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BULLETIN



EUROPEAN COMMUNITIES

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281st Plenary Session of 20 November 1990

The 281st Plenary Session of the Economic and Social Committee was held at its headquarters in Brussels on 20 November 1990. Mr François Staedelin, Committee Chairman, presided.

At this meeting the Committee adopted the following Opinions:

1. COMPETITION — AIR TRANSPORT (Additional Opinion)

Draft Commission Regulation (EEC) on the application of Article 85(3) of the Treaty to certain categories of agreements, decisions and concerted practices concerning joint planning and coordination of capacity, consultations on passenger tariffs and cargo rates on scheduled air services and slot allocation at airports

Draft Commission Regulation (EEC) on the application of Article 85(3) of the Treaty to certain categories of agreements between undertakings relating to computer reservation systems for air transport services

Draft Commission Regulation (EEC) on the application of Article 85(3) of the Treaty to certain categories of agreements, decisions and concerted practices concerning ground handling services (OJ C 211, 24.8.1990)

Gist of the proposed Regulations

The legislation adopted by the Council at the end of 1987 as part of the first package of measures for liberalizing air transport included Regulation 3976/87 on the application of Article 85(3) of the Treaty to categories of agreements and concerted practices in air transport. This Regulation permits the Commission to declare by way of a regulation that Article 85(1) of the Treaty does not apply to certain categories of agreements between enterprises.

The Commission recently made use of the opportunity offered by Regulation 3976/87 and adopted three Regulations on group exemptions with regard to:

- (i) the planning and coordination of capacity;
- (ii) computer reservation systems;
- (iii) ground handling services.

These Regulations will expire on 31 January 1991.

The Commission is now in the process of defining new 'group exemptions' with a view to adapting them to the conditions created by the adoption of the second package of measures for liberalizing air transport. The relevant proposals for Regulations were published in OJ C 211/90.

The Commission proposes maintaining the present exemptions in favour of capacity planning and coordination, computer reservation services and ground handling. Some changes have been made to reflect recent developments. But the exemption in favour of revenue sharing between airlines will be deleted.

Consultation on passenger tariffs and cargo rates will be allowed but only in so far as they serve to help airlines to adapt to the needs of the market and are used to help the operation of interlining arrangements, whereby tickets can be issued for complex journeys involving more than one airline and passengers are able to change to another airline if their plans change.

The existing slot allocation and airport scheduling discussions can also be continued, but there must be genuine opportunities for access to slots at congested airports and at peak times.

The Regulations laying down the new group exemptions should be adopted by the Commission towards the end of the year.

Gist of the Committee Opinion¹

The Committee notes that the Commission proposals cover a new area, cargo rates and that slot allocation is covered more extensively.

⁴

¹ CES 1289/90.

The Committee questions the inclusion of slot allocations in the proposals which goes beyond the intentions of the Council in its enabling legislation. It accepts that the existing system of slot allocation should be revised. Nevertheless, the Committee believes that this is a difficult and controversial area and should be the subject of full consultation with all interested parties. The Committee would emphasize that any policy change — certainly a significant policy change — in the field of transport must be the Council's responsibility.

As the need for slot allocation is due, primarily, to the inability of airport capacity to cope with increasing air traffic, the Commission should, above all, put forward suitable proposals as to how existing airport capacity can be better used and how it can be correspondingly extended.

The Committee believes airlines should be able to select ground handling services on competitive grounds and is concerned that at many airports there is no way for an airline to assess whether a fair, genuinely economic charge is being made for ground handling services. Consequently it may be preferable to withdraw this Regulation and require airport authorities to move towards a fully competitive tendering situation. Alternatively, there may be a case for involving Article 90 of the Treaty.

This Opinion was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mr Eike Eulen (Germany — Workers). Rapporteur: Mr Robert J. Moreland (United Kingdom — Various Interests).

2. GERMAN UNIFICATION

The Community and German Unification [COM(90) 400 final (Vols I, II and III)]

Gist of the Commission's proposals

The Commission's Communication submitted to the Committee by the Council for an opinion consists of three separate documents:

Volume I: Part I — General Explanatory Memorandum Part II — Sector-by-Sector Explanatory Memorandum

Volume II: Proposals for Legislation

Volume III: Financial Aspects.

The Communication contains a whole series of legislative proposals on the technical adjustments and transitional measures needed to ensure the harmonious integration of the German Democratic Republic in the Community. Such measures constitute an overall package.

The Economic and Social Committee is asked to deliver an opinion on the proposals as a whole.

The Committee has already examined the question of the political developments and economic and social consequences resulting from the opening of the GDR's borders on 9 November 1989 in an information report drawn up by the Section for External Relations on 27 June 1990.

Politically, the Commission document is an attempt to ensure the smooth adaptation of the legislation in force in the former GDR to Community patrimony. As the abovementioned Information Report of June 1990 points out, the gradual incorporation of five new Länder pursuant to two inter-German Staatsverträge will extend Federal law, which is in conformity with Community legislation, to these new areas. In this way, Community rules and regulations will become part of the united Germany's legal system.

The Commission Communication confines itself to the immediate impact of unification on the Community's responsibilities and secondary legislation and the economic consequences of the incorporation of the former GDR into the Community.

The automatic application of Community law in the former East German territories consequent upon unification will not involve amendment of the Treaties or other acts constituting primary legislation. Secondary legislation can largely be applied immediately. Transitional measures will, however, be required in certain sectors to take account of the former GDR's socioeconomic and legal peculiarities and permit a gradual adaptation to Community law. These provisions can be based on the same legal principles as the secondary legislation in question.

The proposed transitional measures essentially comprise technical adjustments and temporary exemptions which will apply for fixed periods from the date of formal unification.

They must conform to the following principles:

- (i) the acceptance of Community patrimony must remain the starting-point and final goal of all action;
- (ii) only objectively necessary measures are permissible;
- (iii) derogations must be of limited duration and cause no more than minimum disruption to the operation of the Common Market.

The transitional measures will be based on the degree of Community integration achieved in the different areas and sectors concerned and take due account of the particular situation prevailing in the former GDR. They will generally apply pending the implementation of the relevant Community policies, i.e. until 1992-93 in the case of the Single Market and until 1995 in the case of environmental policies.

In addition to transitional measures, new rules, such as higher sugar quotas for the new Germany, must be introduced to regulate the increased production capacity brought about by unification.

Since unification took place on 3 October 1990, that is before the Community could take the necessary decisions, the Commission was authorized to introduce temporary measures to avoid the creation of a legal vacuum pending the definitive adoption of the transitional measures and necessary technical adjustments. These measures will remain in force until the Council takes a final decision (probably on 4 December 1990).

Gist of the Committee Opinion¹

German unification's impact on other economies and on various Community policymaking areas together with the derogations and

¹ CES 1378/90.

transitional arrangements necessary for the former GDR's integration into the Community were reviewed.

In this Opinion, the ESC gave its broad approval to the Commission's paper, praising it as an important, and indeed essential, contribution to the rapid incorporation of the former GDR into the European Community.

The Committee went so far as to argue that European integration would be speeded up. However, the positive macroeconomic effects forecast by the Commission in the form of growing demand for 'Western' consumer and capital goods and services were not likely to materialize in the near future because of the impending difficulties facing the transformation process. Therefore the Committee made a general call for more generous transitional periods so as not to jeopardize the success which it thought the adjustment process was likely to score in the medium term.

However, derogations and transitional arrangements — and here the ESC agreed with the Commission — had to be objectively necessary and limited in time, cause minimum disruption to the Common Market and lead in the end to the acceptance of the *acquis communautaire*.

The Committee fears that there was a particular danger of transitional rules being circumvented at the former East-West German border. In order, for example, to ensure that goods which did not comply with Community requirements remain within the former GDR, the Committee called for strict spot checks. The aim here was to preempt any calls for special labelling for such goods and additional formalities at borders between Member States. 'It would be disastrous', the Rapporteur said during the discussion, 'if the Single Market were to be watered down in this way'.

Commenting on agricultural policy the Committee called for strict production quotas, more set-aside schemes and food aid for East European countries. This would prevent the expected rise in production from jeopardizing the sensitive Community agricultural market. The Commission proposals for intensifying agriculture were also to be rejected on ecological grounds.

The measures taken to integrate the former GDR, the Committee stressed, should not penalize existing programmes and funds for other structurally weak regions. The effects on the world economy and monetary policy depended largely on whether the immense unpredictable costs were to be met in the main by borrowing or by raising taxes. The Committee called on the Federal Govenment to explain its fiscal policy decisions to the European Council and spell out the macroeconomic effects (e.g. higher interest rates). 'This step would dispel a number of fears and go a long way towards getting Member States to work even more closely together', the Committee thought.

German unification should not penalize the GDR's former trading partners in Comecon. The ESC therefore supports the principle of 'legitimate expectation' enshrined in existing Treaties, notably to facilitate reconversion and renovation in Eastern Europe by bringing these countries into the international trading mainstream.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Jens Peter Petersen (Germany — Employers).

3. PROTECTION AT WORK OF PREGNANT WOMEN

Proposal for a Commission Directive concerning the protection at work of pregnant women, and women who have recently given birth [COM(90) 406 final]

Gist of the Commission proposal

The Commission's draft contains a series of provisions designed to bring about improvements in the health and safety at work of pregnant women, and women who have recently given birth. The provisions nevertheless allow for the fact that increased protection must not lead to a worsening of the position of women on the labour market, thereby encroaching on the provisions of the equal opportunity directives already adopted by the Council.

Working conditions and night work

The Commission's proposal explicitly stipulates that measures must be taken to adjust the working conditions and/or working hours of pregnant women, and women who have recently given birth, in cases where the type of activity on which they are engaged may pose a hazard to their health and safety. Such adjustments may involve a change of duties, without of course any loss of pay or work-related rights.

As regards night-time working by pregnant women, and women who have recently given birth, the Commission proposal adopts the wording of the very recent ILO convention agreed by both sides of industry and representatives of 11 of the 12 Member States in June 1990, the 12th having abstained. The key idea of this provision is that Member States must take measures to ensure that there is an alternative to night-time working for women who would otherwise be required to work at night for a period of at least 16 weeks before and after giving birth to a child, including at least eight weeks before the presumed date of delivery. The same facility is to be accorded, on production of a medical certificate, in respect of other periods during pregnancy or indeed beyond the aforesaid period following the birth of a child. Where a transfer to daytime work is not possible, workers must be entitled to draw social security benefits or be granted an extension of maternity leave, in which case there must be no curtailment of work-related rights.

Protection against agents and processes

The Commission proposal stipulates that Member States must take the requisite steps to ensure that pregnant workers, and women workers who have recently given birth, are not assigned to activities during which they are actually or potentially exposed to physical, chemical or biological agents or processes which could be harmful to their health. A list of such agents, itself open to revision, is given in an annex to the Directive. A point also worth stressing is that where a transfer to another activity is not objectively possible, the workers in question must be granted paid leave from work for the period judged necessary for the protection of their health, with employment rights again being maintained during that period.

Maternity leave

The Commission proposal contains two fundamental provisions in this area

(i) Firstly, pregnant women must be granted 'an uninterrupted period of at least 16 weeks' leave from work on pay and/or corresponding social security payments, commencing before and ending after delivery', the time at which this period of leave commences being decided by the beneficiary in accordance with national practice and legislation. To allow for the requisite flexibility, the proposal also states that Member States are entitled to make the above right to remuneration and/or social security payments subject to the condition that the women workers concerned have worked or been registered as unemployed at least since the beginning of their pregnancy, a facility which does not apply to the obligatory period of leave. Leave from work is to be regarded as a right - not as an obligation - of which pregnant women may avail themselves, provided only that they have worked or have been registered as unemployed at least since the beginning of their pregnancy.

(ii) The Member States are also required to take the necessary steps to ensure that pregnant workers, and those who have recently given birth, are granted an obligatory period of paid leave of not less than two weeks before the presumed date of delivery, no condition of eligibility being attached.

Work-related rights and dismissal

In its proposal the Commission stipulates that there shall be no diminution of work-related rights (e.g. seniority, promotion, leave entitlement, etc.) during the entire period of leave, i.e. for at least 14 weeks. The Member States must, in addition, take the requisite measures to prohibit the dismissal of pregnant women, and those who have recently given birth, for reasons connected with their condition, from the beginning of their pregnancy to the end of their maternity leave.

Gist of the Committee Opinion¹

The measures proposed by the Commission form a coherent health and safety package. The same health and safety considerations, linked to employment rights, apply to women who have recently given birth and who may temporarily require a more adaptable work schedule and an available alternative to night work.

Such basic social rights, integral to the health and safety of the women concerned, need to be affirmed at Community level, especially in the context of 1992 and the breaking down of national barriers to employment, enterprise and mobility. The proposed measures conform to the provisions set out in the Single European Act and also are consistent with the goal of establishing 'social cohesion'.

Relevant international instruments, especially ILO conventions, have been used and referred to by the Commission. The Committee welcomes the Commission's accompanying assessment of the projected impact of the proposal on SMEs. Other specific sectors, such as farming and the liberal professions, might be given similar consideration.

¹¹

¹ CES 1379/90.

Good employment practices can help women to exercise the rights and responsibilities of motherhood in conjunction with their entitlement to employment under safe and healthy conditions.

This Opinion, adopted by a large majority, with 8 abstentions, was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mr Vasco Cal (Portugal — Workers). The Rapporteur was Mrs Beatrice Rangoni-Machiavelli (Italy — Various Interests).

4. EUROFORM – NOW – HORIZON

Draft Notice from the Commission to the Member States laying down guidelines for operational programmes/global grants which Member States are invited to establish, in the framework of

a Community initiative concerning new qualifications, new skills and new employment opportunities — Euroform initiative

a Community initiative to promote equal opportunities for women in the field of employment and vocational training — NOW initiative

a Community initiative concerning handicapped persons and certain other disadvantaged groups — Horizon initiative [SEC (90) 1570 final]

Gist of the Commission proposal

1. The three draft Community initiatives have as their aim to give a Community dimension to vocational training operations and to the promotion of employment, in general, in creating or in developing Community networks within the framework of the promotion of 'human resources'.

The proposed initiatives aim at implementing transnational operations associating Objective 1 regions and other regions of the Community by promoting the development of conceptions and common practices between different actors engaged in vocational training and job development, and thus enabling the less-developed regions to participate in a joint effort in the development of human resources. The actions proposed are chosen in the light of the necessity for concentrating resources — limited in comparison with the general effort of the Community in this field — on measures having an exemplary character and whose application must have a multiplier effect.

2. It is proposed to combine these initiatives with the other Community programmes for vocational training and promotion of employment, with a view to a better coordination, synergy and effectiveness of Community interventions.

It is, moreover, necessary when drawing up the programmes, to ensure their coordination with the Community Support Frameworks, as well as other initiatives of the Structural funds already decided, or in the course of adoption, so as to assure the necessary synergies, add new elements, and maximize the results.

3. As regards the complementary aspect of the initiatives in relation to vocational training programmes and aid to employment:

- (i) the Euroform initiative will also strengthen operations under the Force and Eurotecnet programmes — as declared by the Commission in the conclusive Council meetings on these two programmes — as well as the LEDA and ERGO programmes, by supporting networks for these programmes and by carrying out or developing projects coordinated by them, and by strengthening their transnational dimension;
- (ii) for the initiative NOW, considered in the context of the third programme for equal opportunities, it is also envisaged to use the networks and existing operations (IRIS, ILE) as well as the experience acquired by the carrying out of those operations in respect of analysis, evaluation and management;
- (iii) the Horizon initiative will also draw on Handynet (information system on technical aids for handicapped person) and reinforce the Helios programme, especially by co-financing model training and vocational re-adaptation actions not covered by this programme.

4. These initiatives complete the Community Support Frameworks by bringing a Community dimension and by remedying, through the promotion of transnational cooperation, certain aspects not sufficiently covered, notably in the less-developed regions. The latter can, by means of these transnational operations, benefit from the experience acquired in certain Member States, so as to enable them to participate in a common effort in facing up to the necessities of the Single Market. 5. These three initiatives are centred on the needs concerning the development of human resources, especially vocational training and aid to employment and apply to the Community territory as a whole.

The other initiatives of the Structural funds concern more an approach which is targeted on regional or rural development, and are limited to regions eligible under those objectives. The operations for vocational training and aid to employment provided in these initiatives complement other measures for regional or rural development provided by those initiatives.

This two-pronged approach makes it possible to cover, in a complementary manner, those needs not covered sufficiently by the Community Support Frameworks.

6. The three initiatives are undertaken under Objectives 1, 2, 3, 4 and 5b of the Structural funds. Given that they refer to several objectives, the proposals for operational programmes and global grants from Member States must be identified separately for each objective.

Gist of the Committee Opinion¹

The Committee endorses this Commission initiative, which is in line with previously endorsed programmes and conforms to the requirements of the revised Structural funds. The focus on human resources and the integral involvement of Priority 1 regions is especially welcome.

The Committee would nonetheless alert the Commission to the potential risk of such useful initiatives being classed almost as peripheral in character and impact in the absence of a more demonstrative commitment to the EC cooperative strategy for growth and employment.

The Committee also urges the Commission to specify clearer the groups targeted under the programmes and to ensure adequate information and publicity.

Euroform

The Committee is surprised that the vital role of Cedefop in this field has not been mentioned. It stresses the need to ensure that

¹ CES 1380/90.

the programme does not become dominated by pseudopartnerships between national training agencies which already absorb the bulk of Social Fund resources.

NOW

The measures proposed need to take account both of concealed unemployment amongst women and of the fact that 40% of the extra jobs created since 1985 have been part-time rather than fulltime.

Horizon

As with the Helios programme and Handynet, the Committee endorses proposals on support for handicapped persons. It suggests that voluntary organizations already working actively in the field be included in the programme.

This Opinion adopted unanimously, was drawn up in the light of the paper produced by the Section for Social Family, Educational and Cultural Affairs chaired by Mr Vasco Cal (Portugal – Workers). The Rapporteur was Miss Ada Maddocks (United Kingdom – Workers).

5. SOCIAL SECURITY – FREEDOM OF MOVEMENT

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to selfemployed persons and to members of their families moving within the Community and Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71 [COM(90) 335 final]

Gist of the Commission proposal

Since the entry into force of Regulation (EEC) No 2001/83, which updates and codifies Regulations (EEC) No 1408/71 and No 574/72 following their extension to self-employed persons, these Regulations have been further amended by Council Regulations (EEC) No 1660/85 and No 1661/85, Commission Regulation (EEC) No 513/86, Council Regulations No 3811/86, No 1305/89, No 2332/ 89 and No 3427/89 and the Acts of Accession of Spain and Portugal, 1985.

In the meantime, other changes made in certain national legislations must be taken into account by Community Regulations in order to safeguard migrant workers' rights. In the main, there are formal and substantive changes in German legislation on sickness insurance and in United Kingdom legislation on widow's and invalidity benefits. Some existing provisions also need to be regulated and fleshed out. This applies in particular to the proposed amendments to Articles 13(2) (f) and 45(8), which seek to regulate situations falling outside Regulation (EEC) No 1408/71. These gaps have been revealed by Court of Justice rulings in the Ten Holder and Rebmann cases.

There are also a number of amendments of an administrative nature or flowing from previous amendments.

Gist of the Committee Opinion¹

The Committee approves the Commission proposal.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mr Vasco Cal (Portugal – Workers). The Rapporteur was Mr Gordon Pearson (Ireland – Employers).

6. R&D – BIOMEDICINE AND HEALTH

Proposal for a Council Decision adopting a specific research and technogical development programme in the field of biomedicine and health (1990-94) [COM(90) 162 final — SYN 267]

Gist of the Commission proposal

The programme comes under the third framework programme for Community activities in the field of research and technological development $(1990-94)^2$ and, in particular, the life sciences and technological heading.

It is a follow-up to work carried out under the R&D programme in the field of medical and health research $(1987-89)^3$ and the

¹ CES 1381/90.

² OJ L 117, 8.5.1990, p. 28 – Committee Opinion C 56, 7.3.1990.

³ OJ L 334, 24.11.1987 – Committee Opinion C 105, 21.4.1987.

human genome analysis programme (1990-91) which is in the process of being adopted after a long and controversial debate 1 .

The programme is to last five years. The total fund allocation is to be ECU 133 million, including some 1.33 million for the centralized dissemination and exploitation of results.

The three areas covered are:

- (1) harmonization of methodologies and protocols in epidemiological, biological and clinical research;
- (2) applications to diseases with a great socioeconomic impact (AIDS, cancer, cardiovascular disease, mental illness and neurological disorders, mental handicap, ageing and agerelated health problems and disabilities);
- (3) human genome analysis.

The indicative breakdown of expenditure is as follows:

20-25% for area 1 45-50% for area 2 30-35% for area 3

A review of the programme is planned for 1992, when proposals for amendments may be made.

The implementing rules are listed in Annex III, while Articles 6,7 and 8 specify the nature and working procedures of the consultative committee which will assist the Commission.

Cooperation with third countries and international organizations is provided for in Article 10, which authorizes the Commission to negotiate agreements laying down the terms of such cooperation in accordance with Article 130N of the Treaty.

Gist of the Committee Opinion²

The Committee endorses the general approach and content of the new programme.

The Committee realizes that there is a need for rationalization and coordination. However, it is concerned that the results and

¹ Cf. amended Commission proposal in OJ C 303, 2.12.1989 and Committee Opinion in OJ C 56, 6.3.1989, p. 47, plus debate on the Council's joint position in Appendix 1 to the Minutes CES 284/90 of the Environment Section's 133rd meeting.

² CES 1372/90.

organizational know-how gleaned from the preceding programmes should not be lost.

The Committee therefore urges that special attention be paid to achieving a smooth transition from the existing to the new programmes. It deplores the fact that the assessment report on the previous programme is still incomplete.

The Committee stresses the special features of the new programme; its intrinsic aim is to improve the quality of human life and health, and it must combine the principle of subsidiarity with that of economic and social cohesion.

The Committee wonders why the Commission does not explicitly mention socioeconomic and ethical considerations among its criteria for research, and has not included these areas in its areas of research (as it has in the R&D programmes on the environment and on biotechnology). It is concerned that the new procedure should meet the special requirements of the human-genome analysis programme, which was significantly amended in the light of the ESC and European Parliament Opinions.

The Committee notes that its request to be sent the reports assessing the human-genome analysis programme has been catered for in the final Council Decision, and trusts that this will also be the case with the present programme. The Committee notes that Community funding for biomedical research has increased enormously since the cautious start made by the pilot programmes.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Francisco Ceballo Herrero (Spain – Various Interests). The Rapporteur was Mr Sergio Colombo (Italy – Workers).

7. DIESEL ENGINE EMISSIONS

Proposal for a Council Directive amending Directive 88/77/EEC on the approximation of the laws of the Member States relating to the measures to be taken against the emission of gaseous pollutants from diesel engines for use in vehicles [COM(90) 174 final — SYN 272]

Gist of the Commission document

Directive 88/77/EEC on the approximation of the laws of the Member States relating to measures to be taken against the emission of gaseous pollutants from diesel engines for use in vehicles introduced the control of carbon monoxide, hydrocarbons and nitrogen oxides emitted from such engines. The provisions of Article 6 of this Directive commit the Community to consider a further reduction of the limit values for the three gaseous pollutants and the introduction of the control of particulate emissions

The test procedure

However, the sampling and analyzing methods of Directive 88/77/ EEC and Regulation 49 only refer to gaseous pollutants. Hence, the introduction of an emission standard for particulate pollutants requires the specification of an appropriate measurement method.

The first stage (1992-1993)

When the proposed Directive consolidating the emission standards for passenger cars is adopted, uniform limit values, which are at least as severe as the present US standards, will apply from 1 July 1992 for all new types of cars, and from 31 December 1992 to all new cars put on the market. The Commission deems it desirable that, from the same dates, more severe standards should be implemented in relation to diesel powered commercial vehicles.

The second stage (1996-1997)

The Commission deems it desirable to establish ambitious standards now for the second stage of the Community exhaust emission standards for commercial vehicles. These standards will apply on 1 October 1996 to new vehicle types and on 1 October 1997 to all new vehicles.

The Commission proposes two values for the particulate emission standard of the second stage and suggests that the Council should decide which one shall be used. This decision should be taken on the basis of a report which the Commission undertakes to present before the end of 1993. This report will also consider the availability of improved diesel fuel.

Gist of the Committee Opinion¹

The Committee approves the proposed measures but foresees that the deadlines for the two stages may only be attained if the specification for an improved diesel fuel is decided upon at an early date and the Member States each take fast positive action to facilitate the necessary testing and certification.

European manufacturers concerned with production of diesel engine vehicles are already working on the development of engines and ancillary equipment (such as injectors and pumps) in accordance to the test procedures agreed in UN-ECE Regulation 49 between EC-EFTA-Comecon countries. The Committee therefore recommends that the final Council decision take into account the test procedures and emission standards under Regulation 49 in order to attain uniformity of the emissions requirements in a European context.

The health and safety of the public, as well as improvement of the environment, are dependent on the enactment and implementation of all existing vehicle Directives together with the exhaust-emission limit value provisions being considered by the Council. This can only be achieved by each Member State giving proper attention to control of emissions from vehicles already in use, as well as the safety factor requirements, on a regular basis. Second-hand imports from third countries which do not comply with the standards should be prevented.

This Opinion, adopted by a large majority, with 4 abstentions, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mrs Ann Robinson (United Kingdom – Employers). The Rapporteur was Mr Gordon Pearson (Ireland – Employers).

¹ CES 1388/90.

8. ESPRIT II

Proposal for a Council Decision concerning a specific programme of research and technological development in the field of Information Technology (1990-94) [COM(90) 153 final — SYN 258]

Gist of the Commission proposal

This specific programme is based on the guidelines of the third Framework Programme for research and technological development and constitutes a new phase of the European Strategic Programme for Research and Development in Information Technology (Esprit), focusing on new technologies.

The programme encompasses five areas (the figures in brackets show the approximate percentage share of the programme):

Area 1:	Microelectronics	(27-31%)
Area 2:	Information processing systems and software	(23-27%)
Area 3:	Advanced business and home systems; peripherals	(15-19%)
Area 4:	Computer integrated manufacturing and engineering	(17-21%)
Area 5:	Basic research	(9-11%)

Accompanying measures comprise technology transfer and training activities in each of the areas. They include special actions which aim at increasing the potential for participation in Community R&D in information technology of organizations in peripheral regions, and likewise their ability to make use of the results.

Implementation of the programme under this Decision is estimated to cost ECU 1 338.48 million, to include staff costs which may not exceed 4%.

The participants in the projects must be natural or legal persons established in the Community, such as universities, research organizations and industrial firms, including small and mediumsized enterprises, or associations thereof, in particular European Economic Interest Groupings.

The projects must involve at least two mutually independent partners established in different Member States.

Project participants shall be selected on the basis of the ordinary procedure of calls for proposals, published in the Official Journal of the European Communities.

The Commission may also accept proposals under an exceptional procedure when they make a particularly promising and significant contribution as regards the theme's originality.

The Community's financial participation for all the projects retained by the exceptional procedure will be decided each year and may not exceed 15%.

Gist of the Committee Opinion¹

The Committee approved the proposed programme of research and development.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mrs Ann Robinson (United Kingdom – Employers). The Rapporteur was Mr Herbert Nierhaus (Germany – Workers).

9. COMMUNICATIONS TECHNOLOGY (RACE)

Proposal for a Council Decision concerning a specific programme of research and technological development in the field of communication technologies (1990-94) [COM(90) 154 final — SYN 259]

Gist of the Commission proposal

This specific programme forms an integral part of the approach embodied in the third Framework Programme and focuses on eight priority areas including the provision of verification techniques and facilities. It will concentrate on areas of work which require the collaboration of two or more telecommunications sector organizations in the common interest of the Community.

¹ CES 1376/90.

The priority areas (the figures in brackets show the approximate percentage shares of the programme) are:

Area 1: IBC (Integrated broadband communica- tions) R&D	(20-24%)
Area 2: Intelligence in networks/flexible com- munications resource management	(6-8%)
Area 3: Mobile and personal communications	(8-10%)
Area 4: Image and data communications	(11-16%)
Area 5: Integrated services technologies	(6-8%)
Area 6: Information security technologies	(6-8%)
Area 7: Advanced communications experiments	(20-25%)
Area 8: Test infrastructures and interworking (horizontal R&D area supporting the other priority areas)	(1-3%)

The specific programme will cover these priority areas, distinguishing three main types of work, namely: development of implementation strategies for IBC systems, services and applications; advanced communication technologies; and validation of standards and common functional specifications for IBC. It will involve the use of experimental equipment and services to address generic applications.

It is estimated that ECU 484.11 million will be needed to carry out this Decision, including staff costs which may not exceed 4%.

The participants in the projects must be natural or legal persons established in the Community, such as universities, research organizations and industrial firms, including small and mediumsized enterprises, or associations thereof, in particular European Economic Interest Groupings.

The participants in the projects will be selected on the basis of the ordinary calls for proposals procedure, published in the *Official Journal of the European Communities*.

Gist of the Committee Opinion¹

The Committee endorses this new Commission initiative in principle.

¹ CES 1377/90.

The development rate of telecommunications will depend on the general context rather than technical considerations alone. In this connection, a crucial factor will be the willingness of European telecommunications administrations and companies, industry, the universities and research institutes to cooperate in developing a uniform network architecture and to harmonize national provisions, standards and economic arrangements. This process can be promoted by privatizing the most important services.

The Community's ambitious aim of coordinating the introduction of IBC with the ISDN now being developed and national implementing strategies, with the aim of achieving Community-wide services by 1995, seems likely to widen the technological gap between highly-developed and less-advanced regions.

An increasing interconnection and, in some cases, worldwide availability of data sources raises the problem of distinguishing between confidential personal data and public information. The Committee therefore stresses the importance of developing effective coding systems.

It regrets that the specific programme does not expressly provide for basic and further training. Efforts should be made to achieve coordination with the corresponding telecommunications-technology training programmes of the Community.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mrs Ann Robinson (United Kingdom – Employers). The Rapporteur was Mr Herbert Nierhaus (Germany – Workers).

10. TIR AND ATA CARNETS

Proposal for a Council Regulation (EEC) on the use in the Community of TIR carnets and, as transit documents, of ATA carnets [COM(90) 203 final — SYN 271]

Gist of the Commission document '

TIR and ATA carnets make it compulsory for formalities and checks to be carried out at each frontier.

The elimination of internal frontiers within the Community will result in the Community being considered as a single territory for the purposes of TIR or ATA transport. It is necessary, therefore, to formalize in legal terms the principle of a single Community territory in the rules governing the use of TIR or ATA carnets for the purposes of transit within the Community.

It has also appeared advisable to make provision for any question relating to the application of the Regulation to be discussed if necessary within, the Committee on the Movement of Goods provided for in Article 55 of Council Regulation (EEC) No 222/77.

Gist of the Committee Opinion¹

The Committee expresses certain reservations on specific provisions.

This Opinion adopted unanimously, was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mrs Ann Robinson (United Kingdom – Employers). The Rapporteur was Mr Jens Peter Petersen (Germany – Employers).

11. PREDATORY PRACTICES IN AIR TRANSPORT

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 3975/87 laying down the procedure for the application of the rules on competition to undertakings in the air-transport sector [COM(90) 167 final]

Gist of the Commission document

The European Commission has proposed an amendment to the competition regulation of the 1987 air transport package (Regulation 3975/87) which would allow the Commission to take interim measures against airlines which used unfair practices to eliminate competition.

The new measures would allow a speeding up of the present arrangements since the Commission would be able to require suspension of certain practices pending consideration of the case under the full procedures provided for under the competition regulation. The Commission's proposal reflects the aim of creating a liberalized single market in air transport in which competition is

¹ CES 1382/90.

maintained and the consumer benefits. This is especially important where a newcomer is offering new competition on a particular route by new schedules or lower prices.

The following practices could be regarded as predatory practices where they are used to threaten competitors unfairly:

- (i) providing so much capacity or such high frequencies on a route that other airlines find it difficult to sell their services;
- (ii) charging fares appreciably below the carrier's own fully allocated costs;
- (iii) granting benefits such as 'override' commissions to travel agents which make it difficult for other airlines to compete;
- (iv) granting loyalty benefits to passengers which artificially maintain their loyalty to a specific airline.

Interim measures would not be taken without first enabling the undertakings concerned to comment in writing and will be limited to the length of time appropriate to the case.

Gist of the Committee Opinion¹

The Committee is slightly uneasy, as a matter of general principle, that procedures built into Council Regulations with a view to bringing some degree of external influence on Commission decisions of a quasi-judicial nature, should be short circuited or dispensed with, leaving the Commission's powers in such respects almost totally unfettered. It feels that such a course of action should only be contemplated in the most compelling circumstances and that the parameters in which it might be justified should be very closely defined.

Accordingly, the Committee endorses the Commission's proposal provided that the Regulation makes it entirely clear that its use should be contemplated only if there is firm evidence that adherence to the normal procedure would be likely to cause irreparable damage to the service or carrier concerned if the normal time scale were adhered to.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Transport and Communications, chaired by Mr Eike Eulen (Germany — Workers). The Rapporteur was Mr Francis J. Whitworth (United Kingdom — Employers).

¹ CES 1386/90.

12. GENERAL INTEREST TELEMATICS

Proposal for a Council Decision concerning a specific programme of research and technological development in the field of telematic systems in areas of general interest (1990-94) [COM(90) 155 final — SYN 260]

Gist of the Commission proposal

The proposed programme comes under the framework programme for Community activities in the field of research and technological development (1990-94), more specifically the line of action 'Information and communication technologies' whose main aim is 'to achieve open standards making it possible to improve the integration of advanced systems into the networks'.¹

The research and technological development programme in the field of telematic systems in areas of general interest forms the third part of that line of action. The specific objective of this programme 'consists, by means of pre-normative research and a limited number of experimental development activities concerning the validation of common functional specifications, in ensuring the interoperability of systems, peripherals and telematic networks at trans-European level'.

The proposed new programme will cover six areas. Community financing is estimated at ECU 380 million divided up as follows:

1.	Trans-European networks between administrations	29-33
2.	Transport services	30-34
3.	Health care	15-17
4.	Distance learning	10-12
5.	Libraries	6-7
6.	Linguistic research and technological development	5-6

Of this amount, ECU 3.8 million is earmarked for the centralized dissemination and exploitation of the results of the specific and supplementary research programmes, as provided for in Article 4 of the Decision on the framework programme (1990-94).

%

¹ OJ L 117, 8.5.1990, p. 28.

The aim of the first area, 'Support for the establishment of trans-European networks between administrations', is to carry out studies and research, in particular at prestandardization level, for the definition and subsequent establishment of trans-European telematic services networks essential to national administrations for the completion of the single market.

This area provides possibly the most original contribution of the programme. The priority sub-areas will be: customs, social security, frontier police, taxation and statistics.

One of the problems which it will have to surmount is the incompatibility of existing national telematic systems. It will have to pay special attention to the development of technologies relating to telematic services. Some experimental development activities will be carried out in cooperation with the work carried out under the Insis, Caddia, Tedis and, where appropriate, Esprit and Race programmes.

The second area, 'Transport services', will cover the development of technologies and systems for both road and air transport.

With regard to road transport, 'The work on technology will take account of the technologies emerging within IT and communications, progress in vehicle design and research carried out under Drive/Prometheus and Community programmes'. The Committee gave its views on the Drive programme in its Opinion of 22 October 1987 (CES 934/87) where it approved the Commission proposal, but expressed some reservations.

In its common position the Council generally followed the Committee's proposals, although one important recommendation, namely the setting-up of a 'Drive Steering Committee' composed of experts delegated by participating bodies and commercial undertakings, was not taken up.

The third area, 'Health care', will make use of the results of the AIM programme. In its Opinion of 18 November 1987 on this programme (CES 1066/87) the Committee was concerned to safeguard confidentiality and protect personal medical data. This concern is acknowledged in the text of the present programme.

The fourth area, 'Distance learning', will be based on the results of the Delta programme and will be closely coordinated with other programmes such as Comett and Eurotecnet. The need for such coordination was pointed out in the Committee Opinion of 21 October 1987 on the Delta programme (CES 930/87). The present programme would seem to have taken account of virtually all the comments made in that Opinion.

The sixth area, 'Linguistic research and engineering', is based on the results of the Eurotra programmes and certain specific projects conducted under Esprit. The work will be coordinated with the 'Human capital and mobility' activity of the framework programme and with the Erasmus and Comett programmes.

In its Opinion of 25 April 1990 (CES 508/90) on the Proposal for a Council Decision on the programme for an operational Eurotra system, the Committee recommended scaling down its overambitious objectives and using the Comett and Eurotecnet programmes for the purpose of training and recruiting top-level engineers and technicians.

This programme will be implemented in the form of shared-cost research contracts and concerted actions. It also includes accompanying measures, the arangements for which are set out in an annex to the Decision.

The proposal spells out the role and operating procedures of the committee which is to assist the Commission in implementing the programme. It also provides for:

- (i) a review of the programme in 1992, together with proposals for any necessary changes, and an assessment of results at the end of the programme;
- (ii) the possibility of concluding agreements between the Community and third countries or international organizations enabling them to cooperate in achieving the aims of the programme.

Gist of the Committee Opinion¹

The Committee comments on various aspects of the Commission document such as: the protection of industrial property; the importance of taking account of all socioeconomic interests; the concern that by concentrating on the technical quality of the service, sight will be lost of its ultimate purpose.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and

¹ CES 1374/90.

Research, chaired by Mr Aldo Romoli (Italy - Employers). The Rapporteur was Mr Paul Flum (Germany – Workers).

13. INDUSTRIAL AND MATERIALS TECHNOLOGIES

Proposal for a Council Decision adopting a specific research and technological development programme in the field of industrial and materials technologies (1990-94)[COM(90) 156 final - SYN 261]

Gist of the Commission proposal

The proposed programme comes under the framework programme for Community activities in the field of research and technological development (1990-94), ¹ more specifically its second line of action, 'Industrial and materials technologies', the objective of which is 'to contribute to the rejuvenation of European manufacturing industry by strengthening its scientific base through research and development work'.

In accordance with paragraph 2 of Annex II of the Decision on the framework programme, the Community measures are intended to encourage:

- (i) basic technical research;
- (ii) integration of new technologies by user industries;
- (iii) acquisition of the scientific and technical knowledge needed in order to establish standards and codes of good practice facilitating the transfer of such technologies.

The proposed programme follows on from the research undertaken as part of the Brite/Euram² and raw materials and recycling³ programmes and in the Joint Research Centre (JRC). These measures were broadly approved by the Committee although, in the case of the raw materials and recycling programme, it heavily criticized the emphasis placed on primary raw materials to the

¹ OJ L 117, 8.5.1990, p. 28.

² Specific research and technological development programme in the fields of industrial manufacturing technologies and advanced materials applications (1989-92): OJ L 98, 11.4.1989, p. 18. ³ Specific research and technological development programme in the field of

raw materials and recycling (1990-92): OJ L 359, 8.12.1989, p. 16.

detriment of the other sub-programmes, recycling in particular, and this in spite of the gravity of the problems facing environmental protection and the urgent need to find solutions.

Community financing for this programme is estimated at ECU 748 million, of which 78 million is earmarked for the activities which the JRC will contribute to the programme.

Of the remaining ECU 670 million, 1% will be allocated to the centralized action for the dissemination and exploitation of the results of the specific and supplementary research programmes, as provided for in Article 4 of the Decision on the framework programme (1990-94).

The budget, thus reduced to ECU 663.3 million, will be divided up as follows between the various areas of research covered by the programme:

Area A.	Materials — raw materials	(%)
1110411.	raw materials and recycling materials	12 50-60
Area 2:	Design and manufacturing	30-40

The proposal also spells out the role and operating procedures of the Committee which is to assist the Commission in implementing the programme and provides for:

- (i) a review of the programme in 1992, together with proposals for any necessary changes, and an assessment of results at the end of the programme;
- (ii) the possibility of concluding agreements between the Community and third countries or international organizations enabling them to cooperate in achieving the aims of the programme.

Gist of the Committee Opinion¹

Broadly speaking, the Committee approves the Commission proposal but puts forward some comments intended to reinforce the impact of the programme and to ensure that it is entirely in

¹ CES 1387/90.

keeping with the objectives of Community R&TD policy. These comments mainly concern:

- (i) the criteria for selecting research projects;
- (ii) integrated projects;
- (iii) the evaluation of the results of the programme;
- (iv) taking account of social and environmental acceptability;
- (v) the utilization of research results;
- (vi) the budget;
- (vii) the dissemination and exploitation of results;
- (viii) review of the programme and assessment of its results.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and Research, chaired by Mr Aldo Romoli (Italy – Employers). The Rapporteur was Mr Javier Velasco Mancebo (Spain – Workers).

14. MEASUREMENTS AND TESTING

Proposal for a Council Decision on a specific research and technological development programme in the field of measurements and testing (1990-94) [COM(90) 157 final — SYN 262]

Gist of the Commission proposal

The proposed programme comes under the second line of action of the framework programme for Community activities in the field of research and technological development (1990-94), the aim of which is 'to contribute to the rejuvenation of European manufacturing industry by strengthening its scientific base through research and development work'.¹

The proposed programme on measurements and testing constitutes the third part of that line of action. More specifically it aims to ensure that 'the laboratories of the Member States are equipped with the technical means necessary to carry out measurements and tests in a harmonized manner and are able to have the validity of their respective results recognized' and 'to improve measurements, testing techniques and chemical analyses where they are not sufficiently accurate'.

¹ OJ L 117, 8.5.1990, p. 28.

The programme stresses that these research activities should take account of the requirements of the Internal Market and environmental aspects.

The new programme ties in with the specific BCR programme in the chapter of 'Technical standards, measuring methods and reference materials' of the second framework programme (1987-91).

It covers four different areas and Community funding is estimated at ECU 50 million, divided up as follows:

	(%)
(a) Support to Regulations and Directives	15-25
(b) Sectoral testing problems	15-25
(c) Support to means of calibration	25-35

(d) Development of new methods of measurements 25-35

From this budget it is planned to devote ECU 0.5 million to the centralized dissemination and exploitation of the results of the specific and complementary research programmes, as provided for in Article 4 of the Decision on the 1990-94 framework programme.

The programme will be implemented through research contracts and concerted actions, including accompanying measures as set out in the Annex to the Decision.

It should be noted that the programme will be implemented in part through direct research activities carried out by the JRC. Such activities will be the subject of a separate Council decision; ECU 90 million has been earmarked for these activities.

The Commission proposal spells out the role and procedure of the committee which is to assist it in the implementation of the programme. It also provides for:

- (i) a review, in 1992, of the programme, accompanied if necessary by proposals for its amendment, and an evaluation of the results achieved;
- (ii) the possibility of third countries and international organizations concluding agreements with the Community to enable them to cooperate on the programme.

(m)

Gist of the Committee Opinion¹

The Committee offers several comments, the following in particular:

- (i) the need to forward the results of each programme to the ESC as well as the Parliament and the Council. This is mandatory under Article 130q(2) of the Treaty if the review of the results includes a proposal for a change in the programme;
- (ii) the programme could usefully be extended to research into the biodegradability of products;
- (iii) as regards cooperation with other European countries, it is recommended that the analysis methods be made freely available to the Eastern European countries.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and Research, chaired by Mr Aldo Romoli (Italy – Employers). The Rapporteur was Mr Georges Proumens (Belgium – Employers).

15. COMMON ORGANIZATION OF THE MARKETS IN THE SUGAR SECTOR

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1785/81 on the common organization of the markets in the sugar sector [COM(90) 323 final/2]

Gist of the Commission's proposal

(a) The Commission's proposal seeks to amend Regulation (EEC) No 1785/81 on the common organization of the markets in the sugar sector, as regards the system of production quotas. The Regulation only applies to the marketing years from 1986/87 to 1990/91, so it is necessary to decide, before 1 January 1991, what system is to be applied from 1 July 1991.

The Commission points out that the main objectives of the quota system remain (i) to orientate production in line with outlets and (ii) to cover, for each marketing year, all the losses arising from the disposal of Community production surpluses by financial contributions by producers.

¹ CES 1373/90.

In view of these objectives, the Commission considers that the system of production quotas should be continued. Despite some improvement, the main feature of the world market situation is still one of fluctuating prices and an uncertain outlook for the foreseeable future. Moreover, in the Community, as elsewhere, production capacity exceeds consumption.

The Commission is therefore proposing that, for 'A' and 'B' sugar, the 1990-1991 production quotas should be extended at their present level for the next two marketing years, in view of (i) the surplus production of quota sugar needing to be stabilized and (ii) the very favourable outlook for disposal to the chemical industry.

As regards the self-financing system, the Commission considers that there is no reason to alter the self-financing arrangements in the sector or to make any change in the apportionment of burdens, since these depend directly on the quotas allocated, which, in the Commission's view, should be kept as they are.

(b) The Commission's proposal also contains some related measures concerning the system of Community aids for raw sugar imported under preferential conditions, the carrying forward of 'C' sugar and the national aid adjustment scheme in Italy.

The Commission feels that there is no need for the moment to change the system of Community aids for raw sugar imports from the ACP states and India for refining in the Community or for imports from non-EEC countries for refining in Portugal, which is due to end on 30 June 1991.

The Commission justifies this solution on the basis of the declaration on the sugar refining industry's supplies appended to the final Act of Accession of Portugal, and according to which the situation would only be reviewed at the end of Portugal's transitional period, i.e. at the end of 1992.

For the carrying-forward of 'C' sugar, the Commission thinks there should be a return to the situation which existed from 1968-1969 to 1980-1981, and therefore proposes that during the period of obligatory storage the 'C' sugar carried forward should no longer qualify for the reimbursement provided for by the Community compensation system for storage costs.

As the Italian sugar industry no longer needs adjustment aid, since restructuring has been largely achieved, and as Italy should be allowed to concentrate its efforts on beet growing in order to meet the objectives more quickly, the Commission is proposing that the Council renew its authorization to grant national aid for the next two marketing years, but confine it to sugar beet, while continuing the phasing-out of such aids which has been in force in recent years.

Gist of the Committee Opinion¹

The Opinion supports the proposal. It regards it as a reasonable compromise pending an overall review of the organization of the sugar market aimed at reconciling more fully the interests of producers, manufacturers and consumers.

The Committee nevertheless disputes the proposal henceforth totally to exclude the industrial part of the Italian sugar sector from the national aid scheme.

This Opinion, adopted by a large majority with three votes against and seven abstentions, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Giovanni Barbagli (Italy — Various Interests).

16. VINEYARD RESTRUCTURING

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 458/80 on Collective Projects for the Restructuring of Vineyards [COM(90) 382 final]

Gist of the Commission proposal

The Commission's proposal seeks to amend Council Regulation (EEC) No 458/80 on the structural adaptation of wine production in the Community.

Following the trend in demand on the wine market, some of the projects already approved by the Commission in accordance with Article 7 of the Regulation have not been implemented. It is the intention of the present amendment to authorize the transfer, within the limit of the amounts already approved, of the Community contribution laid down for projects which will not be implemented to other projects.

¹ CES 1383/90.

Gist of the Committee Opinion¹

The Committee is in complete agreement with the Commission proposal, considering that it forms part of the Community's policy of restructuring vineyards, which has already been in operation for some years, with a view to producing quality products in keeping with demand both inside and outside the Community.

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

17. FISHING STRUCTURES

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 4028/86 on Community measures to improve and adapt structures in the fisheries and aquaculture sector [COM(90) 358 final]

Gist of the Commission proposal

The aim of the structural measures is to encourage the reduction of fishing capacity and the introduction of two new common actions in support of the redeployment of fisheries operations and joint enterprises. It is also proposed to amend some of the existing provisions (exploratory fishing, joint ventures, port facilities, adjustment of capacity and market prospection).

The Commission considers this package to be an important first step in restructuring fishing capacity to meet the new requirements of the common fisheries policy, including first and foremost the conservation of resources. These new measures, which will be able to enter into force on 1 January 1991, mainly concern the following:

(a) Small-boat fishing

Small boats make up a large proportion of the fleets of the Member States and operate on all Community coasts. Their activity is of great importance for the industry in general because of the large number of jobs they provide and because of the value of the catch. It is therefore proposed to extend the legal scope of the Regulation

¹ CES 1375/90.

to boats measuring less than nine metres between perpendiculars (12 metres in the case of trawlers) principally through:

- (i) preparation by the Member States at national level and adoption by the Commission of zone plans for small-scale fisheries specifying the objective for the reorientation of the sector and the resources needed to attain these objectives;
- (ii) extension to small boats of aid for construction, modernization and the adjustment of capacity (final cessation of fishing activity and scrapping of vessels).
- (b) Reorientation

The Commission is proposing a number of measures including:

- (i) increased Community financial support for exploratory fishing and stronger measures to assist joint ventures between Community and non-Community fishing companies;
- (ii) a new scheme to grant redeployment premiums;
- (iii) new measures to encourage 'joint enterprises' to enable Community and non-Community fishing companies to exploit resources in non-Community waters for the supply of the Community market, but with the definitive transfer of the vessels concerned to the non-Community country;
- (iv) increased Community aid for the final cessation of fishing either through scrapping of the vessel (the highest rate), its transfer to a non-Community country or switching to an activity other than fishing.

The Commission proposals also include other adjustments such as market prospection for certain aquaculture products and the application of all the provisions to vessels in the Canary Islands and in Ceuta and Melilla.

Gist of the Committee Opinion¹

The Committee also feels that a number of recitals need to be amplified and clarified, in particular the following:

 greater emphasis shoud be given to the recital on adverse social effects, as socio-structural measures have almost always been omitted;

¹ CES 1384/90.

- (ii) the recital on promotion campaigns should highlight the importance of increasing the level of consumption of all species without exception and make it clear that the phrase 'rapidly developing' refers to the production of aquaculture products;
- (iii) the recital which states that 'provision should be made for the adjustment of certain criteria by a simplified procedure so that they can be adapted as closely and rapidly as possible to developments in a situation subject to fluctuation according to regional or sectoral circumstances' should be made more explicit and worded with greater clarity.

This Opinion, adopted by 66 votes to 28 with 13 abstentions, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Jesús Muñiz Guardado (Spain – Various Interests).

18. GOODS FOR TEMPORARY USE

Proposal for a Council Regulation (EEC) amending Regulation No 3/84 introducing arrangements for movement within the Community of goods sent from one Member State for temporary use in one or more other Member States

[COM(90) 354 final - SYN 283]

Gist of the Commission document

1. Regulation (EEC) No 1292/89 amended the arrangements governing temporary movement of goods within the Community [Regulation(EEC) No 3/84], extending it to cover as wide a range of beneficiaries and goods as possible; works of art sent to another Member State for exhibition with a view to possible sale were included, provided they were accompanied by their authors or agents.

The provision governing works of art was mistakenly worded in such a way that it excludes works of art not accompanied by their authors or agents from benefiting from the Community carnet arrangements. Consequently, museums, for example, are no longer eligible to use the Community carnet arrangements.

2. The enlarged scope of Regulation (EEC) No 3/84 harmonizes the 17th VAT Directive (Directive 85/362/EEC) and the Community carnet arrangements. The wording of the provision excluding carpets also excludes commercial samples. 3. The two provisions mentioned above are a retrograde step compared with the situation prior to 1 July 1989. The Commission therefore proposes that the above Regulation be amended in order to rectify the situation.

Gist of the Committee Opinion¹

Since the proposed regulation does not necessitate any specific comments, the Committee gives its approval and endorsement.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Rapporteur-General, Mr Camille Giacomelli (Luxembourg — Employers).

19. GSP 1991

The Commission's proposals for the Community's Scheme of Generalized Preferences for 1991 [COM(90) 515 final]

The background to, and the principal elements of, the Commission's proposals regarding the Community's Scheme of Generalized Preferences for 1991

The proposals the Commission is now making with regard to the Generalized System of Tariff Preferences (GSP) for developing countries in 1991, have to be seen in the context of the Community's long-standing and on-going policy in this field, rather than simply as a number of relatively minor amendments to the scheme that it has applied in 1990.

The GSP, designed to give developing countries more favourable access to the markets of developed countries, is now in its twentieth year.

The Community was one of the first industrialized powers to introduce such a scheme (1 July 1970).

The original purpose of the GSP was to increase export earnings of developing countries, promote industrialization of developing countries and accelerate economic growth in developing countries.

¹ CES 1390/90.

The Community's Scheme of Generalized Preferences was subjected to a major revision at the beginning of the 1980s. More changes were introduced in 1985, notably with respect to differentiation and graduation of products from countries which had obtained a substantial market share in the Community. In 1987, changes were introduced with respect to textile imports. Even in 1989, when the Committee was consulted by the Council on the Commission's proposals for the 1990 GSP Scheme, the Commission had already embarked on a major review of the Community's approach to its GSP.

The now long-awaited major review of the Scheme for the period 1991 to 2000 was completed earlier this year, and a Communication [GSP: Guidelines for the 1990s — COM(90) 329 final] was adopted by the Commission on 6 July 1990 and referred to the Committee by the Council for an Opinion.

The Commission is proposing, basically, that for 1991 the GSP Scheme currently in operation be continued (with certain modifications detailed below) on the grounds that the implementation of the 'new' approach — arising from the guidelines for the 1990s — must await the outcome of the current GATT negotiations. The new approach can thus only be introduced in the proposals for the 1992 Scheme.

The Committee, in its Opinion in 1989 (on the proposals for the 1990 Scheme), was already calling for bold changes to the GSP Scheme: a concentrated and selective approach that would produce benefits commensurate with its costs and its negative effects on the least developed areas in the Community. It wanted the new GSP to be 'clear, simple and precise'.

Furthermore, the Committee wanted all LDCs to be able to benefit under the GSP, but stressed the need to separate the poorest countries and the countries on the threshold of take-off so as to be able to concentrate — solely on these two groups of countries — substantial efforts providing significantly more assistance than is available under the GSP alone.

In this respect, the Committee recommended, not for the first time, that countries whose per capita GDP is higher than that of a Community country, or with a consistent balance of payments surplus, be immediately excluded from the GSP.

The Committee again endorsed the system of exclusions based on country/product assessments.

As for agricultural products, the Committee drew attention to the implications of the current GATT negotiations for the LDCs: lower customs duties and a reduction in the number of products subject to quotas could reduce the advantages to be gained from the GSP. Products which are 'liberalized' as a result of the current GATT round should be removed from the GSP list and bound, without other compensation under GATT rules, which are more firmly-based than GSP rules, in that they are contractual and thus can not be unilaterally revoked.

It has to be noted that the GSP Scheme for 1990, which the Council adopted in November 1989, largely upheld the previous year's Scheme, but with some improvements for beneficiaries. None of the major changes, called for by the Committee, and 'promised' by the impending major review, were introduced.

Now, at the end of 1990, the proposals for the following year's Scheme, 1991, are on the table; the Committee, as stated above, has been consulted by the Council on the proposals that will determine the Scheme for 1992 and beyond (guidelines for the 1990s) and will give a separate Opinion on these guidelines. But, still, the promised new approach is a year away from being introduced, and the Committee can only really look and comment upon the proposed — relatively minor — modifications to the 1990 Scheme on the draft of which Scheme it was consulted last year.

The proposals which the Commission is putting forward for 1991 are basically that the economic part of the various schemes operating in 1990 be maintained — with necessary adjustments being made that arise from the application of differentiation criteria (differentiation is the non-application of the franchise to suppliers which occupy a large part of the Community market), to the advantage of less competitive suppliers.

Secondly, in addition to the above, the Commission is proposing the Scheme to be adjusted and to be provided for the following: Czechoslovakia's and Bulgaria's admission to the Preference System, the admission of Romania to all the benefits of the system, and German Unification.

Other changes proposed include the extension of the Preference System to Namibia and to Mongolia, renewing the special arrangements adopted in 1990 to assist Colombia, Bolivia and Peru in the 'drug war'. Finally, the Commission is proposing the continued suspension of preferences for South Korea as long as this country continues to discriminate against the Community in the field of intellectual property.

Gist of the Committee Opinion¹

The Committee considers that discussion of the guidelines for the 1990s should include a serious reconsideration of the tendency to abuse the GSP, as it was originally conceived and implemented over the years, to increase export earnings, promote industrialization, and accelerate economic growth in developing countries. Indeed, the Committee regrets that it was not consulted by the Council when the GSP was first extended to cover countries which are not part of the developing countries group. In the Committee's view, the new Association Agreements currently under discussion between the Community and certain Eastern European countries, are a far more appropriate instrument to meet the same need.

This Opinion, adopted unanimously, was drawn up in the light of the paper produced by the Section for External Relations, Trade and Development Policy, chaired by Mr Robert D'Hondt (Belgium – Workers). The Rapporteur was Mr Giorgio Liverani (Italy – Workers).

¹ CES 1385/90.

External presence and impact of the Economic and Social Committee

Activities of the Chairman and Secretary-General

5 November 1990, ESC premises, meeting with Mr Ferrer, President of Unice, and Mr Tyschiewicz, Secretary-General of Unice, (Union of Industries in the European Community).

6 November 1990, Statement by Mr Staedelin, Committee Chairman at the Conference on 'Europe and Labour' organized by Lasaire (Social Workshop for Active and Innovatory Debate and Exchange), St Étienne, France.

6 November 1990, meeting with Mr Jan Kulakowski, Polish Ambassador to the European Communities.

6 November 1990, meeting in Brussels with COPA (European Farmers' Organization).

6 November 1990, meeting with Mr Lachs, Director of the Austrian Central Bank responsible for international relations, and Mr Pribil, Head of financial matters in the Austrian Mission to the Communities.

9 November 1990, meeting with Mr Jacques Delors, President of the European Commission.

9 November 1990, meeting with advisers to Mr Rocard, French Prime Minister.

12 November 1990, Amsterdam, attendance at the 5th National Congress of the FNV (Dutch Trade Unions).

13/14 November 1990, at Committee premises, attendance at the 14th annual meeting of ACP/EEC economic and social interests groups.

15/16 November 1990, Paris, talks with Mr Christian Sautter, Deputy Secretary-General at the Elysée Palace and Mrs Elisabeth Guigou, Minister of State for European Affairs.

16 November 1990, Brussels, attendance at the European Conference organized by the Centre for Sociological Research, International and Comparative Labour Law, ULB (Free University of Brussels).

22 November 1990, attendance at the 44th National Congress of the CFTC (French Confederation of Christian Workers), Lille, France.

27 November 1990, ESC premises, meeting with a delegation from UIL (Italian Union of Workers).

27 November 1990, ESC premises, meeting with senior officials of the CFDT (French Democratic Confederation of Labour) from the Nord-Pas de Calais region.

28 November 1990, Brussels, attendance at the 51st Session of the Council of Ministers of African, Caribbean and Pacific States.

29 November 1990, ESC premises, attendance at the meeting between Chairmen of the EFTA Consultative Committee and the Economic and Social Committee.

30 November 1990, meeting with Mr Jan Kulakowski, Ambassador and Plenipotentiary of the Polish Mission to the European Communities.

Fact-finding trips

During the reference period, the following groups visited the Committee:

29 October 1990	FTF (Confederation of Danish Civil Servants' Unions), Copenhagen
29 October 1990	Europa-Union Deutschland, Karlsruhe Regional Association, (Germany)
30 October 1990	European Institute for Public Administration, Maastricht (Central American Delegates)
30 October 1990	Heinz-Schwarzkopf Foundation, Hamburg (Germany)
31 October 1990	Civil servants from the Dutch Ministry of Social Affairs and Employment
5 November 1990	Forem (Générale de Banque), Belgium
5 November 1990	Spanish young farmers
6 November 1990	Higher Institute for Economic, Paramedical and Social Higher Education, Kortrijk, Belgium
7 November 1990	National Institute of Labour, France
8 November 1990	German Association of Women
8 November 1990	Regional Assembly of Biscay, Bilbao (Spain)
12 November 1990	Confederation of Portuguese Commerce
15 November 1990	Schmittmann College, Germany
16 November 1990	Brockport University, USA

20 November 1990	FTF (Confederation of Danish Civil Servants' Unions), Copenhagen
20 November 1990	The Law Society, United Kingdom
20 November 1990	Havant College, United Kingdom
22 November 1990	European Institute for Public Administration, Maastricht, Netherlands
22 November 1990	Marie Kruses College, Denmark
26 November 1990	Paris Association for International Trade, France
26 November 1990	Friedrich-Ebert Foundation, Germany
26 November 1990	Macra na Feirme (Young Farmers), Ireland
27 November 1990	UIL (Italian Union of Workers), Italy
29 November 1990	Business Consultants, Italy

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Available from the ESC

General documentation

The other European Assembly (CES 89-003) Leaflet on the ESC

Opinions and studies

Europe and the new technologies (1986) (ESC 89-004) Disadvantaged island regions (July 1988) (ESC 88-009) Basic Community social rights (Opinion) (February 1989) Horizon 1992: The ESC supports the removal of fiscal frontiers (July 1988) (eight Opinions) Target date 1992: The ESC supports 'the new-frontier Europe' (June 1988) (seven Opinions) (ESC 88-010)

Available from Gower Publishing Co. Ltd, 1 Westmead, Farnborough, Hants GU1 47RU

Community Advisory Committee for the Representation of Socio-Economic Interests (UKL 8.50)

European interest groups and their relationship to the Economic and Social Committee (UKL 25)

Available from Delta Publications, rue Scailquin 55, 1030 Brussels

The economic and social interest groups of Portugal (BFR 350) Action by the European Community through its financial instruments (Brussels, 1979) (BFR 425) The economic and social interest groups of Greece (BFR 350) The right of initiative of the ESC (BFR 400)

Available from Kogan Page Ltd, 120 Pentonville Road, London N1

Directory of European agricultural organizations (UKL 39)

Available from the EC Publications Office

Bulletin (monthly) (per issue: ECU 4.25; annual subscription: ECU 30.50) Annual Report 1988 (ECU 8.50) Effects of the CAP on the social situation of farmworkers in the European Community (Brussels, 1987) (ECU 3.40) European environment policy: air, water, waste management (Brussels, 1987) (ECU 3.50) Community rail policy (ECU 7.40) EEC maritime transport policy (Brussels, June 1986) (ECU 3.40) EEC air transport policy (October 1985) (ECU 5.50) GATT — towards a new round (Opinion) (Brussels, 1986) (ECU 2.20) Competition policy (ECU 3.40) Europe and the new technologies (Brussels, 1988) (ESC 87-020) (ECU 18.50)

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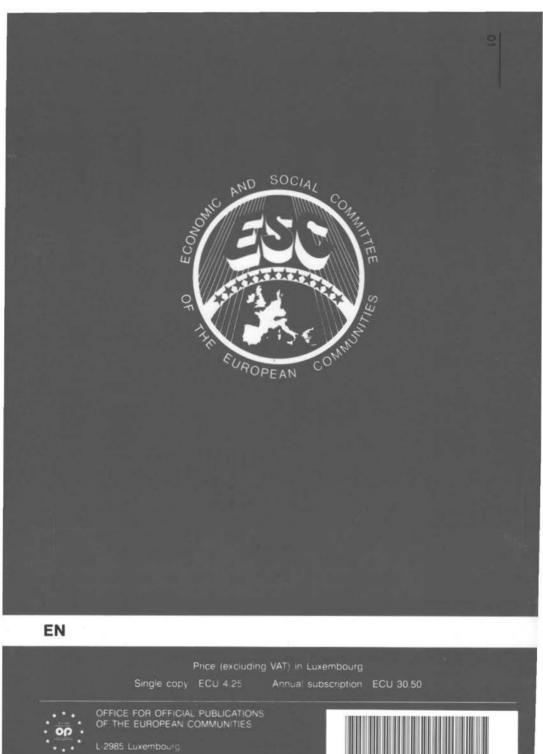
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