

EURUMEMO

Recent Developments in the European Community

July-August 1987

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To Editors: More information is available about the following topics.

Fighting AIDS in Developing Countries. The European Community has launched a program to offer technical, scientific and financial assistance to developing countries for the battle against AIDS. The three-year project will provide 35 million European Currency Units* to national AIDS programs in the African, Caribbean and Pacific (A.C.P.) countries that are associated with the Community through the Lome Convention, a trade and aid pact. E.C. leaders note that AIDS (acquired immune deficiency syndrome), a major public health problem throughout the world, particularly threatens Third World countries because they have limited resources for taking preventive action. E.C. funds will help national programs undertake such activities as epidemiological studies, information campaigns, improvements in blood-transfusion systems and in hygienic standards for the use of needles and syringes, screening of pregnant women, and public-health research on AIDS. Funding priorities will be based on need, and on each government's commitment to developing a coherent AIDS control program. Forty A.C.P. countries have already asked to participate. The Community plans to work closely with the World Health Organization, and with other donors engaged in fighting AIDS.

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A Common Market in Telecommunications. The information-technology revolution is transforming both the economy and the workplace in Europe.

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*1 ECU = \$1.12 on July 17, 1987

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By the turn of the century, the telecommunications sector could represent 7 percent of the E.C.'s Gross Domestic Product (compared with about 2 percent in 1984), with major effects in such areas as data-processing, electronics, software production, supply of services and broadcasting. But the Community will not be able to take full advantage of this revolution unless it unites Europe's fragmented markets and creates a more competitive environment, a new E.C. Commission "green paper" says. "In particular, national frontiers should not be allowed to hamper the development of a consistent communications system within the European Community," it says. The "green paper" calls for an end to the domination of state monopolies over telecommunications services and terminal equipment, and for further progress on common E.C. standards and technical specifications. It says the Commission will present proposals on these issues--and others affecting the regulatory environment for telecommunications--by the end of 1987.

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Protecting European Investors. Insider trading--the use of inside information to profit on securities markets--should be banned throughout the Community, the E.C. Commission says in a recent report. "It constitutes a threat to the proper operation of the securities markets, since it totally undermines equality of opportunity for investors and therefore also their confidence in those markets." Regulations dealing with this problem vary from country to country within the Community, and do not exist at all in some countries. As part of its strategy for creating a unified E.C. financial market, the Commission has proposed that all member states adopt uniform rules banning insider trading. These rules would apply to both "primary insiders," those who have access to information because of their professional position, and "secondary insiders," those who have received such information from a primary insider. Companies would be required to inform the public immediately of circumstances that are likely to influence the price of their securities. The proposal will be considered by the E.C. Council of Ministers.

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Unequal Protection. Women in all E.C. countries but Denmark are prohibited

from working in mines, or from taking the night shift in factories. In Belgium and Ireland, they are banned from "dangerous or unhealthy" work, and in the Netherlands from dockwork. Some E.C. countries restrict the number of hours a woman can work, or give them more annual leave or family leave than their male colleagues. Many of these kinds of "protective" laws have lost their original justification, and can actually hurt women by limiting their job opportunities, the E.C. Commission says. In such cases, they violate the 1976 E.C. directive on equal treatment of men and women, and should be repealed or--particularly in the area of health and safety--expanded to cover all workers. A recent Commission report, "Protective Legislation for Women in the Member States of the European Community," lists the offending laws in all E.C. countries (except Spain and Portugal) and recommends a course of action for each entry.

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Chernobyl Aftermath. When radioactivity levels increased in Europe following the Chernobyl nuclear explosion in the Soviet Union, the Community discovered that its member countries did not have adequate arrangements for exchanging information. For the future, the E.C. Commission has proposed a system requiring member states to communicate data quickly whenever they decide emergency measures are needed to protect the public following a nuclear accident or detection of high radioactivity levels. They would be required to give the Commission and neighboring member states details about the accident or the radioactivity immediately, and, when it is available, information on meteorological conditions, radioactivity levels in foodstuffs and water, measures taken to protect the public, and predicted behavior of the radioactive release over time. If necessary, the Commission would recommend appropriate action by the member states. The proposed system is under consideration by the E.C. Council of Ministers.

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European Investment Bank Activity. European Investment Bank (E.I.B.) lending amounted to more than 7.5 billion European Currency Units (about \$7.4 billion) last year--up 5 percent from 1985, according to the Bank's

just-released 1986 annual report. The E.I.B., based in Luxembourg, is an official E.C. institution that raises funds on capital markets and relends them on a nonprofit basis. It provides loans for public and private investment projects that help the Community's poorer regions, modernize industry or introduce new technology, support the Community's energy policy, improve communications, and protect the environment. It also finances projects in Mediterranean and developing countries. The annual report--which covers Bank activities, global and European economic developments, and E.C. economic policies--is available free from the European Community Information Service, 2100 M Street N.W., Seventh Floor, Washington, D.C. 20037; (202) 862-9500.

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Protecting European Consumers. About 45 million Community residents are injured each year in accidents in their homes, at school, or during leisure activities. The E.C. Commission, arguing that Europeans are entitled to an equal level of safety throughout the Community, says it is preparing a proposed directive aimed at protecting consumers from dangerous products. It would require member states to harmonize legislation prohibiting manufacturers, distributors and importers from marketing such products; and authorize the Community to act when products pose a risk to consumers. Such a directive is particularly necessary in light of the Community's campaign to remove all trade barriers between member states by 1992, the Commission says. Its report on the subject surveys existing legislation in E.C. countries and in third countries.