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CUSTOMS UNION : A long-term process

When tourists or businessmen cross a border between two member states of the European Community, they still occasionally have to answer the question "Anything to declare ?", open the boot of their car for inspection and even dig into their wallet to pay one levy or another. Often the first impulse is to ask what good is the Common Market, if it hasn't really abolished frontiers ?

Despite numerous improvements introduced during the past 25 years to speed up intra-Community traffic, it is obvious that a customs union between the 10 member states is not yet a reality. In looking at the customs union, there are two things to remember : on the one hand, the union frees trade between the Community member states by removing inspection formalities on shipments and on the other hand it standardises the processing of trade with other non-member countries through the application of complete, unified and effective external customs regulations.

Neither the common trade policy, the financial independence of the Community, the common agricultural policy nor the planned economic and monetary union would be conceivable without the customs union. In the past it has been regarded as the corner-stone of the European Community by the original architects of Europe.

For the third consecutive year, the European Commission has just published a "Programme for the Realisation of the Customs Union", which outlines the results obtained during the past year and the priorities for the coming year. The Commission notes a marked slow-down of progress since the first half of 1979. It also states that new progress will only be possible if the member states agree to change some of their legal and administrative systems, which would require a firm political commitment.

The Commission claims that the working group which examines such issues under the auspices of the Community Council of Ministers still devotes too much time and effort to technical details aimed at standardising different national practices. It therefore suggests that the Council transfer to the Commission the power to handle all the technical points so that the Council experts can concentrate on the economic and political aspects. Finally, the Commission says that at inspection points at national frontiers, a number of new fiscal or statistical formalities have often replaced the old customs controls which had so laboriously been reduced or eliminated over the years.

EXTERNAL RELATIONS : Convoys to Poland

As the crisis deepens in Poland, convoys of supplies have been winding their way from Western Europe to ease the plight of the beleaguered Polish people. Food, medicines and clothing form the bulk of a massive relief effort which has involved cooperation between governments, religious organisations, charities and the public at large.

A recent example of how cooperation is working to channel the aid more smoothly to its destination was a meeting recently held in Brussels under the auspices of the European Commission. Almost 40 charitable and humanitarian organisations gathered to discuss ways they could improve coordination to assure that aid reaches the Polish public rapidly and directly, rather than being diverted by the authorities there, as has sometimes been charged.

The meeting was necessary in order to prepare the way for a European Community aid programme currently being implemented by the Community institutions through the voluntary organisations. The first wave of Community emergency shipments of drugs, medicines and other supplies totalling some 7000 tonnes is expected to get underway soon aboard some 320 lorries. This amount is part of the 8.5 million dollars worth of emergency food and other supplies agreed to in principle by the European Community countries since the December 13 military crackdown on the Solidarity trade union and other dissident movements. And it is the latest part of an estimated 37 million in total aid approved by the Community over the past few months.

The voluntary organisations, who are to act as intermediaries in distributing the aid are roughly divided into three groups, comprising the International Red Cross, various Catholic aid groups such as Caritas and charities such as "Médecins sans frontières". The Brussels meeting attempted to coordinate the planned action of each group into a coherent policy and to assess the respective capabilities of each organisation.

The overall aid programme is designed to benefit the Polish people directly and is particularly aimed at the most vulnerable segments of the population, the old, the sick and families with young children. At the same time, various political, diplomatic and economic measures are being approved and implemented by the European Community and industrialised countries such as the United States and Japan to bring pressure to bear on the Polish and Soviet authorities to improve economic and political conditions in Poland.

SECURITY : When uranium takes to the road

Authorities concerned with nuclear energy programmes devote a considerable amount of time and research to improving safety precautions. But the risk of contaminating the population and the environment is far from being completely eliminated.

The transporting of raw nuclear materials such as uranium and thorium, processed materials such as plutonium, or radioactive wastes discharged from nuclear power stations and reprocessing plants, all pose major difficulties. Transport is by rail, sea or air and almost invariably uses ordinary roads, railway stations or airports. In addition, personnel handling the loading and unloading of radioactive materials are not often as highly trained as the people who work in nuclear plants.

The volume of radioactive freight in the European Community is still relatively small, amounting to about 900 tonnes in 1980. But experts claim that it will increase fivefold over the next 10 years. That's why they feel that necessary security measures should be taken immediately to guarantee optimal safety for transporting nuclear material. Up to now the problem has not been handled at European Community level, but, since 1959, has been left under the International Atomic Energy Agency, a world body. As a result, Community member states adopted national measures to implement the recommendations of the IAEA. In September 1981, the European Parliament's Transport Committee proposed a resolution which was recently adopted by the full Parliament with some amendments. In the resolution, the Parliament calls on the European Commission to create a working group that would be specially charged with standardising nuclear safety measures in member states and preparing additional new measures. These would include the establishment of special routes that would avoid areas of high population density. Special mandatory training programmes for people directly involved in transporting nuclear materials and waste would also be introduced. Finally, they would clarify the respective responsibilities of the sender and the transporter. The Parliament also says that the public should be informed adequately, objectively and regularly about the various measures taken in order to allay public concern about nuclear safety.

REFERENDUM : Greenlanders vote against Europe

The European Community may be about to lose more than half of its territory. Greenland, which covers more than 2 million square kilometres is the largest island in the world and has just voted against remaining part of the Community, in a recent referendum. By a narrow majority of 52 percent to 46.1 percent, the population, which totals barely 50,000 people, voted in favour of a withdrawal. It is the first time since the signature of the Treaty of Rome that part of the European Community has decided to pull out. Some observers see this development as a dangerous precedent that could set an example to other member states where large segments of the population are traditionally hostile to Community membership.

The referendum in Greenland was only advisory and the final decision is up to the regional Parliament. But there is little doubt that it will confirm the mandate voiced on February 23.

Greenland entered the Community in 1973 as a result of its attachment to the Kingdom of Denmark, a connection which dates back to 1953. Since the first of May 1979 Greenland has enjoyed an autonomous status similar to that of the Faroe Islands, which enabled it to take an independent line on Community membership.

The Greenlanders vote reflects a deep seated desire to maintain their own identity, which they feel is threatened. The regional government, called the Landsstyre, opted for withdrawal arguing that Greenland was so different linguistically, culturally, economically and socially from Denmark that it could not be successfully integrated into the Kingdom, much less the Community. The Landsstyre is in favour of negotiating an association agreement with the EEC, similar to those enjoyed by France's Overseas Territories.

Of all the regions of the Community, Greenland benefitted from the highest level of aid per inhabitant. The development of this immense territory, almost completely covered by ice, required large amounts of investment aid. The only natural resources in Greenland consist of hunting and fishing, which represent about 55 percent of exports, together with mining of lead and zinc deposits, which represent another 35 percent. Unemployment, which plagues the entire Community, has not spared Greenland. In 1979, it reached 8 percent in the cities during the winter and about 2 percent in the summer season.

THE FUTURE OF EUROPEAN RAILWAYS

Despite brilliant performances in the past, European railways seem to now be coming off the rails. A number of services are registering growing financial losses and the economic efficiency of many of the systems is steadily declining.

Two sets of statistics clearly illustrate this trend. On the one hand, railways in 1976 represented only 19 percent of land-based cargo transport compared to 31 percent in 1965. On the other hand, subsidies granted to the railways by governments increased by about 60 percent between 1973 and 1977. Nevertheless, the railways continue to play an important role in the Community transport system and in the European economy in general. They provide jobs for more than a million people and in 1978 they carried 3.3 billion passengers and 900 million tonnes of freight.

Internal rail traffic is facing the worst problems, while shipping between Community member states continues to expand. The domestic difficulties of the railways are partly attributable to the important obligations they have to fulfill as public services. This requires them to maintain certain lines which are no longer profitable. Another cause of the financial problems is linked to labour costs, which represent some 70 percent of total expenditure.

But whatever the reasons, a lack of profitability has meant a slowing down of much needed investment on infrastructure and equipment. While an effort has been made during the past two decades to adapt European roads to meet existing traffic requirements, the structure of the railway system has remained essentially the same since the turn of the century. A number of changes could and should be made to improve existing lines, including electrification, automation, adaptation to greater speeds and the construction of new lines, such as tunnels under the Channel and the Alps, and high-speed lines.

These improvements will only be possible, however, if all the parties involved stop regarding each Community country as an isolated field of operations and begin to coordinate investment at Community level within the framework of a common transport policy.

The first display of interest in coordinating European railway operations goes back to 1975. But the situation has not significantly progressed since then. Debate has been renewed with the publication on February 15 of a report prepared by the European Parliament Transport Committee. The Parliamentary Committee begins by underlining the advantages of rail transport. Not only is its effect on the environment minimal, but it is also the only means of transport not directly dependent on oil, as it is increasingly turning to electricity. The Committee believes that the sharp increases in oil prices have created favourable conditions for a boom in demand for railway transport. This seems even more likely in view of predictions made by the Organisation for Economic Cooperation and Development (OECD) that international land-based traffic between Community member countries will increase by about 75 percent between 1970 and the year 2000.

The report of the Transport Committee, which is shortly to be submitted to the full European Parliament for approval, emphasises series of recommendations aimed at improving the competitiveness of railways in the European Community. The first goal proposed is a strengthening of cooperation between the railway systems of the Community. This would mean that new international trains could be put into service in certain regions, personnel and equipment would not have to be changed at borders and common fares and ticket processing systems could be introduced for greater efficiency and larger revenues. Greater cooperation in technology and research could also lead to shared innovation.

As far as financing of new infrastructure is concerned the report supports a proposal already made by the European Commission to create a special financial institution devoted specifically to this area. The existing Community financial organs, such as the European Investment Bank and the Regional Fund, have the handicap of having to respond to a variety of needs and priorities as well as to budgetary and capital market constraints. But to be successful a joint European railway infrastructure policy should be based on long-term planning and should be able to count on a continuous flow of credit established in advance. While it recommends a financial role for the Community in the railway sector, the report does not exclude increasing recourse to private capital as well.