

European Community NEWS

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BRITISH LABOR PARTY SITS IN EC PARLIAMENT

Representatives of the British Labor Party finally took their seats in the European Parliament (EP) at the July 7 plenary session in Strasbourg, France, ending the two-year boycott of the EP by that party since Britain joined the European Community on January 1, 1973. With Britain's future in the Community firmly assured by the positive results of the July 5 referendum, the 18 Labor delegates to the EP agreed to take their seats beside members of the Socialist parties of the eight other EC member states. The European Parliament now claims 36 British members -- 18 from the Labor Party, 16 Conservatives, one Liberal, and one Scottish Nationalist. With the Labor Party's participation in the EP, Britain is fully represented in all Community institutions.

US-EC INCREASE BANKING CONTACTS

Officials from the US Federal Reserve Board and the EC Commission have stepped up consultations in an effort to avoid discriminatory measures against foreign banks on both sides of the Atlantic. The increase in contacts results from a bill being considered by the US Congress which might restrict the freedom of European banks to compete on equal terms with American banks in the United States. The bill would require foreign banks to belong to the Federal Reserve and to have deposit insurance.

The Commission hopes to propose European foreign banking legislation next year and wants to maintain "full liberalism and free competition in the banking sector," according to Robin Hutton, Commission Director of Financial Institutions. Hutton was in Washington last month to discuss future US foreign bank legislation with Federal Reserve and banking officials. On the US side, Assistant Director of the US Federal Reserve Board Frederick Dahl stopped in at the Commission for further talks en route from an international financial meeting in Basel, Switzerland last week.

FRENCH ARE MOST "EUROPEAN-MINDED"

The French are rapidly becoming the most "European-minded" of all EC citizens, according to the latest EC public opinion poll (Eurobarometer), conducted this spring and released to the press July 7. Since the publication of the last poll in late 1973, the percentage of French "very much in favor of European unity" grew from 23 per cent to 35 per cent in 1975. Overall, the French showed the greatest progress toward favoring a more European approach to solving the most serious, current economic problems. The Germans and Italians held steady in their opinions expressed about the Community in 1973, while the Dutch and the Belgians, once the most "European" of the Nine, receded slightly on several issues concerning European versus national action on problem solving.

The study included interviews with 9,500 people in all regions of the member states and was conducted through various national survey groups.

**EC-BANGLADESH
OPEN NEGOTIATIONS**

Representatives of the European Community and Bangladesh met in Brussels July 2 to discuss a commercial cooperation agreement between the two. The meeting was devoted to a discussion of the form and scope of the accord, which hopefully would be a nonpreferential one. Both sides called for the setting up of a joint committee to examine mutual problems and propose solutions, and agreed that the next step in the negotiations would be the formulation of the text of the accord. The next meeting between the EC and Bangladesh delegations will probably take place in early autumn.

**REGIONAL FUND
COMMITTEE GATHERS**

The EC's Regional Development Fund Committee held its first meeting in Brussels June 30 and July 1 to lay down rules of operating procedure and to approve documents ensuring the uniformity of applications for fund assistance. The committee, chaired by the Commission and

composed of representatives of member state governments, is responsible for the fund's day-to-day operations and gives its opinion on each Commission decision to grant aid from the fund. The member states can now begin submitting investment projects for fund assistance to the committee, which will examine the first application at its next meeting in September. The Regional Development Fund encourages investment in the Community's less developed regions, supplementing the member states' national development projects.

**EC, PAKISTAN
TEXTILE ACCORD**

The European Community and Pakistan concluded a bilateral agreement under the 1974 General Agreement on Tariffs and Trade (GATT) multifibers arrangement on July 3 in Brussels. The agreement will ensure that the expansion of Pakistan's textile trade does not interfere with the operations of the Community's textile market. It is valid for 1975-77 and applies to Community-bound imports from Pakistan of cotton fabrics and specific cotton household linens. This is the second agreement reached by the Community under the GATT multifibers arrangement; the first was with India last April.

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