

EUROPEAN COMMUNITY NEWS

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COMMISSION OF THE EUROPEAN COMMUNITIES

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COMMUNITY
TO ATTEND
ENERGY
TALKS --
SOAMES
WELCOMES
DECISION

The Council of Ministers of the European Community agreed that the Community should accept President Richard M. Nixon's invitation to participate in the International Energy Conference in Washington on February 11. Meeting in Brussels on January 15, the Council also decided that the Community would be represented at the meeting by EC Commission President Francois-Xavier Ortoli and Walter Scheel, acting president of the Council and German Foreign Minister. Accepting the invitation on the understanding that all Member States would be invited to take part, the Council said it would adopt a joint EC position for the talks during its next meeting, February 4-5.

Speaking before the European Parliament on January 16, Sir Christopher Soames said the Commission welcomes the Council's decision. Soames, Vice President of the Commission, said that the energy crisis is "not simply the most urgent of problems on the international agenda -- it is also a test case for relations between Europe and the United States." Soames said while there were bound to be differences between both sides, the United States and the Community share common concerns for the future which must bring about "a meeting of the minds across the Atlantic." Neither side, he said, could afford competition for oil between the consumer countries or international monetary anarchy and the destruction of the Third World.

Rejecting a suggestion from Parliament that US-EC relations were deteriorating, Soames said, "Europe's relationship with the United States is and must and will remain a primordial one on both sides."

COMMISSION
RESPONDS TO
FRANC FLOAT
DECISION

The French Government's decision to remove the franc from the EC joint currency system on January 21, allowing it to float freely for six months, intensifies the need for closer coordination of Member States' economic policies, according to the Commission of the European Communities. In a January 20 communique, the Commission called France's action another in a series of economic difficulties that have provoked "a serious malaise" within the Community.

Besides France, the other EC members whose currencies are in a free float are Britain, Ireland, and Italy.

SYSTEM
FOR OIL
PRICE
CHECKS
PROPOSED

A system for monitoring prices of petroleum products sold in the European Community was proposed to the Council of Ministers by the EC Commission on January 18. According to the proposal, Member States would provide the Commission with confidential monthly reports on the average value (cost, freight, and insurance) of crude oil and petroleum products imported into the Community.

Additionally, EC oil refineries would be required to publish and transmit prices on their products to their respective Member States. On the Commission's recommendation, the Council would take appropriate measures to deal with cases of exaggerated pricing or speculative action which endangers the Common Market's economic equilibrium.

The Council is also considering four Commission proposals which would: require Member States to provide the Commission with weekly reports on EC oil import and export traffic; empower the Commission to determine appropriate measures for reducing EC petroleum consumption; and encourage coordination of Member State recommendations for voluntary conservation of energy.

INDUSTRIAL
POLICY ACTION
PROGRAM
ADOPTED

An action program on industrial policy has been adopted by the Council of Ministers. The Ministers agreed on a timetable for action on Commission proposals concerning the following areas: removal of technical barriers to trade; coordination of procedures for awarding public supply contracts; removal of fiscal and legal barriers impeding cooperative business arrangements and mergers; EC-scale promotion of competitive advanced technology undertakings; multinational companies; insurance credits; and supply of raw materials. Individual deadlines have been set for each of these matters, the latest being January 1, 1978.

STRONGER TIES
BETWEEN EC
COMMISSION
AND NATIONAL
CUSTOMS GROUPS

Representatives of European Community national customs organizations have agreed to work more closely with the EC Commission to simplify customs formalities related to international trade. The group met with Finn Olav Gundelach, EC Commission Member responsible for internal market and customs union affairs, on January 17 in Brussels.

Reviewing the state of customs administration in the Community, Gundelach restated the EC goal of removing every obstacle to intra-Community trade and achieving maximum simplification and uniformity of customs procedures in trade with third countries. As examples of progress toward those objectives, Gundelach cited the introduction of a single EC form for trade with the European Free Trade Association, streamlining the Community transit system and proposed procedural simplification of the customs clearance of goods. He also said the Commission would soon propose new measures to limit the amount of customs information required for internal trade and to integrate import, export, and transit documents into a single system.

THOMSON
TALKS
ABOUT
REGIONAL
FUND
IMPASSE

The Council of Ministers failed to reach final agreement on the European Commission's proposal for setting up a Regional Development Fund during its January 14-15 meeting, postponing further discussion until January 30. Expressing disappointment at the postponement, George Thomson, EC Commission Member responsible for regional matters, told the European Parliament that the Council's indecision not only delays launching the Community regional policy but also retards the second stage of economic and monetary union and the EC energy policy.

He explained that the key unresolved issues concern the formula for assessing the Member States' contributions to the Fund, and its size and duration. He also said that the Council needed extra time to review new information received from the Commission. Thomson pointed out that the EC Member States with the severest regional imbalances concurred with the Commission's view that EC regional policy should service the entire Community instead of providing small scale relief to a few depressed regions.

EUROPEAN
SCIENCE
POLICY
LAUNCHED

The European Economic Community launched a new European scientific policy when the Council of Ministers adopted the Commission's Scientific and Technological Policy Program on January 14. Under the program, a committee for scientific and technical research (CREST) was established to coordinate every aspect of national research policies not subject to military or industrial secrecy. CREST, made up of Commission and Member State representatives, will be chaired by the Commission and provided secretarial services by the Council.

In the interest of promoting basic research, the program calls for establishing relations between the Community and the European Science Foundation. The Council also set up a procedure for rapid decision making on future Commission proposals for research projects related to other EC policies and agreed to fund "Europe Plus 30", a study program to investigate the possibility of initiating Community action in the fields of technical assessment, forecasting, and methodology.

COUNCIL
CONSIDERS
MORE AUTO
SAFETY
STANDARDS

Four new proposals on motor vehicles and farm tractors, designed to improve road safety and remove further technical obstacles to intra-Community trade have been submitted to the Council of Ministers by the Commission. Two proposals would harmonize Member State regulations covering the design of motor vehicle foglights and reflectors, giving specific technical standards to be met for Community approval. A third proposal would ban sharp points or edges on the bodies of vehicles. It applies, for instance, to embellishments, fenders, handles, and windshield wipers. Finally, the tractor regulations would ensure an adequate field of vision by defining unlawful blindspots and providing an effective method of inspecting newly constructed tractors.

All proposals were made in the framework of the Community approval procedure, whereby any motor vehicle complying with specific EC requirements, checked by Member State authorities, may be sold and used anywhere within the Community.

1974-75
PRICES
FOR EC
FARM
PRODUCE
PROPOSED

European Community farmers should be paid an average of 7 per cent more for their produce in the 1974-75 season, according to the proposed price guidelines sent to the Council of Ministers by the Commission on January 17.

A 10 per cent increase in the price of beef and a price-related import charge were proposed to stimulate EC beef production. The price of butter, on the other hand, would drop by 6.6 per cent to increase consumption and decrease the Community's butter surplus. Cut rate sales of butter to needy persons and non-profit institutions and subsidies for consumption would be continued while production taxes would be levied on dairy companies.

The Commission also proposed measures designed to balance the cereal market, stimulate hard wheat production, increase EC self sufficiency in proteins, and streamline the operation of the common agricultural policy. The Council held its initial discussion of price proposals during its January 21-22 meeting and will take them up again at its February 11-12 meeting.

FIRST EIB
LOANS TO
GREENLAND

The European Investment Bank granted its first loans for the development of Greenland in December. Two loan contracts, totalling 6.8 million units of account (UA) were concluded with the Danish Government to help finance a new thermal-electric power station at Godthaab and improve South West Coast harbor facilities at Frederikshaab, Narssaq, and Julianehaab. (One UA equals one 1970 dollar.) The harbor improvement loan will go toward building and lengthening docks to enable handling of ocean-going vessels and provide more protected storage space. The projected electric power station will nearly double the supply of electricity to the Godthaab's population of 8,000.

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FIRST CLASS