brussels: General Secretariat of the Economic and Social Committee, 1994

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Printed in Belgium

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I. 314th PLENARY SESSION OF 23 AND 24 MARCH 1994

This Plenary Session was concerned with three major topics: the adoption of the annual Opinion on the proposals for common agricultural prices; the wide-ranging debate and discussion on the Green Book on social policy; and the speech of Mr Jacques Blanc, the recently-elected first President of the Committee of the Regions.

On the first topic, Mr René Steichen, Member of the Commission, introduced the debate which preceded the adoption of the Opinion on agricultural prices. The Opinion, presented by Mr Guiseppe Pricolo (Italy - Employeurs), was finally adopted by a substantial majority (20 against, 6 abstentions), most of the British members voting against.

The debate on the Green Book Opinion elicited a wide consensus on the European social model proposed in the Opinion by the Rapporteur, Mr Vasco Cal (Portugal - Workers). This Opinion was adopted with one vote against and 10 abstentions.

The third topic was the speech of Mr Jacques Blanc, President of the Committee of the Regions, in which he thanked the Economic and Social Committee for its close cooperation, especially in regard to the constituent session of the Committee of the Regions, held in Brussels on 9 and 10 March 1994. Mr Blanc also referred to the future relations between the ESC and the COR, especially the main guidelines and priorities.

During this session the Committee adopted the following Opinions:

1. TELEVISION SIGNALS

Opinion of the Economic and Social Committee on the Proposal for a Directive of the European Parliament and of the Council on the use of standards for the transmission of television signals (including repeal of Directive 92/38/EEC) (COM(93) 556 final - COD 76)

(CES 378/94)

Rapporteur: Paul Flum (Germany - Workers)

Gist of the Commission proposal

With the enactment of Council Decisions 89/337/EEC¹ and 89/630/EEC², the Community recognized the strategic importance of High Definition Television (HDTV) and established a strategy for its introduction in Europe³.

Council Directive 92/38/EEC on the adoption of standards for the transmission of television signals⁴ set a regulatory framework of standards for advanced television broadcasting services for television programmes based on HD-MAC as the European satellite and cable transmission standard for non-fully digital HDTV and the D2-MAC standard for other not completely digital satellite and cable transmission in the wide-screen 16:9 aspect ratio format⁵.

Council Decision 93/424/EEC on an action plan for the introduction of advanced television services in Europe⁶ aims at promoting the wide-screen 16:9 format, irrespective of the European television standard used and irrespective of the broadcasting mode⁷.

Article 7 of the aforementioned Council Directive 92/38/EEC calls on the Commission to report on the effects of this Directive's application and especially on market developments, if necessary, to submit proposals to the Council for adapting the Directive to these developments.

Following consultations with the economic actors concerned, the Commission has come to the following conclusion:

- (a) it is necessary to repeal Directive 92/38/EEC and to issue a new Directive to respond to the changed circumstances;
- (b) the new Directive should be such as to support the evolving Community policy and should on the one hand provide for an orderly regulatory environment while on the other hand avoiding unnecessary restrictions on operators and costs for consumers;
- (c) the immediate field of application of the new Directive should be limited, particularly since the range and potential of digital technology is still unclear;
- (d) the Directive should however be capable of responding to digital developments as required.

OJ No. L 142, 25 May 1989, page 1.

OJ No. L 363, 13 December 1989, page 30.

³ Cf. ESC Opinion, OJ No. C 159, 26 June 1989, page 36.

OJ No. L 137, 20 May 1992, page 17.

⁵ Cf. ESC Opinion, OJ No. C 40, 17 February 1992, page 101.

OJ No. L 196, 5 August 1993, page 48.

⁷ cf. ESC Opinion, OJ No. C 332, 16 December 1992, page 39.

The draft Directive therefore contains provisions relating to transmission standards, the standard connector used in television sets, cable TV networks and the review of the Community's strategy with regard to market-related and technological developments.

Gist of the Committee Opinion

The Committee welcomes this opening for systems compatible with PAL or SECAM as this will allow terrestrial broadcasters to be incorporated within the regulatory framework of the Action Plan for the introduction of advanced television services in Europe. The Committee also supports the condition imposed for all television services in the Community: namely that when these services are in wide-screen format, they must only use transmission systems having the 16:9 aspect ratio.

The Committee points out that the proposed new Directive no longer has the proviso contained in the previous Directive (92/38/EEC) whereby "services for satellite television broadcasting using 4:3 aspect ratio format should not be forced to a compulsory stop or change so as not to jeopardize the present market or inconvenience users". Industry's interest in technological development should never be allowed to take precedence over consumer protection. Irrespective of the need to promote advanced television services in Europe, consumers' freedom of choice should therefore be safeguarded at all times.

This Opinion was adopted unanimously.

2. MEDIA ACTION PROGRAMME (1991-1995)

Opinion of the Economic and Social Committee on the Proposal for a Council Decision amending Council Decision 90/685/EEC concerning the implementation of an action programme to promote the development of the European audiovisual industry (MEDIA) (1991-1995)

(COM(93) 462 final)

(CES 379/94)

Rapporteur: Paul Flum (Germany - Workers)

Gist of the Commission document

The Commission proposal is the follow-up to the evaluation of the programme's first two years based on an audit carried out by an independent company. This exercise revealed that the MEDIA programme⁸ satisfies the requirements of professionals in the industry. The auditor described most of the activities as "excellent" or "very good".

The MEDIA programme, which was established for a period of five years (1991-1995) with an initial budget of MECU 200, today covers nineteen measures to promote the development of the European programme industry at all stages of the audiovisual production process.

See ESC Opinion, OJ C 332 of 31.12.1990, page 174.

The aim is to strengthen the MEDIA programme for the audiovisual sector so as to ensure that it operates efficiently until the end of 1995, and the Commission proposes to increase its grant by MECU 30, focusing on three priority sectors:

- the distribution of European audiovisual programmes in all forms (cinema, TV, video);
- the development of market-oriented production projects:
- the commercial **training** of audiovisual professionals.

The Commission could propose next year that the MEDIA programme be extended beyond 1995. Any such proposal would be preceded by wide consultation of trade organizations after the Commission has submitted a Green Paper on the entire Community audiovisual policy.

The Commission initially based its proposal on Article 235 of the EEC Treaty. Now that the Maastricht Treaty has entered into force, the appropriate legal basis should be Article 130 (industrial policy) which requires mandatory referral to the ESC.

Gist of the Committee Opinion

The Committee welcomes in principle the increase in funding for the MEDIA programme, but would ask the Commission to consider the following points.

The exclusion of the audiovisual sector from the GATT agreement of December 1993 leaves European governments scope to shield film and television from overwhelming US competition and to grant appropriate support, particularly in the light of cultural policy considerations. To this end, cooperation between European producers which currently leaves something to be desired, should be encouraged and reinforced. Seen in this light the decision further underlines the need for the MEDIA programme, which should not however be limited to film and television, but should also cover European radio. Radio programmes are after all well suited for developing and reinforcing communication across national boundaries.

Long-lead times alone, and their effects, make it necessary to prepare for an extension of the MEDIA programme beyond 1995.

Among its specific comments, the ESC suggests that the Commission should make it clear which areas of distribution are to be supported and what limits placed on this support. The Commission should also consider the extent to which concentration in film distribution raises competition-policy questions.

The Committee feels that the available funds should not be used for distribution projects proposed by media groups or their subsidiaries.

With regard to a "contribution to the establishment of a 'second market' using archive material", market-dominating European film distributors must not receive support from the MEDIA programme for the cataloguing, conservation, restoration and rescuing of films.

In conclusion, the Committee stresses that it would like to be involved before the final Commission proposal is drawn up in those special cases where large-scale consultation of the parties concerned is undertaken in drafting Community programmes of this kind.

With this in mind, the Committee would ask the Commission to be included on the list of recipients of the Green Paper to be drawn up in the first half of 1994, to refer the Green Paper formally to the Committee for its Opinion and to invite its representatives to the public hearings to be held.

This Opinion was adopté unanimously.

3. ACTION PROGRAMME VOCATIONAL TRAINING POLICY

Opinion of the Economic and Social Committee on an action programme for the implementation of a European Community vocational training policy (LEONARDO DA VINCI) (COM(93) 686 final - SYN 494)

(CES 380/94)

Rapporteur: Herbert Nierhaus (Germany - Workers)

Gist of the Commission Proposal

In the light of the experience gained to date, the Community's future policy on vocational training must consolidate and build on the solid achievements of the cooperation programmes in the fields of education and vocational training undertaken in recent years if it is to respond to the new challenges facing it and its Member States:

- a return to balanced growth and effective action on unemployment presuppose putting together a workforce which is better trained and better educated;
- it is crucial to improve the capacity to keep abreast of changing job content and qualification requirements, particularly through interfaces and cooperation between the different players concerned:
- better access to continuing training and proper linkage with broad-based initial training are essential in promoting the updating of workers' skills, sustaining the competitiveness of firms
 particularly SMEs and facilitating the organizing of work in ways which provide opportunities for skill enhancement;
- the links between research and training have grown substantially and are a key factor in competitiveness and effective investment; and the transfer of technological innovation particularly to SMEs is of strategic importance;
- cooperation between the education and business worlds must be enhanced, particularly at university level, in the interests of quality education and training;

- the European dimension of education and training must be developed in order to give young people particularly, but also all European citizens, a sense of fitting into the political perspective opened up by the European Union, and to facilitate mobility so that they can take advantage of the opportunities opened up to them by the single market.

On the basis of Article 127 of the Treaty, the Commission is accordingly putting before the Council a proposal for a decision to establish an action programme to develop the European Community's vocational training policy. The purpose of this programme is to secure the pursual of Community action in the field of vocational training, the general principles of which were laid down by the Decision of 2 April 1963 and which is now implemented through four action programmes: PETRA, FORCE, EUROTECNET AND COMETT, to enable it to rise to the challenges of the 1990s and to ensure that it develops within the new legal framework established by the Treaty on European Union.

This proposal is set in the general context established by the White Paper on Competitiveness, Growth and Employment which has just been examined by the European Council on 10 and 11 December 1993.

The courses of action mapped out in the White Paper, and in particular action to promote employment, must be underpinned by increased cooperation between the member States to create a real European area for occupational qualifications which will provide a decisive push towards the upgrading and evolution of skills and qualifications and a new dynamic in employment systems. The action taken and the clear objectives of the Community's vocational training policy can have an important catalytic effect and achieve significant leverage at a time when Member States and firms, in a tight budgetary environment, could be tempted to curtail their investment in human resources in favour of shorter-term considerations, which would be at variance with the objectives laid down in the White Paper.

Gist of the Committee Opinion

The Committee welcomes the Commission's initiative because it will encourage a broad debate at national and Community level on the Community's new responsibilities in the field of vocational training policy in the post-Maastricht era, and by bringing together the Community's basic vocational training activities in one comprehensive programme, it can shed more light on individual projects and their overall relationship to each other.

The primary goal of Community policy must be to ensure that everyone in the Community receives a high-quality education and that standards rise.

The practical measures taken by the Community to achieve this goal can only act as a stimulus for the training policies of the Member States, which for their part must initiate the necessary activities.

Consequently, the Committee calls upon the Member States to invest in education and vocational training. Community action and support programmes can only achieve lasting results in the Member States if national training policies are determined by more than just short-term budgetary considerations and constraints.

It is the duty of the social partners to make a greater contribution, commensurate with their vocational training responsibilities. The social partners, who have responsibilities with regard to qualifications, must be involved in the support arrangements.

The Community's aid policy under its Social Fund should be coordinated with the objectives laid down in Article 127 EUT, since only by recourse to these funds will the Community be able to mount an effective vocational training policy.

The Committee regards the two main objectives of a Community-wide vocational training policy as of equal importance, i.e.:

- enabling all young people who so desire to have access to initial vocational training leading to qualifications;
- ensuring that all workers are entitled to and have access to further training by providing comparable opportunities, in terms of quality and quantity, in all Member States.

The Committee considers that in future initial vocational training must give more weight to providing both a broadly-based vocational grounding and a "European dimension".

Further training must fulfil the following functions:

- development of technical and personal skills;
- specialization and adaptation;
- retraining;
- reintegration;
- increasing the sectoral, vertical and regional mobility of workers:
- overcoming deficiencies.

It will become increasingly important to develop exchanges of information and experience on training systems and arrangements and on qualification and certification systems. One means of achieving greater transparency would be a European vocational training passport in which the initial vocational training courses completed would be set out in a standardized form, along with professional experience and any further training.

The Committee welcomes the participation of representatives of the social partners in the work of the Advisory Committee. The social partners must, however, have the same number of representatives as the governments and be accorded voting rights.

This Opinion was adopted unanimously.

4. YOUTH FOR EUROPE

Opinion of the Economic and Social Committee on the proposal for a European Parliament and a Council Decision - adopting the Youth for Europe Programme (3rd phase) designed to promote the development of exchanges among young people and of youth activities in the European Community

(COM(93) 523 final - COD 474)

(CES 381/94)

Rapporteur: Jan Jacob van Dijk (The Netherlands - Workers)

Gist of the Commission Proposal

The "Youth for Europe III" programme should run from 1 January 1995 to 31 December 1999.

The main objective of the "Youth for Europe III" programme is to contribute to fostering quality education by developing exchange activities in the broad sense within the Community, other supplementary activities in the youth policy field connected with such exchanges with third countries with which the Community has cooperation agreements.

The programme's specific aims are to:

- a) promote youth exchanges within the European Community for an increasing number of young people aged 15 to 25 living in the European Community;
- b) support projects and initiatives run by young people for young people;
- c) allow young people to benefit from joint Community-level actions;
- d) step up cooperation among Member States and between them and the Commission through exchanges of experience and joint initiatives at Community level;
- e) promote exchanges with young people in countries outside the Community.

Special attention will be paid to ensuring that disadvantaged young people have access to activities run under the programme.

The Commission shall:

- ensure that the programme is implemented in a manner respecting the principle of subsidiarity;
- encourage Member States to take appropriate measures to preserve and develop the structures set up to achieve the objectives of the programme;
- support Member States in their efforts to develop youth policy in the regions where few opportunities have existed hitherto;

be assisted by an advisory committee composed of representatives from the Member States and chaired by the representative of the Commission.

Gist of the Committee Opinion

The Committee welcomes the programme.

The ECU 157 million envisaged for the programme in actual fact works out at less than ECU 3 per person aged between 15 and 25°, over the period 1995-1999.

In the proposal for a decision of the Commission, one third of the money has been earmarked for disadvantaged people. The Committee would ask national agencies to do their best to involve as many of the most disadvantaged young people in this programme as possible. The Committee also asks national agencies to be flexible with the application of the maximum age of 25.

One of the main problems which arose in previous phases of the Youth for Europe programme was the lack of adequate information. It is therefore to be hoped that increased funding will be made available for information during the third phase directly aimed at young people. In this connection, widespread mobilization of interest among TV, radio and press journalists is more important than advertising space. The specific information activities of the National Agencies are not always successful. They should operate in an open and accessible way, and should be better interlinked.

Information on the various procedures for access to the youth programmes promoted by the Commission should also be more readily available and be accompanied by a comprehensive annual report (with the view to establishing a direct "multiplication" effect).

The Committee also urges the setting-up of suitable data banks, especially for young people who are "less-privileged".

The "Youth for Europe" programme has so far included exchanges with third countries from Central and Eastern Europe, the Mediterranean and Latin America. In the context of previous EP spending priorities, the Committee would request the Commission to set out its own approach in this respect, based on objective criteria.

It ought to be made clear to all the national agencies that "residents" in this proposal means people in the European Union. There should be no difference between resident and citizen in the application of Youth for Europe.

This Opinion was adopted unanimously.

ECU 157 million divided by 55 million youngsters aged between 15 and 25.

5. ARABLE LAND SET ASIDE

Opinion of the Economic and Social Committee on Possible developments in the policy of arable land set aside (Reflection Paper of the Commission) (COM(93) 226 final)

(CES 382/94)

Rapporteur: Charles Pelletier (France - Various Interests)

Gist of the Commission proposal

Although set aside was accepted by all the Member States and professional circles as a central element in the control of production, its practical application raises many questions. Numerous requests coming both from unions and national administrations have come out in favour of a simplification and a greater flexibility of the scheme.

The Commission wishes, before reaching its own conclusion on whether it is opportune to propose any amendments to Regulation 1765/92 so soon after its adoption, to give interested parties who contributed to the debate which preceded the tabling of the detailed proposals on the reform of the CAP in October 1991, the opportunity to express their views.

The object of this Reflection Paper has not been to formulate precise proposals but to stimulate debate. Nevertheless it has attempted to suggest a means of approaching the various questions which have been raised. It recommends that in the larger debate which should now take place the first criterion for judging each possible solution should be the effectiveness of arable set aside. Provided that this can be assured, then the key considerations to be taken into account are administrative simplicity, acceptability to producers and the public interest in environment and amenity.

Gist of the Committee Opinion

The Committee refers to its Opinion of 20 October 1993 on Commission Proposal No. COM(93) 417 final.

The Committee draws attention to the main points made in this Opinion:

Set-aside must not establish a permanent strait jacket for European production levels; it must allow production to be adjusted in line with demand on Community and world markets. This is particularly true for the markets for animal feed and biofuels.

There should be an increase in the non-food crops.

Community set-aside policy must be determined in full independence.

The purpose of the proposed reform is to simplify the support system for certain arable crops and make it more flexible.

The Committee was opposed to turning irrigated regional ceiling areas into specific base irrigated areas, subject to specific set-aside.

The Proposal should make clear, distinct mention of the possibility for Member States having regional "maize" areas to adopt a national-level "other crops" area.

Article 3(6) introducing a new stabilizer linked to yield should be deleted.

The Committee was in favour of a "mixed" set-aside rate lying between the rotational and non-rotational rates, adjusted by a weighting.

In connection with voluntary set-aside (i.e. more set-aside than required to qualify for support), the Committee drew attention to the potential danger of 100% set-aside.

The Committee opposed the general principle of transfer. It did, however, endorse the Commission's proposal to subject transfers to a 10 km restriction and called for Member States to be given the possibility of setting a limit of less than 10 km.

The Committee also asked that the proposal clearly specify several sets of circumstances under which application could be made for support in respect of new land. To avoid land being "taken" from certain regions or farmers and allotted to others, transfers between "additional eligible land" and "ineligible land" should take place within individual holdings.

The Committee asked that the set-aside rate for three-year rotation be the same as that for six-year rotation, subject to verification after three years of operation. It also said that farmers who opted for an increased set-aside rate (i.e. 20% at current rates), be free to choose the duration of set-aside and the land to which it should apply.

This Opinion was adopted by a majority with one abstention.

6. VETERINARY/ESTABLISHMENTS IN THE ANIMAL FEED SECTOR

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EEC) laying down the conditions and arrangements for approving certain establishments operating in the animal feed sector and amending Directives 70/524/EEC and 74/63/EEC (COM(93) 587 final)

(CES 383/94)

Rapporteur: Kenneth J. Gardner (United Kingdom - Employeurs)

Gist of the Commission proposal

In the light of the experience gained, and in the context of the operation of the single market, the Commission proposes:

- to ensure legal clarity and improve the transparency of Community legislation on animal feed by setting out the conditions and arrangements applying to the approval of the establishments in question;
- to update and supplement the criteria that manufacturers, intermediaries and their possible representatives must meet;
- to amend Directives 70/524/EEC and 74/63/EEC in accordance with the provisions of this draft Regulation.

Gist of the Committee Opinion

The Committee approves the Commission proposal.

This Opinion was adopted unanimously.

7. VETERINARY MATTERS/EXPENDITURE

Opinion of the Economic and Social Committee on the Proposal for a Council Decision amending Decision 90/424/EEC on expenditure in the veterinary field (COM(93) 470 final)

(CES 384/94)

Rapporteur: Erik Hovgaard Jakobsen (Denmark - Various Interests)

Gist of the Commission proposal

The Commission proposal relates principally to the Community's financial contribution to programmes for the eradication and monitoring of animal diseases. It provides for:

- a timetable for the various operations;
- submission by the Member States of annual programmes during the year preceding that of their implementation;
- drawing-up of a list of programmes selected for the following year;
- approval of the individual programmes;
- establishing the Community's financial contribution rate and the ceiling for the contribution;
- a phased reduction in reimbursements where deadlines are not met.

The same arrangements would apply to future programmes for the control of certain zoonoses and programmes for improving structures within the internal market.

Gist of the Committee Opinion

The Committee endorsed the Commission proposal.

This Opinion was adopted unanimously.

8. ORGANIC PRODUCTION

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EEC) amending Regulation (EEC) No. 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs (COM(93) 558 final)

(CES 385/94)

Rapporteur: Kenneth J. Gardner (United Kingdom - Employeurs)

Gist of the Commission proposal

The Commission proposes a number of changes, including:

- further postponement of regulations for organic animal products;
- applying the Labelling Directive;
- facilitating the marketing of mixtures with non-organic food;
- regulating seeds and reproductive material;
- increasing the number of pesticides permitted at Community level.

Gist of the Committee Opinion

The Committee agrees with parts of the proposal but others are only acceptable if changed.

This Opinion was adopted by a majority, with 20 votes against and 6 abstentions.

9. PRECIOUS METAL

Opinion of the Economic and Social Committee on the Proposal for a Council Directive on articles of precious metal (COM(93) 322 final - SYN 472)

(CES 386/94)

Rapporteur: Konstaninos Douvis (Grece - Employeurs)

Gist of the Commission proposal

For centuries most of the Member States have applied tight laws to articles of precious metal, i.e. platinum, gold, palladium and silver.

Existing laws in the Member States often differ in respect of standards of fineness, certification procedures and inspection methods.

The proposal for a Directive relating to articles of precious metal is based on Article 100a of the Treaty and is intended to provide a legal framework at Community level which will provide a high level of consumer protection and ensure fair trading in this area.

The Articles covered by the Directive are those made of gold, platinum, palladium and silver, and the same coated with other metals, where such articles are intended for the Community consumer.

The proposed Directive covers provisions relating to the marking of articles of precious metal and those relating to certification procedures.

The true precious metal content of the articles covered by the Directive must correspond to the standard indicated on those articles.

No negative tolerance will be permitted in respect of these nominal standards.

Specific requirements are also laid down for the various types of article composition (articles comprising various precious metals, mixed articles, coated articles), solders, and the possibility of using mechanisms or elements made of non-precious metals.

The conformity assessment procedures laid down in the proposal for a Directive are based on the Council Decision of 13 December 1990¹⁰, known as the "module decision".

Gist of the Committee Opinion

The Committee endorses the Commission's approach in principle, especially the involvement at the drafting stage of the social partners, consumers and international organizations representing the businesses concerned.

The Committee points out that the Directive only covers new products, and not antiques and second-hand articles.

Considering the vast range of different marks used in the EC, (more than 100,000), many of which are presumably quite similar, the Committee emphasizes the need to minimize the risk of confusion.

The Committee points out that the Annexes to the Directive are of crucial importance.

OJ No. L 380, 31 December 1990, p. 13, see also ESC Opinion of 28 February 1990, OJ No. C 112, 7 May 1990, p.4.

The Committee appreciates the Commission's attempts to restrict the number of nominal standards of fineness contained in Annex I within reasonable limits, taking account of established tradition and consumer expectations in Member States. Any further reduction in the number of standards of fineness in the near future, as suggested by operators, may have an adverse effect on established practice.

The Committee suggests that the sponsor's mark should be included in the essential requirements of Annex II, because, in the Committee's view, the sponsor's work is as important as the fineness mark.

The three existing methods of certification and marking specified in Annexes III, IV and V, which reflect traditional practice in Member States, are designed to provide the same level of protection and guarantee and are therefore regarded as equally valid.

For this reason, Article 4 should contain a further provision making it clear that the three proposed conformity assessment procedures (Annexes III, IV and V) have equal validity.

Furthermore, the Committee feels that the person responsible for placing articles on the market (e.g. in wholesale or export companies) should also be allowed to request the conformity assessment procedures referred to in Annexes III and IV, as well as that referred to in Annex V. This is necessary in order to avoid discrimination against forms of distribution used in this business. Efforts must be made to ensure that no unfair practices can arise with imports from third countries.

This Opinion was adopted by 87 votes for, 39 against and 6 abstentions.

10. GREEN PAPER ON EUROPEAN SOCIAL POLICY

Opinion of the Economic and Social Committee on the Green Paper on European Social Policy: Options for the Union - Communication by Mr FLYNN (COM(93) 551 final)

(CES 387/94)

Rapporteur: Vasco Cal (Portugal - Workers)

Gist of the Commission Proposal

The Green Paper's aim is to stimulate a wide-ranging and intensive debate within all Member States about social policy in the European Union. It is designed to coincide with the ratification of the Treaty on European Union. The reaction to this consultative document will be taken into account in the drafting of a White Paper by the Commission in the second half of 1994.

The document covers the full spectrum of social policy issues, those which are of priority to Member States and those which are of priority to the Union.

The introduction to the document discusses the background to the future development of European social policy. In Part I, it looks at what the Community has already achieved in this area

(the "acquis communautaire"). In Part II, it defines the major challenges facing policy-makers and identifies certain fundamental questions to be addressed.

In Part III, the document looks at possible responses to these challenges. It examines how Member States might respond and in what areas of activity; it goes on to look at how issues could be dealt with at European level.

The document is designed to open debate, not to close it. The conclusion in Part IV is therefore brief. There are no proposals at this stage, only many questions, summarized as follows:

PRIORITY ISSUES COMMON TO THE MEMBER STATES

IMPROVING THE EMPLOYMENT SITUATION

Community-Wide Framework for Employment and a more employment-intensive pattern of growth? What role could the social partners organized at European level play? Community action in the form of legislation or financial support?

ACCELERATING PROGRESS TOWARDS A QUALITY-BASED PRODUCTION SYSTEM

HUMAN RESOURCE DEVELOPMENT

Re-training schemes linked to real labour market needs? The right of each individual to training throughout life? How to overcome education and vocational training policies separately conceived and implemented?

MEASURES TO ACCOMPANY A QUALITY-BASED PRODUCTION

Regulatory framework? Labour market and social policies providing appropriate guarantees for workers' rights? Scope for collective bargaining and could framework agreements under the Social Dialogue assist the bargaining process? Quality-based production systems?

STIMULATING SOLIDARITY AND INTEGRATION

CONVERGENCE OF SOCIAL POLICIES

Income maintenance policies together with active labour market policies? Specific convergence objectives? Taxation and social security, incentives for the social and economic participation of women?

THE FIGHT AGAINST POVERTY AND EXCLUSION

PREVENTION AND REHABILITATION

Types of action against poverty and exclusion? Appropriate legislation? Specific action programmes and/or selected objectives and targets at Union level?

YOUTH OPPORTUNITIES AND RISKS

Transition from school to work? Vocational choices of young women? "Youth guarantee" i.e. a job, activity or training? Lower "entry wages"?

THE ECONOMIC AND SOCIAL ROLE OF THE ELDERLY

Progress of the European Year? Regular monitoring process?

EQUAL OPPORTUNITIES FOR IMMIGRANTS

A concerted integration policy in the Union? Social Dialogue codes of good employment practice? A permanent residence entitlement?

THE "MAINSTREAMING" OF PARTICULAR DISADVANTAGED GROUPS

Integration of disabled people? Community legislative action? Social partners? Partnerships between NGO's, social partners, local authorities, etc.?

THE FIGHT AGAINST RACISM AND XENOPHOBIA

Education, information and legislation measures counteracting racist attitudes, acts and discrimination?

SOCIAL POLICIES AND RURAL DEVELOPMENT

Further actions to prevent rural social decline?

MAIN POLICY OBJECTIVES AT EUROPEAN LEVEL

Areas of social policy addressed by collective agreements? Areas to need a legislative approach? Framework laws?

THE SINGLE MARKET AND THE FREE MOVEMENT OF PEOPLE

Action at Community level to tackle: Remaining legal barriers to free movement of workers? EURES network and Community-wide job offers? Equal treatment for all Community citizens resident in a Member State? Better social protection of mobile workers? Social security coordination? Better information for implementation of Community legislation? Mutual recognition or equivalence of qualifications?

EQUAL OPPORTUNITIES FOR WOMEN AND MEN

Community level in fields such as education and training, research and development and employment and labour market policies? Quotas, targets and positive measures? Family and work responsibilities? Monitoring mechanisms and family-friendly policies, notably the organization of working time? Women's interest within the social dialogue? Community level practical implementation and monitoring of the principle of equal pay for work of equal value? Code of Practice?

THE SOCIAL TRANSITION TO ECONOMIC AND MONETARY UNION

Union recommendations of an economic and social convergence (Article 2 of the Maastricht Treaty)? Convergence of social policies alongside convergence of economic policies through: Common objectives and monitoring? Recommendations on preventing social dumping? Monitoring social policy and EMU? Social partners in these procedures? Joint discussions of national authorities for economic and social policy?

ISSUES OF SOCIAL STANDARDS

Social ground rules needed by a Union of Member States? Labour standards, fair competition and prevention of social dumping through: Adequate minimum provisions at Community level? Possible agreements between employers and unions? Anticipation and monitoring processes? Adjustment assistance measures supported by the ESF?

REINFORCING THE SOCIAL DIALOGUE

Priorities? Employment, education and training? Social partners involvement in the wide range of issues related to the completion of the single market? Exclusion, equal opportunities, reconciliation between work and family, problems of older workers, integration of immigrant workers from third countries? How could the Social Dialogue be strengthened and broadened? European-wide collective bargaining? Broadening of the agenda? Integration of migrant workers, preventing and combating exclusion, measures to facilitate free movement of workers? Partnership with other bodies on some issues?

ECONOMIC AND SOCIAL COHESION: THE ROLE OF THE EUROPEAN SOCIAL FUND

Mechanisms for innovative programmes get translated into the mainstream of Member State human resource policies? Removal of institutional and systemic disincentives to the take-up of training? Ground level action? Anticipation of industrial changes and related skill needs? Necessary partners? Trainee choice, competitiveness between training providers, quality?

INTERNATIONAL ASPECTS

Social policy priorities for the external relations of the Union? Union, international labour standards, ILO or social clauses in trade agreements?

DEMOCRATIZING THE PROCESS OF SOCIAL CHANGE AND CONSTRUCTING A PEOPLE'S EUROPE

Networks? Forum for strategic problems of European society? Consolidated statement of citizens' rights within the Union? Information, awareness and understanding of social policy benefits amongst citizens of the Union? Mobilizing all those involved? Involvement of women?

Gist of the Committee Opinion

Priority issues common to the Member States

What key objectives could be widely accepted by the Member States and the partners concerned?

The EU's stance on social issues, which affect the life and work of the vast majority of the EU population, will be a vital factor in support for the European integration process.

In the labour market field, the Committee has already argued on a number of occasions that stronger economic growth is a precondition - albeit an insufficient one - for creating more jobs "Harmonious and balanced development of economic activities" as specified in Article 2 of the Treaty, cannot be jeopardized by a downward alignment of social standards. Equally, making progress towards the common social goals of the Union will depend substantially on its capacity to generate the necessary wealth.

Social protection and exclusion, the objective must be the economic and social integration of all citizens to help integrate people into employment and into society.

Equality of opportunity must be a guiding criterion at all levels of social policy decision-making in education, at the workplace, and as the growing use of casual labour and the worsening position of the social security system.

On the subject of **training**, there is broad agreement that the top priority for reconciling economic growth, competitiveness and employment must be to make better use of human resources, but this has not been translated into substantive political and budgetary measures. Existing vocational qualifications in the EC are ill adapted to the changes now taking place. Access to basic vocational training, and the promotion of access to further training, are vital. Training is also a precondition for improving sectoral and regional mobility.

Improving the employment situation (how to further develop the Community-wide framework for employment in order to promote a more employment-intensive pattern of growth; the role of the social partners; the role of Community action).

The Committee welcomes the Green Paper's proposal to reduce non-wage costs and change taxation and related contribution systems which hit the least skilled workers, as this will help reduce the disincentives to job creation. However, this proposal should also be analyzed in the broader context of the financing of social protection systems.

Insufficient consideration has been given to the potential for employment growth in new activities and areas, and for locally generated jobs.

Local social structures should be reinforced and linked more closely at local and regional level, in order to take full advantage of their knowledge of the local economy and of cooperation between firms, local authorities, trade unions and other social organizations.

Negotiation between the social partners is the best way to reach the necessary agreements, particularly as regards the introduction of new technologies, the development of new forms of work organization, and of new patterns of working time.

The Committee recognizes that the spread of part-time work has boosted employment, especially for women. However, it also notes that the new jobs created have not sufficed to maintain the overall volume of employment, because of the large number of full-time jobs which have disappeared over the same period. Flexibility within firms, so as to adjust working hours and the hours of plant operation in line with demand and workers' interests, must be negotiated with workers and their representatives at the appropriate level. A further extension of these forms of work will also depend on the minimum guarantees provided.

The move towards a quality-based production system.

Human resource development.

In many regions, a high level of unemployment goes hand in hand with a mismatch between qualifications and the skills required and with changes in economic activity that have made many occupations obsolete, but the employment and vocational training systems have often proved unable to anticipate or respond to these changes.

The education and training system must be made more flexible and its training content adapted so that the skills acquired are better tailored to labour market needs. This calls for a more active role on the part of the social partners and trade organizations. In-company training must be underpinned by, and mesh with, an effective and flexible education system which is able to impart the broad basic training.

Measures to accompany a quality-based production system

The drive to update and enhance skills and qualifications must be actively pursued not only by workers themselves, but also by management. Human resource management requires a high standard in the areas of work organization, staff management and career development.

Company-level bargaining could very usefully form the subject of framework agreements at the appropriate level (European, national or sectoral).

Expenditure on "passive" measures is generally greater than on "active" ones. The proposal to switch resources earmarked for unemployment benefits to the funding of active measures should not overlook the fact that redundant workers and those on early retirement have paid many years' social contributions in the belief that in return they would receive appropriate support if and when they needed it.

"Active" measures include training schemes, employment subsidies, the creation of socially useful jobs, measures to help disadvantaged or unemployed young people and measures carried out by the public employment services aided by ESF funding and by experience gained from Community vocational training programmes.

Stimulating solidarity and integration

Convergence of social policies

The Committee supported the progressive convergence strategy proposed by the Commission. Social protection policies have an irreplaceable role in the European social system.

The fight against poverty and exclusion

The Committee Opinion on social exclusion unanimously advocated a Charter which, by recognizing the basic rights granted to all EU citizens, could help increase the priority accorded to measures to prevent the various types of exclusion. The Committee has also voiced its concern at the cuts which budgetary constraints have led Member States to make in their social

protection expenditure. It supported the increase in Community resources for the anti-poverty programme, and the inclusion of the fight against social exclusion among the objectives of the reformed Structural Funds. The case for developing the unemployment benefit systems so that they support labour-market integration, job creation and self-employment should be considered carefully.

Youth opportunities and risks

The Committee has issued Opinions broadly endorsing the Directive on the protection of young people at work and Youth for Europe.

The inadequacies of some education systems and the difficult employment situation of the last few years bring a need for appropriate steps to ease the transition from school to work. Community contributions are vital for the implementation of measures in the countries covered by the Cohesion Fund, and here in particular the ESF-funded training schemes have proved the main instrument for easing the transition from school to work. However, the fact that there has been no qualitative analysis of vocational training programmes and pilot projects has limited the spin-off from the successful experiences to date. Access to training and the "guarantee" of a job or socially useful activity, enshrined by legislation or decisions taken at Community level, could help to increase awareness of these questions, which are crucial to the future of European society.

The economic and social role of the elderly

The Committee Opinion on older people in society stated that "the aim should be for older people to be viewed as a resource to society rather than as a social burden"; older people should be allowed to exercise their potential.

Equal opportunities for third country immigrants

The Committee has called for the economic and social integration of migrants, equality of opportunities, and the framing of a Community programme of positive action. Immigrants legally resident in a Member State should be able to move within the Community as freely as EC nationals.

Integration of the disabled

The Committee has endorsed the draft Directive on workers with reduced mobility and the HELIOS II programme.

The fight against racism and xenophobia

The Committee has consistently shown an abiding concern for the fight against racism and xenophobia.

Social policies and rural development

The Committee has spoken in favour of systems based on income support rather than price support to promote rural development, more especially in the least favoured regions.

Main policy objectives at European level

The Committee played a key role in the process which culminated in the drafting of the Community Charter of Fundamental Social Rights and the related action programme.

The Opinion argued that a guarantee of basic social rights should be enshrined in Community legislation. Social dialogue should also be promoted. It should be left to the interested parties to decide which sectors are best suited to European-level negotiations and agreements between management and labour.

The single market and the free movement of people

Of the four freedoms enunciated in the single market programme, the only one not yet fully operative is the free movement of people and more especially of workers. This is not only a matter of border controls, but also the lifting of legal obstacles, the coordination of social security schemes and the amendment of the Regulations on the application of social security schemes.

Promoting equal opportunities for women and men in a changing European society

The Committee has recently issued positive Opinions on the protection of the dignity of women and men at work, on the Community's "NOW" initiative, and on the amendment of the Structural Fund Regulations to include the "promotion of equal opportunities for men and women".

The social transition to Economic and Monetary Union

Social issues cannot be viewed in isolation from economic policy decisions. Social considerations should also be taken into account in the multilateral surveillance which forms part of the economic convergence process. The involvement of the socio-economic partners in these procedures is helpful.

Issues of social standards

A number of Committee Opinions have endorsed the call for minimum social standards in all Member States.

The need for minimum standards in the new single market has been widely recognized. However, major obstacles have arisen as to how far they should go, and as to the best way of setting up and implementing them. The European Union should speed up moves to establish these social standards in the light of the new possibilities opened up by the Treaty. The Treaty on European Union must be used as a framework for strengthening negotiations between the social partners at both national and EU level.

Reinforcing the social dialogue

In December 1993 the Commission adopted a Communication concerning the application of the Agreement on Social Policy (COM(93) 600 final), on which the Committee will issue an Opinion.

Under the terms of the Treaty, the Economic and Social Committee is the appropriate forum for weighing up the views of representatives of the socio-economic organizations, in a continual effort to secure the widest possible consensus between members, and for drawing up Opinions on Community proposals and initiatives before decisions are taken.

The initiative taken by ETUC, UNICE and CEEP and enshrined in the Single Act involves a "dialogue between management and labour". It is a negotiating process between the representative organizations of management and labour.

Economic and social cohesion: the role of the European Social Fund

The Committee has endorsed the proposed new Objective 4 (anticipating industrial change) and the extension of Objective 3 to cover people excluded from the labour market. Although the ESF merely tops up the resources allocated by the Member States to these objectives, ESF actions have failed to fully exploit the results achieved in other Member States and in the Community-funded innovative programmes, which were intended to serve as examples. It would be very helpful if those in charge of vocational training schemes in Member States could be provided with assessments of other schemes, and with qualitative evaluations of their results and problems, notably as regards the finding of job placements for trainees. Better coordination between the Commission departments dealing with this area would go a considerable way towards rationalizing existing resources and improving coordination between Member States. Active involvement of the social partners should entail more than their present formal involvement.

International aspects

The failure to include a social clause in the GATT agreement means that such a clause could be a priority for the new World Trade Organization. The Committee is also working on an Own-initiative Opinion on relations between the European Union and the International Labour Organization.

Democratizing the process of social change and constructing a People's Europe

On 27 and 28 September 1993 the Committee held a Conference on the Citizens' Europe which discussed the issues raised under this heading.

This Opinion was adopted by a majority with 1 vote against et 10 abstentions.

11. FARM PRICES 1994/1995

Opinion of the Economic and Social Committee on the Commission proposals on the prices for agricultural products and on related measures (1994/1995) (COM(94) 10 final - Vols. I, II, III)

(CES 388/94)

Rapporteur: Giuseppe Pricolo (Italie - Employeurs)

Gist of the Commission proposals

The Commission's proposals are guided by three main principles:

- a) price stability for the products covered by the CAP reform, with the exception of the beef and milk sectors. The Commission proposes to stop allowing Member States to use 1992 as a reference year for allocation of the special premium for male cattle, and to restrict the granting of the second premium to bullocks. In the milk sector, it proposes an additional 3% cut in the intervention price of butter;
- b) a "logical" price adjustment for the sectors not yet covered by the CAP reform (potato starch, dried fodder, pigmeat, olive oil), in line with existing guidelines;
- c) respect for budgetary constraints.

Gist of the Committee Opinion

The Committee accepts that the rationale behind the proposals for the products covered by the CAP reform is clear enough, as the decisions taken in May 1992 apply automatically. However, it feels that the total generalized price freeze for products not covered by the reform is unjustified, as it would seriously aggravate the production and market difficulties facing these products.

Lastly, the Commission's proposals are not even partially offset by concrete incentives for individual and/or joint initiatives to switch to other products. The Committee would like to see more resources earmarked for new or revitalized production sectors (e.g. mulberry growing and silkworm rearing; development of agricultural raw materials for non-food purposes, such as medicinal plants; farming of rare animal breeds).

This Opinion was adopted by a majorité with 20 votes against and 6 abstentions.

II. OUTSIDE PRESENCE AND INFLUENCE OF THE ESC

Activities of the Chairman and Vice-Chairmen

On 3 and 4 March 1994 the ESC Chairman and Vice-Chairmen paid an official visit to Greece. The delegation had talks with the Minister for Trade, Nicolas Balta, the Minister for Labour, Evangelos Yannopoulos, the Deputy Minister for the National Economy, Yannos Papandoniou, and the Deputy Minister for Foreign Affairs, Theodoros Pangalos.

On 9 and 10 March 1994, in Brussels, they attended the inaugural meeting of the Committee of the Regions in Brussels.

16 March 1994, in Brussels: opening of the "Young Person's ESC Plenary Session". The project "Citizens and the Capital of Europe: Involving Young People" was launched by the Brussels-Europe Liaison Office. At the end of the session, certificates signed by ESC Chairman Susanne Tiemann and Secretary-General Simon-Pierre Nothomb were handed out to all the young people who took part.

- 23 March 1994, in Brussels: meeting with Mr Römisch of the German permanent representation, responsible for relations with the Economic and Social Committee.
- 23 March 1994, in Brussels, meeting with the Tunisian Ambassador, Slahedinne Ben M'Barek.
- 23 March 1994, in Brussels, meeting with the Chairman of the Committee of the Regions, Jacques Blanc.
- 24 March 1994, in Brussels, talk with Commissioner Raniero Vanni d'Archirafi.
- 24 March 1994, in Brussels, attendance at the opening of the European Movement Convention on European Union and a Federal Constitution.
- 24 March 1994, in Brussels, meeting with the Chairman of the European Parliament.

Other activities

- 3 and 4 March 1994, in Madrid, meeting of the Section for Social, Family, Educational and Cultural Affairs. Opening attended by a representative of the Ministries for Labour and Social Affairs and by Jaime Montalvo Correa, Chairman of the Spanish Economic and Social Council's Committee for Social Affairs and Industrial Relations.
- 4 March 1994, in Brussels: press conference on the inaugural meeting of the Committee of the Regions (COR) scheduled for 9 and 10 March. Attended by COR Interim Chairman Léon Bollendorff and ESC Secretary-General Simon-Pierre Nothomb.
- 10 March 1994, in Brussels, before the members of the Section for External Relations, Trade and Development Policy: statement by Horst Krenzler, Commission Director-General for External Economic Relations, on the Commission's programme in this field.
- 11 and 12 March 1994, in Madrid: attendance at the European Conference on Relations between Consumers.
- 12-16 March 1994, in Crete: attendance of a delegation from the Section for Transport and Communications at the Second Pan-European Transport Conference.
- 15 March 1994, in Brussels, during the meeting of the Section for Energy, Nuclear Questions and Research: hearing of representatives of occupational organisations as part of the drawing-up of an own-initiative Opinion on Community Energy Policy.

II. APPOINTMENT OF NEW COMMITTEE MEMBERS

The Council appointed Christoforos Koryfidis (Grece - Workers) in place of Spriridon Giatras, who has resigned.

IV. FACT-FINDING VISITS

following:	During the period under review, fact-finding visits to the ESC were made by the
1 March 1994	Association of International Law Students of the University of Le Havre (France)
2 March 1994	Brussels-Europe Liaison Office (group of students attending the project "The citizens and the capital of Europe: involving young people")
2 March 1994	Niels Brock Copenhagen Business College (Denmark)
3 March 1994	Aix-en-Provence Business, Tax and Accountancy Law Magisterium (France)
3 March 1994	University of Wales School of European Studies, Cardiff (United Kingdom)
3 March 1994	Economic and Social Development Committee of the Manche département, Saint-Lo (France)
7 March 1994	Gwent College of Higher Education - Faculty of Education, Humanities and Science, Newport (United Kingdom)
7 March 1994	Danish Confederation of Trade Unions, Copenhagen (Denmark)
8 March 1994	Groningen University Arts Faculty (Netherlands)
8 March 1994	Tomar College of Technology Business Management Department, Tomar (Portugal)
9 March 1994	IUC - International Education Centre group from the Herning Business School (Denmark)
9 March 1994	Ile-de-France Regional Directorate for Youth and Sports (France)
9 March 1994	Italian Owner Farmers Movement
10 March 1994	CEPFAR - European Training and Promotion Centre for Farming and Rural Life, Brussels
10 March 1994	Stamford College (United Kingdom)
10 March 1994	Economics and Sociology Department of ENESAD - National Agricultural College, Dijon (France)
10 March 1994	Building managers (United Kingdom)
11 March 1994	International Centre for European Training - European Institute for Higher International Studies, Nice (France)

11 March 1994	Friedrich Ebert Foundation, Brussels
14 March 1994	Stockton and Billingham College (United Kingdom)
14 March 1994	Political Training Centre, Kiel (Germany)
14 March 1994	European Trade Union Confederation (delegation from two confederations from Slovenia: ZSSS and Neodvisnost), Brussels
15 March 1994	Aragon Regional Business Confederation, Zaragoza (Spain)
15 March 1994	Danish Women's Trade Union employees
15 March 1994	International Federation of Employees in Public Services (Austrian senior civil servants), Brussels
16 March 1994	Support mission for Community programmes (training course on European affairs, organised in liaison with the Communities' Delegation in Marseille), Montpellier (France)
16 March 1994	Bavarian Information Bureau - Munich university students (Germany)
16 March 1994	Leeds Metropolitan University (United Kingdom)
17 March 1994	CONFAGRI - Portuguese National Confederation of Farming Co-operatives
17 March 1994	Senior trade unionists from the West Midlands region (United Kingdom)
18 March 1994	Wiltshire Management Centre, Swindon (United Kingdom)
18 March 1994	Society for Actuarial Studies, Cologne (Germany)
18 March 1994	Vienna Federal Chamber of Labour (Austria)
21 March 1994	Worcester College of Technology (United Kingdom)
22 March 1994	European Institute of Public Administration (group of Chinese economists), Maastricht (Netherlands)
22 March 1994	GMB - Britain's General Union of the Yorkshire region (United Kingdom)
23 March 1994	Saint Patrick's College Maynooth - Centre for European Social Policy Studies (Ireland)
23 March 1994	Reid Kerr College, Paisley (United Kingdom)
24 March 1994	Central European University of Prague (Czech Republic)
25 March 1994	University of Exeter Centre for European Legal Studies (United Kingdom)

25 March 1994	Consultative group of Associations of Actuaries in the Countries of the European Communities, Oxford (United Kingdom)
25 March 1994	Tameside College of Technology, Ashton-under-Lyne (United Kingdom)
29 March 1994	Bavarian Information Bureau (group of officials from associations in the South Bavarian region) (Germany)
30 March 1994	Oxford Brookes University School of Planning (United Kingdom)