## European Commission

# **Bulletin** of the European Union



11 • 1994

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Commission

11 • 1994

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#### References in the text

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	ardized abbreviations for the designation of certain monetary units in the different languages of ommunity.
BFR	= Belgische frank / Franc belge
DKR	= Dansk krone
DM	= Deutsche Mark
DR	= Greek drachma
ESC	= Escudo
FF	= Franc français
HFL	= Nederlandse gulden (Hollandse florijn)
IRL	= Irish pound / punt
LFR	= Franc luxembourgeois
LIT	= Lira italiana
PTA	= Peseta
UKL	= Pound sterling
USD	= United States dollar

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- 2/94 Report on Europe and the global information society Interim report on trans-European networks Progress report on employment Conclusions of the Presidency of the Corfu European Council on the White Paper
- 3/94 An industrial competitiveness policy for the European Union

# PART ONE ACTIVITIES IN NOVEMBER 1994

## News in brief

#### Community economic and social area

#### Economic and monetary policy

 $\Box$  The Council adopts recommendations with a view to bringing to an end the excessive deficit situation in 10 Member States ( $\rightarrow$  point 1.2.11).

#### Industrial policy

 $\Box$  The Council adopts a resolution on the strengthening of the competitiveness of Community industry ( $\rightarrow$  point 1.2.58).

#### Enterprise policy

 $\Box$  The Commission approves a recommendation on payment periods in commercial transactions ( $\rightarrow$  point 1.2.60).

#### Energy

 $\Box$  The Council adopts conclusions on the internal market in electricity ( $\rightarrow$  point 1.2.91).

#### Telecommunications, information services and industry

 $\Box$  The Council agrees a resolution on the liberalization of telecommunications infrastructures ( $\rightarrow$  point 1.2.113).

#### Economic and social cohesion

□ The Commission approves single programming documents (Objectives 2, 4, 5a and 5b) ( $\rightarrow$  points 1.2.120, 1.2.123, 1.2.124, 1.2.128 and 1.2.129) and a Community support framework (Objective 4) ( $\rightarrow$  point 1.2.123).

#### Agriculture

 $\Box$  The Commission adopts a proposal for a Regulation on changes to the agrimonetary system ( $\rightarrow$  point 1.2.135).

 $\Box$  The Commission adopts a proposal for a Regulation on changes to the common organization of the market in sugar ( $\rightarrow$  point 1.2.138).

#### Fisheries

 $\Box$  The Council agrees proposals for Regulations fixing fishery product prices for 1995 ( $\rightarrow$  point 1.2.176).

#### Environment

 $\Box$  The Commission adopts a communication on economic growth and the environment ( $\rightarrow$  point 1.2.180).

#### Education, vocational training and youth

 $\Box$  The Commission adopts a communication on education and training in the face of technological, industrial and social challenges ( $\rightarrow$  point 1.2.203).

#### Culture

 $\Box$  The Council adopts conclusions on European Community action in support of culture ( $\rightarrow$  point 1.2.223).

#### Role of the Union in the world

#### Enlargement

 $\Box$  The people of Sweden vote 'yes' to accession to the European Union in a referendum ( $\rightarrow$  point 1.3.18).

 $\Box$  The people of Norway vote 'no' accession to the European Union in a referendum ( $\rightarrow$  point 1.3.19).

#### Mediterranean and Middle East

 $\Box$  The Commission adopts a recommendation for a Decision on a Euro-Mediterranean agreement with Egypt ( $\rightarrow$  point 1.3.44).

 $\Box$  The inaugural meeting of the EC-Syria Cooperation Council is held in Brussels ( $\rightarrow$  point 1.3.45).

#### Development policy

 $\Box$  The Council adopts conclusions on food security ( $\rightarrow$  point 1.3.98) and on education and training ( $\rightarrow$  point 1.3.99) within the framework of development cooperation policy in the run-up to 2000.

#### Justice and home affairs cooperation

□ The Council adopts a Decision on a joint action concerning travel facilities for school pupils from third countries resident in a Member State (first joint action on the basis of Article K.3(2) (b) of the Treaty on European Union) ( $\rightarrow$  point 1.4.5).

#### **Community institutions**

#### European Monetary Institute

□ The Council of the European Monetary Institute holds its first meeting in Frankfurt( $\rightarrow$  point 1.7.48).

## 1. Citizens' rights

## Democracy, transparency and subsidiarity

1.1.1. Commission report to the European Council on the application of the subsidiarity principle (1994).

#### **References:**

Conclusions of the Edinburgh European Council: Bull. 12-1992, points I.4 and I.15

Commission communication on subsidiarity — Action to be taken on the 'Edinburgh list': Bull. 11-1993, points 1.7.1 and 2.2.1

Commission report to the European Council on the adaptation of existing legislation to the subsidiarity principle: COM(93) 545; Bull. 11-1993, point 1.7.2

Conclusions of the Brussels European Council: Bull. 12-1993, point I.14

Commission response to the recommendations of the Federal Republic of Germany regarding application of the subsidiarity principle: Bull. 6-1994, point 1.1.1

Adopted on 25 November. In response to the request of the Brussels European Council the Commission has presented its first annual report on the application of the subsidiarity principle. Prepared for the Essen European Council, the report is in two parts.

 $\Box$  The first part deals with how the subsidiarity principle is taken into account in the framing of Community legislation. In line with the undertakings given by the Edinburgh European Council the Commission shows how each new proposal was preceded by a review in terms of subsidiarity and proportionality, the results of which are set out in the relevant explanatory memorandum. This has produced fewer, better targeted proposals. Also in accordance with the subsidiarity principle the Commission has withdrawn or revised a number of proposals, going further than the undertakings given at Edinburgh.

 $\Box$  The second part describes progress on the revision of existing legislation on the basis of the areas identified by the Commission at the Edinburgh European Council as being up for review and in the context of the recasting and simplification programme announced by it at the Brussels European Council. In some respects work in this area too has surpassed the objectives set in last year's programme.

In both cases the Commission has been ready to listen to suggestions from outside. It has entered into consultations, for example in the framework of White or Green Papers, and responded to recommendations from certain Member States, as in the case of the German memorandum on subsidiarity. But it also stresses that its efforts will be wasted if the other institutions pull the other way.

#### COM(94) 533

*1.1.2.* Committee of the Regions resolution on subsidiarity.

Adopted on 15 November. The Committee of the Regions called for a formulation of the subsidiarity principle taking account of both regional and local levels and for *a priori* control and a right of appeal to ensure compliance.

## 2. The Community economic and social area

### Implementation of the White Paper on growth, competitiveness and employment

1.2.1. Commission communication to the Council and Parliament on economic growth and the environment: implications for economic policy ( $\rightarrow$  point 1.2.180).

1.2.2. Commission communication to the Council, Parliament, the Economic and Social Committee and the Committee of the Regions entitled 'Education and training in the face of technological, industrial and social challenges: first thoughts' ( $\rightarrow$  point 1.2.203).

1.2.3. Commission recommendation to the Member States on payment periods in commercial transactions ( $\rightarrow$  point 1.2.60).

1.2.4. Report to the European Council entitled 'The information society in Europe: a first assessment since Corfu' ( $\rightarrow$  point 1.2.111).

1.2.5. Parliament resolution on the recommendation to the European Council entitled 'Europe and the global information society' and on the Commission communication entitled 'Europe's way to the information society: an action plan'  $(\rightarrow \text{ point } 1.2.112)$ .

1.2.6. Report by the Group of Personal Representatives of Heads of State or Government to the European Council on trans-European networks ( $\rightarrow$  point 1.2.81).

1.2.7. Council resolution on the liberalization of telecommunications infrastructures ( $\rightarrow$  point 1.2.113).

1.2.8. Commission document on the action plan against unemployment adopted by the Brussels European Council and entitled 'Turning growth into jobs: Brussels action plan (Phase 2)' ( $\rightarrow$  point 1.2.197).

1.2.9. Parliament resolution on an action plan on employment policy to be adopted at the Essen European Council meeting ( $\rightarrow$  point 1.2.198).

1.2.10. Council resolution on the strengthening of the competitiveness of Community industry ( $\rightarrow$  point 1.2.58).

## Economic and monetary policy

#### Economic and monetary union (EMU)

#### Coordination of policies

1.2.11. Council recommendations with a view to bringing an end to the situation of an excessive deficit in Belgium, Denmark, Germany, Greece, Spain, France, Italy, the Netherlands, Portugal and the United Kingdom.

#### **References:**

Entry into force of Stage II of EMU: Bull. 1/2-1994, point 1.2.2

Council Decisions on the existence of excessive deficits in Belgium, Denmark, Germany, Greece, Spain, France, Italy, the Netherlands, Portugal and the United Kingdom pursuant to Article 104c(6) of the EC Treaty: Bull. 9-1994, point 1.2.11

**Commission recommendations with a view to adoption of recommendations by Council:** Bull. 10-1994, point 1.2.3 **Council agreement on draft recommendations:** Bull. 10-1994, point 1.2.3

Adopted by the Council on 7 November. The adoption of these recommendations is the first time that Article 104c(7) of the EC Treaty has been applied following the entry into force of Stage II of EMU on 1 January 1994. The recommendations are addressed to each of the above Member States urging them to take the appropriate measures to bring to an end the situation of an excessive public deficit.

1.2.12. Commission communication to the Council and to Parliament on economic growth and the environment: implications for economic policy ( $\rightarrow$  point 1.2.180).

## Internal market

#### General

1.2.13. Commission report entitled 'The single market in 1994 - A summary report to the European Council'.

Adopted on 30 November. In this report, the Commission expresses satisfaction with the state of the single market, stressing that the legislative measures adopted are now producing their full effects, particularly as regards the elimination of border controls on goods, the opening-up of public procurement, the removal of tax barriers and the functioning of the system of mutual recognition of professions.

It also indicates the main areas in which progress is needed, including the abolition of border controls on people, reducing the time it takes Member States to transpose Community law, and the liberalization of the energy and telecommunications sectors.

COM(94) 553

#### Free movement of goods

#### **Foodstuffs**

1.2.14. Proposal for a Parliament and Council Directive amending for the second time Directive 88/344/EEC on the approximation of the laws of the Member States on extraction solvents used in the production of foodstuffs and food ingredients.

Commission proposal: OJ C 15, 18.1.1994; COM(93) 659; Bull. 12-1993, point 1.2.12 
 Parliament opinion (first reading): OJ C 61,

 28.2.1994; Bull. 1/2-1994, point 1.2.17

 Economic and Social Committee opinion: OJ C

 133, 16.5.1994; Bull. 1/2-1994, point 1.2.17

 Council common position: OJ C 172,

 24.6.1994; Bull. 3-1994, point 1.2.22

 Parliament approval (second reading): OJ C

 276, 3.10.1994; Bull. 9-1994, point 1.2.18

Approved by the Council on 14 November.

*1.2.15.* Proposal for a Parliament and Council Directive on food additives other than colours and sweeteners.

Commission proposal: OJ C 206, 13.8.1992; COM(92) 255; Bull. 6-1992, point 1.3.22 Economic and Social Committee opinion: OJ C 108, 19.4.1993; Bull. 1/2-1993, point 1.2.12 Parliament opinion (first reading): OJ C 176, 28.6.1993; Bull. 5-1993, point 1.2.8 Amended Commission proposal: OJ C 189, 13.7.1993; COM(93) 290; Bull. 6-1993, point 1.2.16 Proposal subject to the co-decision procedure since 1 November 1993 Council agreement on a common position: Bull. 12-1993, point 1.2.13 Council common position: OJ C 172, 24.6.1994; Bull. 3-1994, point 1.2.21

Amended by Parliament (second reading) on 16 November. These amendments aim to add to the list of foodstuffs which may contain certain additives and to restrict the number of additives for certain foodstuffs.

OJ C 341, 5.12.1994

#### Animal and plant health

#### Animal health

*1.2.16.* Proposal for a Council Decision laying down the rules for the microbiological test by sampling of fresh meat intended for Finland, Norway and Sweden.

**Reference:** Directive 64/433/EEC on health problems affecting intra-Community trade in fresh meat (OJ L 121, 29.7.1964), as last amended by the Act concerning the conditions of accession of Norway, Austria, Finland and Sweden: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

Adopted by the Commission on 17 November. The purpose of this proposal is to fix the sampling method, the number of samples to be taken and the microbiological method to be used when examining samples of fresh meat.

COM(94) 491

1.2.17. Proposal for a Council Directive amending Directive 64/433/EEC on health conditions for the production and marketing of fresh meat.

**Commission proposal:** OJ C 224, 12.8.1994; COM(94) 315; Bull. 7/8-1994, point 1.2.9

Endorsed by the Economic and Social Committee on 23 November, subject to drafting amendments.

1.2.18. Proposal for a Council Decision establishing rules for the recognition of third-country health and veterinary inspection measures for fresh meat and meat products as equivalent to those applied to Community production, and for the conditions to be met for importation into the Community and amending Council Directive 72/462/EEC on health and veterinary-inspection problems upon importation of bovine, ovine and caprine animals and swine, fresh meat and meat products from third countries.

**Commission proposal:** OJ C 282, 8.10.1994; COM(94) 394; Bull. 9-1994, point 1.2.21

Endorsed by Parliament on 18 November. OJ C 341, 5.12.1994

Endorsed by the Economic and Social Committee on 24 November. Nevertheless, the Committee stated that it could not endorse the transformation of the Standing Veterinary Committee into a purely advisory committee and asked that its regulatory function be retained.

*1.2.19.* Committee of the Regions own-initiative opinion on the effects of the use of bovine somatotrophin on milk production in the regions of the European Union.

Adopted on 15 November. The Committee called on the Council to extend the moratorium on the authorization of bovine somatotrophin (BST) in the European Union until 31 March 2000 and to commission an independent organization to research thoroughly the impact of BST on animal metabolism. It also called for an examination of the environmental and ethical aspects and technological consequences of the use of BST.

#### Plant health

1.2.20. Proposal for a Council Directive amending the Annexes to Council Directives 86/362/EEC and 86/363/EEC on the fixing of

maximum levels for pesticide residues in and on cereals and foodstuffs of animal origin respectively; proposal for a Council Directive amending Annexes I and II to Directive 90/642/ EEC relating to the fixing of maximum levels for pesticide residues in and on certain products of plant origin, including fruit and vegetables and providing for the establishment of a list of maximum levels.

#### Directives to be amended:

Council Directives 86/362/EEC and 86/363/ EEC (OJ L 221, 7.8.1986), as last amended by Directive 94/29/EC: OJ L 189, 23.7.1994; Bull. 6-1994, point 1.2.34

Council Directive 90/642/EEC (OJ L 350, 14.12.1990; Bull. 11-1990, point 1.3.161), as last amended by Directive 94/29/EC: OJ L 189, 23.7.1994; Bull. 6-1994, point 1.2.34

Adopted by the Commission on 11 November. These proposals extend the range of products for which maximum residue levels are applicable to spices and lay down the maximum levels for 11 pesticides not already covered by Community legislation.

COM(94) 482

#### Free movement of services

#### Financial services

1.2.21. Commission communication to Parliament, the Council, the European Monetary Institute and the Economic and Social Committee on EU funds transfers: transparency, performance and stability; proposal for a Parliament and Council Directive on cross-border transfers.

**Commission approval:** Bull. 10-1994, point 1.2.11

Formally adopted by the Commission on 18 November.

OJ C 360, 17.12.94; COM(94) 436

1.2.22. Proposal for a Parliament and Council Directive amending Directives 77/780/EEC and 89/646/EEC in the field of credit institutions, Directives 73/239/EEC and 92/49/EEC in the field of non-life insurance, Directives 79/267/EEC and 92/96/EEC in the field of life assurance, Directive 93/22/EEC in the field of investment firms and Directive 85/611/EEC in the field of undertakings for collective investment in

transferable securities (UCITS), with a view to reinforcing prudential supervision.

Commission proposal: OJ C 229, 25.8.1993; COM(93) 363; Bull. 7/8-1993, point 1.2.19 Proposal subject to the co-decision procedure since 1 November 1993 Economic and Social Committee opinion: OJ C 52, 19.2.1994; Bull. 12-1993, point 1.2.36 Parliament opinion (first reading): OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.29 Amended Commission proposal: COM(94) 170; Bull. 5-1994, point 1.2.18 Council common position: OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.36 Parliament amendments (second reading): OJ C 323, 21.11.1994 and Bull. 10-1994, point 1.2.12

Opinion incorporating an amended proposal adopted by the Commission on 29 November. The Commission has agreed to Parliament's amendment aimed at clarifying the definition of 'central administration'.

COM(94) 549

#### Taxation

#### Direct taxation

*1.2.23.* Proposal for a Directive on a common system of taxation applicable to interest and royalty payments made between parent companies and subsidiaries in different Member States.

**Commission proposal:** OJ C 53, 28.2.1991; COM(90) 571; Bull. 11-1990, point 1.3.102

Decision to withdraw the proposal adopted by the Commission on 30 November. This proposal, the purpose of which was to enable enterprises to draw full benefit from the single market by eliminating certain forms of double taxation, has been withdrawn because of a lack of agreement within the Council on whether a Directive of this nature is desirable.

#### Indirect taxation

#### **References:**

Sixth Council Directive 77/388/EEC on the harmonization of the laws of the Member States relating to turnover taxes — common system of value-added tax: uniform basis of assessment (OJ L 145, 13.6.1977), as last amended by Directive 94/5/CE: OJ L 60, 3.3.1994; Bull. 1/2-1994, point 1.2.31

Proposal for a Council Directive amending Directive 77/388/EEC and introducing new simplification measures with regard to value-added tax — scope of certain exemptions and practical arrangements for implementing them: OJ C 107, 15.4.1994; COM(94) 58; Bull. 3-1994, point 1.2.30

1.2.24. Commission communication to the Council and Parliament, accompanied by a report on the 'Common system of value-added tax: arrangements for taxing transactions carried out by non-established taxable persons'.

Adopted on 3 November. This communication examines simplification measures intended to facilitate the declaration and payment obligations of enterprises which carry out taxable transactions in a Member State in which they are not established. The Commission is thus complying with the undertaking it made when the first Directive simplifying the transitional VAT arrangements was adopted in December 1992 to examine the arrangements adopted by Member States for designating the person liable for payment of the tax when a transaction which is taxable in a Member State is carried out by a taxable person established in another Member State.

On the basis of a report identifying the difficulties encountered by traders, in particular small and medium-sized enterprises, which are normally established in only one Member State, the Commission calls on the Member States, in the context of existing Community provisions:

 $\Box$  to ensure that there is only one person liable for payment per taxable transaction;

 $\Box$  to apply as widely as possible the principle that the tax is payable by the taxable person who carries out the taxable transaction and, therefore, to refrain from using systematically the option offered by the sixth Directive of designating the tax representative or the recipient as the person liable for payment of the tax in place of the nonestablished taxable person;

 $\Box$  to permit non-established taxable persons to use the services of a tax agent under the same conditions as those laid down for established taxable persons;

□ to make greater use of Community legal instruments on administrative cooperation and mutual assistance, which offer a suitable response to the specific conditions of control and recovery of the tax payable by a non-established trader.

COM(94) 471

1.2.25. Commission report to the Council and Parliament on the operation of the transitional arrangements for charging VAT in intra-Community trade.

Adopted on 23 November. In this report, presented in accordance with the sixth VAT Directive, the Commission analyses and draws conclusions concerning the operation of the transitional arrangements for charging VAT in trade between Member States.

It gives a positive overall assessment of the measures introduced on 1 January 1993 by the transitional arrangements, in particular those intended to ensure payment of VAT in the country of destination of goods traded between enterprises, adopted with a view to the abolition of controls imposed for tax purposes at the internal borders of the Community. The transitional arrangements have allowed certain objectives to be achieved by enabling the majority of obstacles to the free movement of goods in the single market to be eliminated and, generally speaking, the new mechanisms set up have been well accepted. In particular, the bulk of enterprises consider that their costs have fallen substantially, partly because the time it takes to transport goods has been reduced (by at least two days per operation).

The Commission also stresses that data concerning Member States' VAT revenues do not indicate any change in the level of revenues directly attributable to the new rules introduced by the transitional arrangements.

However, some mechanisms have proved to be complicated for enterprises and, despite the simplification measures already proposed by the Commission, the deterrent effect of some of the rules remains an obstacle to the development of trade between Member States. Likewise, the justification of the intra-Community nature of operations and the burden of identification and declaration obligations are real difficulties encountered by traders, demonstrating that enterprises and consumers still do not enjoy all the expected advantages of the single market. The Commission therefore calls on the Member States to continue the process of harmonizing legislation on turnover taxes, thereby guaranteeing the neutrality of taxation in trade within and between Member States and, in this way, establishing a common market whose characteristics are similar to those of a domestic market, in accordance with the Single European Act.

COM(94) 515

#### **Intellectual property**

*1.2.26.* Proposal for a Parliament and Council Directive on the legal protection of bio-technological inventions.

Commission proposal: OJ C 10, 13.1.1989; COM(88) 496; Bull. 10-1988, point 2.1.17 Economic and Social Committee opinion: OJ C 159, 26.6.1989; Bull. 4-1989, point 2.1.44 Parliament opinion (first reading): OJ C 305, 23.11.1992; Bull. 10-1992, point 1.3.44 Amended Commission proposal: OJ C 44, 16.2.1993; COM(92) 589; Bull. 12-1992, point 1.3.50 Proposal subject to the co-decision procedure since 1 November 1993 Council agreement on a common position: Bull. 12-1993, point 1.2.40 Council common position: OJ C 101, 9.4.1994; Bull. 1/2-1994, point 1.2.36 Parliament amendments (second reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.20 Commission opinion amending the proposal: COM(94) 245; Bull. 6-1994, point 1.2.38

Meeting of the Conciliation Committee held on 28 November. The Committee, which was unable to reach agreement on a joint text, agreed to meet again.

1.2.27. Proposal for a Parliament and Council Regulation amending Council Regulation (EEC) No 1576/89 laying down general rules on the definition, description and presentation of spirit drinks and Council Regulation (EEC) No 1601/91 laying down general rules on the definition, description and presentation of aromatized wines, aromatized wine-based drinks and aromatized wine-product cocktails following the Uruguay Round multilateral trade negotiations ( $\rightarrow$  point 1.2.144).

#### **Public procurement**

1.2.28. Draft cooperation agreement between the Community and the Republic of Korea concerning access to public procurement and in particular to contracts awarded by the public authorities and by entities operating in the water, energy, transport and telecommunications fields.

**Reference:** Final Act of the Uruguay Round multilateral trade negotiations: Bull. 4-1994, point 1.3.61

Negotiating directives adopted by the Council on 28 November. This agreement is intended to widen the scope of the agreement already concluded with the Republic of Korea in the context of the GATT Agreement on government procurement.

### Competition

#### **Rules applying to businesses**

Permissible forms of cooperation

## Commission decisions under Article 85(3) of the EC Treaty

#### Olivetti/Digital

1.2.29. Decision 94/771/EC of 11 November. The Commission here authorizes a technical cooperation agreement between Olivetti and Digital relating to computers using the RISC (reduced instruction set computers) technology.

Under the agreement notified to the Commission on 30 July 1992, Digital undertakes to make available to Olivetti its Alpha AXP technology based on its new RISC microprocessor. In exchange, Olivetti commits itself to the Alpha AXP technology for all its computer platform offerings and related software except the line of products based on Intel-type microprocessors. In addition, Olivetti undertakes to purchase Alpha AXP components from Digital. The agreement runs until 30 July 1996 and will be renewed for five years unless one of the parties objects.

Technological cooperation was originally accompanied by the acquisition by Digital of approximately 8% of Olivetti's share capital and

the representation of Digital on Olivetti's board of directors. These two agreements ended on 24 August 1994 following Digital's sale of all the shares it held in the capital of Olivetti. According to Digital, the sale should not affect technological cooperation between the two parties.

The Commission decision consists, firstly, of negative clearance for Olivetti's undertaking to use Digital's technology, the acquisition of Olivetti shares by Digital and the latter's representation on the Olivetti board and, secondly, of individual exemption under Article 85(3) of the EC Treaty for Olivetti's commitment to purchase from Digital. In the Commission's view, Olivetti's technological commitment to use Alpha AXP does not have restrictive effects either on Olivetti or on third parties; furthermore, the restrictive effects on Olivetti of its commitments to purchase from Digital are outweighed, on the one hand, by greater dissemination of an advanced technology like Alpha AXP and the associated stimulus to technical progress and, on the other hand, by the increased availability on the European market of innovative products of high quality. Lastly, the Commission considers that the acquisition by Digital of a minority holding in the capital of Olivetti and the representation of Digital on Olivetti's board of directors do not allow Digital, in this particular case, either to take control of Olivetti or to have access to Olivetti's strategic information.

OJ L 309, 2.12.1994

#### Prohibited horizontal agreements

#### Cement cartel

1.2.30. Commission decision of 30 November. The decision imposes a fine on a cartel of European cement producers.

The Commission decided to impose fines totalling nearly ECU 248 million on nine associations of undertakings and 33 European cement producers, parties to a general market-sharing agreement aimed at protecting national or domestic markets and concluded under the aegis of Cembureau, the European Cement Federation.

Cembureau (a federation which represents all European cement producers, either direct or through their national associations) and its members concluded an agreement, known as the 'Cembureau agreement or principle of not transshipping to internal European markets', requiring members to respect each other's home markets. This rule was backed up by concerted practices involving the exchange of information on prices. The aim was to reduce price differences between the various countries so as to remove any temptation to export and to induce those producers who did export to align their prices with those of local producers and thus avoid disrupting the market in the importing country.

Where disputes arose between producers in different countries, meetings and contacts took place to resolve the problems. The Italian producer Buzzi and the French producers Lafarge, Ciments français and Vicat agreed to share the southern French market and to exchange information on prices. The Spanish producers, through their association Oficemen, and the Portuguese producers Cimport and Secil agreed to control cement deliveries between their two countries. The French association SFIC and the producers Lafarge, Ciments français and Cedest, on the one hand, and the German association BDZ and the producers Dyckerhoff and Heidelberger on the other, agreed to regulate French supplies to Germany and German supplies to France. Lastly, in 1986, when the Greek producers, who had lost their markets in the Middle East, turned to the European markets with a view to exporting their production in breach of the home-market rule, Cembureau, the Spanish, French and German associations, the producers Holderbank, Blue Circle, Asland, Uniland, Hispacement, Lafarge, Ciments français, Dyckerhoff, Heidelberger, CBR, Aalborg, Irish Cement, Italcementi, Unicem, Cementir, Aker and Euroc formed a task force to combat Greek cement imports into Europe, agreed to restrict imports of Greek cement and, to that end, set up a joint trading company, Interciment SA.

At the same time, the large and the smaller exporters set up two separate bodies, the Export Policy Committee and the European Cement Export Committee, whose task was to channel surplus production towards third countries, thus restricting members' sales opportunities within the Community. By means of these agreements, aimed essentially at the exchange of data on export prices and export quantities and at sharing the markets of importing countries, the members of the two bodies sought to set up a system of solidarity and monitoring to prevent competitors from encroaching on home markets within the Community.

The white-cement producers Dyckerhoff, CBR, Lafarge, Ciments français, Italcementi and Valenciana agreed on restrictions of competition based on compliance with the home-market rule, the channelling of surplus production to third countries, the exchange of individual data on production capacity, domestic and export sales, and domestic and export prices.

The fines imposed on the associations are flat sums, since the associations do not have any turnover. The fines are intended to dissuade trade associations in future from taking any such initiatives or facilitating such restrictive practices. The basic levels of the fines imposed on the 33 undertakings were set in accordance with usual practice, applying the provision laid down under Community law. Fines can in theory amount to 10% of a company's total turnover, but calculation is normally based on the Community turnover in the product concerned. The level of fines takes account of the seriousness and duration of the infringement and a distinction is made according to the degree of involvement of the undertakings.

With this decision, the Commission once again makes it clear that it will vigorously combat cartels wherever they may arise.

OJ L 343, 30.12.1994

#### Mergers

#### Commission decisions under the Merger Control Regulation

**Reference:** Council Regulation (EEC) No 4064/89 on the control of concentrations between undertakings: OJ L 395, 30.12.1989 (corrected version: OJ L 257, 21.9.1990); Bull. 12-1989, point 2.1.78; Supplement 2/90 — Bull.

#### UAP/Provincial

1.2.31. Adopted on 7 November. This decision authorizes the acquisition by UAP of Provincial Group.

The transaction consists in the acquisition by UAP of Provincial, a UK group specializing in

non-life insurance, with minimal activities in financial services and reinsurance. The transaction will affect only the UK market in non-life insurance. Competition is unlikely to be affected on this relatively fragmented market as other groups (General Accident, Commercial Union, Sun Alliance, etc.) have equal or larger market shares than the new entity and there are no physical barriers to entry.

#### Rhône-Poulenc/Ambiente (Soris)

1.2.32. Adopted on 7 November. The decision authorizes the joint acquisition of So.Ri.S SpA (Soris) by Rhône-Poulenc Italia SpA (RPI) and Ambiente SpA (Ambiente).

Soris is based in Italy and is engaged in the regeneration of waste sulphuric acid. RPI belongs to the French group Rhône-Poulenc SA, which has interests in intermediate organic and mineral products, health and agrochemical products, speciality chemicals and fibres and polymers. Ambiente belongs to the ENI group, which operates in the petroleum, gas and petrochemicals industries.

The relevant market is the market for the regeneration of waste sulphuric acid. This process takes sulphuric acid which has already been used, in the chemicals or steel industries, for example, and restores it to a high level of purity. The market is a new one and still expanding. The companies involved here are among the market leaders.

As the geographical overlap of the activities being pooled is only slight and the market is a new one with considerable development potential, the Commission considers that the proposed acquisition does not create or strengthen a dominant position in the common market.

#### British Steel/Svensk Stål/NS

1.2.33. Adopted on 7 November. The decision authorizes British Steel plc and SSAB Svensk Stål to acquire joint control of Norsk Stål A/S (NS).

Prior to the transaction, Norsk Jern Holding controlled NS through a 52% interest. The remaining shares were held by British Steel and SSAB Svensk Stål, each with a stake of 24%. As a result of the transaction, the two firms acquired 52% of the shares (26% each), giving them joint control of NS. The transaction was notified to the Commission in accordance with Article 66 of the ECSC Treaty and Article 4 of the Merger Control Regulation. The decision relates only to the products covered by the EC Treaty (EC products account for some 13% of the total value of the transaction).

Norsk Stål operates as a steel stockholder in Norway. The market is regional or local, as the geographical area covered by an individual warehouse is determined by transport costs and delivery times. The transaction will not lead to an increase in market shares held by NS on the Norwegian stockholding market (less than 40% of the total market and less than 20% for EC products). In addition, there are several competitors on the Norwegian steel stockholding market, and very low barriers to entry. The Commission therefore decided not to object to the transaction.

#### MSG Media Service

1.2.34. Adopted on 9 November. The decision prohibits the creation of MSG Media Service, a joint subsidiary of Bertelsmann, Kirch and Deutsche Bundespost Telekom.

Pursuant to Article 8(3) of the Merger Control Regulation, the Commission finds that the plan to set up MSG Media Service is incompatible with the common market. The proposed joint venture would have supplied technical and administrative services for pay-TV and other subscription-financed communication services (supply of decoders, access control, subscriber management).

The Commission considered that the transaction would lead to the creation or strengthening of dominant positions on three markets in Germany and probably, at a later date, in the neighbouring German-speaking countries. Though the market for administrative and technical services is still new, its expansion will be boosted by the introduction of digital technology which allows the number of programmes to be increased. MSG would have secured a lasting dominant position on this market since it would have grouped together operators with a dominant position in pay-TV (Bertelsmann and Kirch are the only pay-TV operators in Germany and have exceptional programme resources) and cable networks (Telekom holds the monopoly for public cable networks). Under the circumstances, it was highly unlikely that competitors would enter the market. Furthermore, with regard to the pay-TV market, MSG would have provided Bertelsmann and Kirch with a lasting dominant position: through MSG they would have controlled the entry of competitors. Lastly, MSG would also have allowed Telekom to strengthen its dominant position on the market for cable television networks, particularly in the light of the liberalization of the market after 1998.

At a relatively late stage in the proceedings, the firms concerned offered the Commission undertakings relating to the use of a common interface, non-discrimination towards other pay-TV suppliers and an adequate supply of cable transmission capacity. The Commission regarded these undertakings as inadequate, especially because they were chiefly about behaviour.

#### Ericsson/Raychem

1.2.35. Adopted on 21 November. The decision authorizes Ericsson and Raychem to set up a joint venture. The new joint venture will take over all the assets and activities of Raynet Corporation which was, prior to the merger, a wholly-owned subsidiary of Raychem. The joint venture will be engaged in the manufacture and sale of fibre optic transmission systems for public telecommunications networks. After the merger, Raychem will withdraw from the market covered by the joint venture. Although Ericsson remains active on the same product markets as the joint venture, the transaction does not affect competition. On the one hand, the combined market shares are not significant on any of the geographic markets concerned and, on the other, there is little likelihood of the transaction giving rise to the coordination of the competitive behaviour of the parent companies in neighbouring markets for telecommunications equipment.

#### KKR/Borden

1.2.36. Adopted on 24 November. The decision authorizes a concentration in the food and non-food products sector.

Kohlberg Kravis Roberts and Co. (KKR) is to acquire control of Borden Inc. KKR will ex-

change shares in NJR Nabisco for 100% of Borden shares, retaining only 20% in NJR Nabisco instead of 49%. The parties are conglomerates operating essentially in the United States. In Europe, the transaction will not result in an addition of market shares as the parties operate in different markets. Taking non-food products, KKR chiefly produces glass packaging, whilst Borden manufactures glue, resins, plastic packaging and wallpaper. In the food sector, assuming that 20% of the shares enabled KKR to control NJR Nabisco, KKR would then be engaged only in the snacks and desserts business, whilst Borden would limit its activities to bakery products, fruit juices, pasta and sauces. Nor would the transaction result in a conglomerate or produce any vertical effects. Consequently, it was considered to be compatible with the common market.

#### British Aerospace/VSEL

1.2.37. Adopted on 24 November. The decision authorizes British Aerospace (BAe) to acquire the non-military business of VSEL.

BAe made a public takeover bid for VSEL, a British company chiefly engaged in the defence industry, in particular the production of, and research and development relating to, nuclear submarines, warships and weapons. The transaction has a Community dimension and therefore comes under the Merger Regulation.

The United Kingdom, acting on the basis of Article 223(1)(b) of the EC Treaty, adopted a measure requiring BAe not to notify the military part of the transaction. After examining the information provided by the UK authorities, the Commission concluded that the measure complies with the relevant provisions of the Treaty and that there is no need in the present case to invoke the first paragraph of Article 225.

The non-military business of VSEL is not large and chiefly relates to equipment for the gas and oil industry and structural steelwork in general. VSEL's market shares in these industries are not significant and there is no overlapping with the other activities of BAe. The Commission therefore decided not to object to the non-military part of the transaction.

#### SAPPI/DLJMB/UBS/Warren

1.2.38. Adopted on 28 November. The decision authorizes the acquisition of the US paper com-

pany Warren by a consortium made up of Sappi, DLJMB and UBS.

The Commission decided to authorize the acquisition of Warren, a subsidiary of the Scott Paper Company, another US firm, by a consortium made up of Sappi, DLJMB and UBS. Sappi is a large South African company producing pulp and paper. DLJMB is a US bank controlled by the French group Mutuelles AXA. UBS is a US bank, a subsidiary of the Union Bank of Switzerland group.

Although Sappi and Warren are large enterprises, the former operating chiefly in the pulp business and the latter in the special papers industry, the transaction does not raise any serious doubts: much of their business is outside the EEA and there is no overlapping of the products manufactured by the two companies.

#### Scandinavian project

*1.2.39.* Adopted on 28 November. The decision authorizes four transactions leading to a change of control in Sweden.

Kooperativa Förbundet (KF), the central organization bringing together all the Swedish consumer cooperatives, decided, as part of the reorganization of its activities, to divest itself of some of its industrial business by transferring to a group of Swedish investors a substantial proportion of the shares held in four industrial enterprises engaged in the production of vegetable oils, transport and maintenance equipment, PVC materials and leather respectively.

As a result of these transactions, KF, which previously held all the shares in the four companies concerned, will have joint control of each. The group of Swedish investors, acting together, comprises a bank, an insurance company, a pension fund and two venture capital companies. The group will also have joint control of all the companies involved in the transactions.

Although some of the industrial companies in question hold very large market shares both in Sweden and in other Nordic countries for certain products, especially PVC products, the Commission authorized the transactions, taking the view that they do not create or reinforce a dominant position since they involve no addition of market shares and do not create or strengthen vertical links between the companies concerned.

#### State aid

#### General aspects

1.2.40. Council conclusions on the monitoring of State aid to the steel industry.

**Reference:** Commission Decision 3855/91/ ECSC establishing Community rules for aid to the steel industry: OJ L 362, 31.12.1991; Bull. 11-1991, point 1.2.26 ł

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Adopted on 8 November. The Council took note of the second half-yearly Commission report on the monitoring of aid to the steel industry under Article 95 of the ECSC Treaty and the Community rules on aid to the steel industry.

1.2.41. Commission decisions and other measures in respect of State aid in agriculture and transport are dealt with under the relevant subject headings ( $\rightarrow$  points 1.2.156 to 1.2.159 and 1.2.109).

#### Decisions to raise no objection

#### Shipbuilding

**Reference:** Seventh Council Directive 90/684/ EEC on aid to shipbuilding (OJ L 380, 31.12.1990; Bull. 12-1990, point 1.3.64), as last amended by Council Directive 93/115/EC: OJ L 326, 28.12.1993, point 1.2.71.

#### Germany

1.2.42. Commission decision on aid for the Mützelfeld shipyard, Cuxhaven (Lower Saxony).

Previous decision: Bull. 10-1994, point 1.2.40

Adopted on 16 November. Pursuant to Article 4 of the seventh Directive, the Commission authorized the Land of Lower Saxony to give a guarantee, amounting to 4.4% of the contract value, on the loan required for the conversion of six fishing vessels by the Mützelfeld shipyard for a Russian shipowner. The guarantee is provided under the loan guarantee scheme for shipbuilding and ship conversion introduced by Lower Saxony and authorized by the Commission. The Commission based its decision on the fact that the aid component of the guarantee was below the 4.5% ceiling authorized and that the German Government had given an undertaking that no other aid would be provided in respect of the contract.

1.2.43. Commission decision on aid for the Meyer Werft shipyard, Papenburg.

Adopted on 16 November. The decision, which is based on Article 4(7) of the seventh Directive, relates to the granting of a subsidized long-term loan to enable the Indonesian State company PT.PELNI to purchase a ship with a capacity of 1 900 passengers from the German shipyard Meyer Werft. The ship will be used solely for the transport of passengers, in interisland traffic, mainly between the islands of Java, Borneo and Sulawesi.

The Commission took the view that the various conditions for authorizing the aid were met, including those relating to the beneficiary country, the level of the OECD grant element (28.87%) and the country under whose flag the ship is to operate.

#### France

1.2.44. Commission decision on the renewal of the French shipbuilding aid scheme.

Previous decision: OJ C 129, 21.5.1992

Adopted on 30 November. The 1994 renewal of the French shipbuilding aid scheme is a straightforward extension of the measures that were authorized for 1992-93. The aid, which is within the ceilings laid down in the seventh Directive, consists of grants to shipyards amounting to 9% of the contract value of new vessels and 4.5% for ship conversions and for the building of ships costing less than ECU 10 million.

#### Portugal

1.2.45. Commission decision on the renewal of the Portuguese shipbuilding aid scheme.

**Previous decision:** OJ C 249, 24.9.1991 **Reference:** Commission communication on the principles of coordination of regional aid schemes: OJ C 31, 3.2.1979

Adopted on 30 November. The 1994 renewal of the Portuguese shipbuilding aid scheme, which is a straightforward extension of the measures authorized for the period 1991-93, provides for outright grants towards the cost of building or converting vessels and towards the offsetting of any losses on contracts concluded with domestic or foreign shipowners, with the two forms of assistance combined not exceeding the maximum ceiling set at 9% for new vessels and 4.5% for conversions and for the construction of vessels costing less than ECU 10 million. Fishing vessels forming part of the Community fleet are ineligible for the aid.

Any aid granted to Portuguese shipyards under regional aid schemes approved by the Commission would be subject to the provisions of Article 6 of the Seventh Directive.

#### United Kingdom

1.2.46. Commission decision on the United Kingdom home shipbuilding credit guarantee scheme.

Adopted on 30 November. The new credit guarantee scheme which the United Kingdom authorities propose to introduce in place of the current home credit scheme comprises an aid element estimated at 1% of the contract value. The scheme falls within the limits laid down by the seventh Directive and was authorized by the Commission.

#### Environment

**Reference:** Community guidelines on State aid for environmental protection: OJ C 72, 10.3.1994; Bull. 12-1993, point 1.2.73

#### Ireland

1.2.47. Commission decision on an energy efficiency and environmental protection aid scheme known as the 'economic infrastructure operational programme' (EIOP).

Adopted on 30 November. The Commission authorized implementation of an aid scheme which is to be part-financed by the ERDF and is designed to encourage firms to participate in projects (studies, energy audits, investment in energy efficiency technology and the use of renewable energy) aimed at reducing energy consumption and protecting the environment. The scheme, which will run from 1994 to 1999, has a total budget of ECU 42.2 million, of which ECU 19.7 million is to come from the ERDF. The aid, which will be in the form of grants, will not exceed 50% of eligible costs, and the ceilings for regional aid will be complied with. The scheme is in line with the Commission's energy and regional development policy objectives and complies with the Community guidelines on State aid for environmental protection.

#### **Regional aid**

**Reference:** Commission communication on the principles of coordination of regional aid schemes: OJ C 31, 3.2.1979

#### Belgium

1.2.48. Commission decisions on the Invest and Interreg-pacte programmes for firms in Hainaut.

Adopted on 16 November. The Commission decided not to raise any objections to the implementation of two aid schemes covering the period 1994 to 1999 which are designed to increase the availability of risk capital for SMEs through semi-public investment companies. The Invest programme is intended for firms in Hainaut, while the Interreg-pacte programme will operate through the 'Société hennuyère de développement économique transfrontalier' (SDT) to assist firms in western Hainaut involved in projects that lead to an expansion in their crossborder activities. The French part of the Interreg-pacte programme, applicable in Nord/Pasde-Calais through the intermediary of Finorpa, was approved by the Commission on 31 May 1989.

In both cases, contributions from the investment companies will be limited to a maximum of BFR 25 million per project and will comprise in equal proportions equity capital and ERDF resources. The financing techniques to be used will include subscriptions to initial capital, stakes in capital injections, subscriptions to bonds, unsecured loans, and advances paid into frozen current accounts. Some of the contributions do not constitute State aid falling within the scope of Article 92 of the EC Treaty. The other contributions will not exceed 11.36% of the investment, whereas the ceiling allowed for SMEs in Hainaut is 30%.

#### **Research and development**

**Reference:** Community framework for State aid for research and development: OJ C 83, 11.4.1986; Bull. 3-1986, points 1.1.1 to 1.1.6

#### Italy

1.2.49. Commission decision on aid for Consorzio Lexicon Ricerche and for Serv.Edi. Servizi Editoriali S.r.l.

Adopted on 16 November. The Commission decided not to raise any objections to the granting of aid amounting to a maximum of LIT 1427.3 million (ECU 0.74 million) to Consorzio Lexicon Ricerche and a maximum of LIT 3430.35 million (ECU 1.77 million) to Serv.Edi for a joint research programme called 'EU 524 Genelex - generazione di lessici', whose objective is the creation of electronic multilingual dictionaries in the various European languages. This is a Eureka project comprising both basic industrial research and applied research/development, and other companies or universities from other Member States are also taking part in it. The aid, which has a maximum intensity of 35% gross grant equivalent (GGE) calculated on the basis of eligible costs as defined in the Community framework for State aid for research and development, complies with the criteria laid down in the Community guidelines and may therefore be deemed compatible with the common market.

#### Exemption from Community policy on aid to the steel industry (Article 95 of the ECSC Treaty)

1.2.50. Proposed Commission decision on aid to Eko Stahl GmbH, Eisenhüttenstadt (Brandenburg).

**Proposed Commission decision:** Bull. 10-1994, point 1.2.45

ECSC Consultative Committee consulted on 7 November.

#### Decisions to initiate proceedings under Article 6(4) of the steel aid code

**Reference:** Commission Decision 3855/91/ ECSC establishing Community rules for aid to the steel industry: OJ L 362, 31.12.1991; Bull. 11-1991 point 1.2.26.

#### Germany

1.2.51. Commission decision on aid to the steel company Neue Maxhütte Stahlwerke GmbH (NMH), Sulzbach-Rosenberg, Bavaria.

#### Previous decision: Bull. 9-1994, point 1.2.61

Adopted on 30 November. In addition to the State aid in respect of which the Commission initiated proceedings on 14 September, NMH has, since March 1993, received seven loans totalling DM 49.985 million (ECU 26.1 million), including DM 38.275 million from February to August 1994, granted by the Land of Bavaria, a shareholder in the company, in the form of monthly loans to cover losses. The Commission considers that, in view of NMH's deficit, which was already the reason for the previous initiation of proceedings, the loans may constitute State aid, since the behaviour of the Land of Bavaria does not correspond to that of a private investor operating under normal market economy conditions. The Commission accordingly decided to initiate proceedings under Article 6(4) of the steel aid code with a view to examining the compatibility of the aid with the code.

#### Italy

1.2.52. Commission decision on aid for the steel company Altiforni e Ferrie di Servola (AFS).

Adopted on 23 November. The Italian authorities have agreed to cover by a State guarantee loans which AFS has sought from a number of Italian banks. In view of the financial difficulties which ASF is facing, it looks certain that, without such a guarantee, for which it is not paying any fee, ASF would not have been able to obtain the loans requested. The granting of the guarantee thus constitutes State aid, and the Commission decided to initiate proceedings under Article 6(4) of the steel aid code with a view to examining its compatibility with the code.

#### Decisions to initiate proceedings under Article 93(2) of the EC Treaty

#### Germany

*1.2.53.* Commission decision on aid which the Bavarian authorities propose to grant to four mechanical engineering companies.

Adopted on 30 November. Bavaria proposes to grant aid to various mechanical engineering companies to assist in their restructuring. The aid comprises:

□ a DM 1 million grant to the recently created Müller/Loesch group and to INA Werk Schaeffler KG for the taking-over of certain assets belonging to the former company GMN;

□ two subsidized loans, one amounting to DM 50 million (ECU 26 million) and the other to DM 30 million (ECU 15.6 million), the first being for FAG Kugelfischer AG and the second for Steinbock Boss GmbH Fördertechnik and Jungheinrich AG. The loans carry a 5% interest rate and have a two-year grace period from repayments. FAG Kugelfischer AG will be lent DM 20 million for 12 years and DM 30 million for four years, and Steinbock Boss GmbH Fördertechnik and Jungheinrich AG DM 10 million for 12 years and DM 20 million for four years.

The Commission decided to initiate proceedings on the grounds that the need for the aid has not been demonstrated, that the sectors concerned are suffering from overcapacity and that the distortions of competition that the aid would create do not seem to be sufficiently offset by any Community interest.

#### Spain

#### **References:**

Code on aid to the synthetic fibres industry (OJ C 346, 30.12.1992; Bull. 12-1992, points 1.3.73 and 1.3.74), as last amended by the Commission decision of 19 July: Bull. 7/8-1994, point 1.2.43 Community guidelines on State aid for rescuing and restructuring firms in difficulty: Bull. 7/8-1994, point 1.2.42

1.2.54. Commission decision on aid to La Seda de Barcelona SA, a Spanish synthetic fibres producer based in Madrid and Catalonia.

Adopted on 30 November. The Commission examined a number of instances of State aid received by La Seda de Barcelona (LSB) since 1992.

In 1992 and 1993, LSB received a State guarantee on two loans of respectively PTA 1 700 million (ECU 10.7 million) and PTA 1 000 million (ECU 6.3 million) which it raised on the market in order to refinance its restructuring following the withdrawal of its majority shareholder, the Dutch company Akzo NV. Following examination of the information provided by the Spanish authorities, the Commission concluded that the guarantees contained State aid components. Furthermore, the restructuring plan, which provides for the offsetting of new industrial polyester yarn production capacity by the closure or conversion of other synthetic fibre production capacity did not provide sufficiently precise information on the details and irreversibility of the capacity reductions and did not seem likely to restore the viability of the company. Since the criteria laid down in the code on aid for the synthetic fibres industry do not therefore seem to have been complied with, the Commission initiated proceedings in respect of the guarantees in order to determine whether they are compatible with the common market.

For the purposes of its restructuring, LSB received a loan from Fogasa (wage guarantee fund) amounting to PTA 1 221 134 510 (ECU 7.7 million) to help pay redundant workers' wages and allowances owed by the company. The Commission does not in any way oppose Fogasa assistance for workers who would not otherwise receive the wages and allowances to which they are entitled. However, the Commission is not able to determine whether and to what extent the granting of the loan constitutes State aid for LSB, since the Spanish authorities have not yet provided any details on the terms on which the loan was granted. It therefore decided to initiate proceedings under Article 93(2) of the EC Treaty in respect of the loan as well.

Lastly, the Commission also initiated proceedings in respect of the Spanish authorities' plan to grant LSB rescue aid in the form of a six-month guarantee for loans of up to PTA 1 000 million (ECU 6.3 million). While the rescue aid would appear to comply with the criteria laid down in the guidelines on State aid for rescuing and restructuring firms in difficulty, the Spanish authorities have not provided any details on the terms of the loan guarantee, and the Commission is unable to determine whether or not it meets the conditions laid down for the authorization of State guarantees.

#### France

1.2.55. Commission decision on aid for the Société française de production (SFP).

**Previous decisions:** Bull. 5-1991, point 1.2.35; Bull. 3-1992, point 1.2.47

Adopted on 16 November. The Commission has twice, in 1991 and 1992, authorized recapital-

ization by the French State of the publicly owned audiovisual production company Société française de production (SFP), the total amount authorized being FF 1 270 million (ECU 205.4 million). The second authorization was conditional upon the undertaking given by the French Government that this would be its last operation to assist SFP. However, the Commission has been informed that, between 1992 and 1994, SFP received additional, unlawful, aid amounting to FF 460 million (ECU 70 million) and that the French Government was contemplating a further injection of FF 400 million into the company. The Commission accordingly decided to initiate proceedings under Article 93(2) of the EC Treaty in respect of the two operations.

#### Italy

1.2.56. Commission decision on aid for the aluminium-producing group Alumix.

Previous decision: Bull. 12-1992, point 1.3.93

Adopted on 16 November. The Alumix group, which is a wholly-owned subsidiary of the EFIM group, comprises several companies operating in the aluminium industry. It is the sole producer of aluminium in Italy and one of the main producers of semi-finished and downstream products in this sector. The Commission decided to extend the proceedings which it initiated in December 1992, in respect of aid granted to EFIM in connection with its liquidation, so as to include examination of capital injections totalling LIT 400.8 billion (ECU 251 million) made to Alumix during the same period.

The capital injections, intended to recapitalize Alumix and cover its losses, enabled it artificially to maintain its production level and market shares both within Italy and at European level, whereas it would otherwise have been forced to reduce its production because of its persistent deficit and the sharp fall in demand for aluminium in 1992 caused by overcapacity on the international market. Given the precariousness of Alumix's financial situation and the state of the aluminium market, the capital injections constitute State aid. The capital injections were not apparently accompanied by any restructuring plan designed to restore the company's long-term viability, such a plan being one of the preconditions that would allow the company to qualify for exemption from the ban on aid laid down in Article 92(1) of the EC Treaty.

#### **International cooperation**

*1.2.57.* Draft agreement respecting normal competitive conditions in the commercial shipbuilding and repair industry.

Proposal for a Decision on the conclusion of the agreement adopted on 3 November. The draft agreement, negotiated by the Commission on the basis of a mandate given to it by the Council on 20 July 1990, provides for international discipline on aid, including export credits, and for the first time introduces an anti-dumping instrument suited to transactions concerning ships (injurious pricing instrument). The agreement is to enter into force on 1 January 1996.

OJ C 375, 30.12.1994; COM(94) 460

### Industrial policy

#### General

*1.2.58.* Council resolution on the strengthening of the competitiveness of Community industry.

#### **References:**

Commission White Paper entitled 'Growth, competitiveness, employment — The challenges and ways forward into the 21st century': COM (93) 700, Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull.

Commission communication entitled 'Europe's way to the information society: an action plan': COM(94) 347; Bull. 7/8-1994, point 1.2.99

Commission communication to the Council, Parliament, the Economic and Social Committee and the Committee of the Regions entitled 'An industrial competitiveness policy for the European Union': COM(94) 319; Bull. 9-1994, point 1.2.67; Supplement 3/94 — Bull.

Agreed by the Council on 8 November.

Adopted by the Council on 21 November. In this resolution, the full text of which appears in the documentation section of this Bulletin ( $\rightarrow$  point 2.2.1), the Council recalls the progress already made in this area, in particular in the context of the White Paper on growth, competitiveness and

employment, and the challenges facing the Community's industrial policy. In order to respond to these challenges, it stresses the urgent need to implement a series of measures to create stable economic conditions, eliminate unnecessary bureaucratic burdens for enterprises, ensure undistorted competition, strengthen industrial cooperation with third countries and promote competitive factors.

OJ C 343, 6.12.1994

#### **Individual industries**

#### Steel industry

*1.2.59.* Council conclusions on restructuring of the steel industry in the Community.

**Reference:** Commission communication to the Council and to Parliament entitled 'Restructuring the Community steel industry: final assessment and conclusions': COM(94) 466; Bull. 10-1994, point 1.2.49

#### Adopted by the Council on 8 November.

'The Council took note of the Commission communication entitled "Restructuring the Community steel industry: final assessment and conclusions".

At the close of the discussion held after Commissioners Van Miert and Bangemann had presented this communication, the Council reaffirmed that it was very concerned at the persistence of structural overcapacity, the main cause of the difficult situation in which the European steel industry found itself.

Notwithstanding the favourable economic trends recently noted on the market the Council is still of the opinion that a lasting solution to the problem of overcapacity should be found. In this context:

 $\Box$  some delegations regretted that the Commission had abandoned the restructuring plan, which means that the three-monthly forward plan provided for in Article 46 of the ECSC Treaty will be dropped and also that measures provided for in Article 53(a) of the ECSC Treaty will not be taken;

□ other delegations stated that they endorsed the conclusions drawn by the Commission from its assessment of the situation;

□ several delegations also emphasized that a reorganization of the sector would also depend to a large extent on strict and appropriate control of State aids.

As far as the flanking measures are concerned, the Council endorsed the Commission's opinion that the social measures, the system of advance monitoring in respect of the external measures and strict control of State aids should be maintained.

However, as regards the external measures in particular, the Council took note of the Commission's position to the effect that only two options are possible:

□ either abandon, for 1995, tariff quotas for imports from certain countries, as suggested by the Commission,

 $\Box$  or retain and adjust them in the light of the accession of new Member States.

Each of the two options would require a Council decision which satisfied the requirements of the ECSC and EC Treaty.

In conclusion, the Council

□ invited the Commission to continue to monitor the situation closely and to prepare appropriate measures in keeping with the particular market situation;

□ appealed to the industry's sense of responsibility for it to continue cooperating actively in the search for lasting solutions;

□ invited the Commission to report to it regularly on developments in this sector and on the measures it is planning to take.'

## Enterprise policy

#### Small and medium-sized businesses

*1.2.60.* Commission recommendation to the Member States on payment periods in commercial transactions.

#### **References:**

Commission White Paper entitled 'Growth, competitiveness and employment — The challenges and ways forward into the 21st century': COM(93) 700; Bull 12-1993, point 1.2.44; Supplement 6/93 — Bull.

Commission communication on the implementation of an integrated programme in support of small and medium-sized enterprises (SMEs) and the craft sector: COM(94) 207; Bull. 6-1994, point 1.2.79

Approved by the Commission on 30 November. The recommendation, drawn up in response to the White Paper on growth, competitiveness and employment, emphasizes that both the Member States and the Community are responsible for creating an environment beneficial to SMEs and is one of the initiatives for harnessing their potential for growth and employment identified by the Commission in its integrated programme in support of SMEs and the craft sector. The Commission sets out the principles and methods of solving the serious problems faced by businesses as a consequence of late payment and calls on the Member States to take whatever legislative and practical measures may be necessary under their own legal and administrative systems. It advocates a legal framework providing adequate deterrents to bad payers and the observance of reasonable payment periods in transactions in which contractual relationships between partners are unbalanced (particularly public-procurement contracts).

The Commission therefore recommends that Member States:

□ strengthen transparency in contractual relations, improve information and training for businesses and alleviate the tax consequences of late payments;

□ ensure suitable compensation for late payment by recognizing the right to interest on arrears at a level high enough to constitute an effective deterrent;

□ establish appropriate redress procedures by encouraging inexpensive non-judicial arrangements and simplifying judicial procedures;

□ eliminate the problems specific to crossborder trade;

 $\Box$  improve payment for public contracts by imposing a deadline of 60 days.

### Research and technology

#### Framework programme 1994-98

#### Specific programmes

*1.2.61.* The Council formally adopted three Decisions concerning the rules for the dissemination of research results and the participation of undertakings, research centres and universities

in the specific research programmes ( $\rightarrow$  points 1.2.62 to 1.2.64), which lay down general rules for implementing all the specific research and technological development programmes, with special attention for SMEs and cooperation with third countries and international organizations. The Council also formally adopted seven specific research, technological development and demonstration programmes designed to implement the 1994-98 R & TD framework programme ( $\rightarrow$  points 1.2.65 to 1.2.71), bringing the number of specific programmes adopted so far to nine. Parliament adopted opinions on a further eight specific programmes. It generally welcomed them subject to a number of amendments concerning the arrangements for implementing the work programmes to be drawn up and the priority to be given to SME involvement in the research programmes ( $\rightarrow$  points 1.2.72 to 1.2.79).

1.2.62. Council Decision 94/762/EEC concerning the rules for the dissemination of the research results from the specific programmes of research, technological development and demonstration of the European Community.

**Commission proposal:** OJ C 81, 18.3.1994; COM(94) 12; Bull. 1/2-1994, point 1.2.80 **Parliament opinion (first reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.68 **Economic and Social Committee opinion:** OJ C 295, 22.10.1994; Bull. 6-1994, point 1.2.83

**Amended Commission proposal:** OJ C 175, 28.6.1994; COM(94) 242; Bull. 6-1994, point 1.2.83

**Council agreement on a common position:** Bull. 6-1994, point 1.2.83

**Council common position:** OJ C 244, 31.8.1994; Bull. 7/8-1994, point 1.2.77

**Parliament opinion (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.58

Adopted on 21 November.

OJ L 306, 30.11.1994

1.2.63. Council Decision 94/763/EC concerning the rules for the participation of undertakings, research centres and universities in research, technological development and demonstration activities of the European Community.

**Commission proposal:** OJ C 81, 18.3.1994; COM(94) 12; Bull. 1/2-1994, point 1.2.80 **Parliament opinion (first reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.67 **Economic and Social Committee opinion:** OJ C 295, 22.10.1994; Bull. 6-1994, point 1.2.84 **Council common position:** OJ C 244, 31.8.1994; Bull. 7/8-1994, point 1.2.78 **Parliament opinion (second reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.59

Adopted by the Council on 21 November. OJ L 306, 30.11.1994

1.2.64. Council Decision 94/761/Euratom concerning the rules for the participation of undertakings, research centre and universities in research and training activities of the European Atomic Energy Community.

Commission proposal: OJ C 81, 18.3.1994; COM(94) 12; Bull. 1/2-1994, point 1.2.80 Parliament opinion: OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.66 Economic and Social Committee opinion: OJ C 295, 22.10.1994; Bull. 6-1994, point 1.2.85 Amended Commission proposal: OJ C 175, 28.6.1994; COM(94) 242; Bull. 6-1994, point 1.2.85 Council agreement: Bull. 6-1994, point 1.2.85

Formally adopted by the Council on 21 November. OJ L 306, 30.11.1994

1.2.65. Council Decision adopting a specific programme for research and technological development, including demonstration, in the field of telematics applications of common interest (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.53 and 1.2.54

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.90

Economic and Social Committee opinion: Bull. 7/8-1994, point 1.2.81

Council agreement: Bull. 9-1994, point 1.2.78

#### Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994

1.2.66. Council Decision 94/802/EC adopting a specific programme for research and technological development, including demonstration, in the field of information technologies (1994-98). **Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.56

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.91

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.77

Council agreement: Bull. 9-1994, point 1.2.77

Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994

1.2.67. Council Decision 94/803/EC adopting a specific programme for research and technological development, including demonstration, in the field of standards, measurements and testing (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.58

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.92

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.79

Council agreement: Bull. 9-1994, point 1.2.79

Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994

1.2.68. Council Decision 94/804/EC adopting a specific programme for research and technological development, including demonstration, in the field of marine science and technology (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69

**Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.59

**Amended Commission proposal:** OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.93

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.81

Council agreement: Bull. 9-1994, point 1.2.81

Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994

*1.2.69.* Council Decision 94/805/EC adopting a specific programme for research, technological

development and demonstration in the field of agriculture and fisheries (including agro-industry, food technologies, forestry, aquaculture and rural development) (1994-98).

Commission proposal: OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 Parliament opinion: OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.60 Amended Commission proposal: OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.94 Economic and Social Committee opinion: Bull. 9-1994, point 1.2.84 Council agreement: Bull. 9-1994, point 1.2.84

Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994

1.2.70. Council Decision 94/806/EC adopting a specific programme for research and technological development, including demonstration, in the field of non-nuclear energy (1994-98).

Commission proposal: OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 Parliament opinion: OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.61 Amended Commission proposal: OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.89 Economic and Social Committee opinion: Bull. 6-1994, point 1.2.89

Council agreement: Bull. 9-1994, point 1.2.85

Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994

1.2.71. Council Decision 94/807/EC adopting a specific programme for research and technological development, including demonstration, in the field of cooperation with third countries and international organizations (1994-98).

Commission proposal: OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 Parliament opinion: OJ C 205, 25.7.1994; Bull. 5-1994, points 1.2.53 and 1.2.63 Amended Commission proposal: OJ C 262, 20.9.1994; COM(94) 243; Bull. 6-1994, point 1.2.96 Economic and Social Committee opinion: Bull. 9-1994, point 1.2.88 Council agreement: Bull. 9-1994, point 1.2.88

Formally adopted by the Council on 23 November. OJ L 334, 22.12.1994. 1.2.72. Proposal for a Council Decision adopting a specific programme for research and technological development in the field of environment and climate (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.80

Endorsed by Parliament on 17 November, subject to a number of amendments concerning the incorporation of the human dimension of environmental change, the establishment of regional interdisciplinary research networks, projects to reverse the desertification process, and methods to protect human health and improve industrial safety.

OJ C 341, 5.12.1994

1.2.73. Proposal for a Council Decision adopting a specific programme for research, technological development and demonstration in the field of biomedicine and health (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.83

Endorsed by Parliament on 17 November, subject to a number of amendments concerning the publication of the results of research, the incorporation of research into biomedical engineering, and compliance with ethical rules.

OJ C 341, 5.12.1994

1.2.74. Proposal for a Council Decision adopting a specific programme for research, technological development and demonstration in the field of biotechnology (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.82

Endorsed by Parliament on 18 November, subject to a number of amendments concerning the objectives of the programme, and the interaction between research and practical applications for users.

OJ C 341, 5.12.1994

1.2.75. Proposal for a Council Decision adopting a specific programme for research, technological development and demonstration in the field of transport (1994-98). **Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.86

Endorsed by Parliament on 18 November, subject to a number of amendments concerning the interrelationship between transport systems, regional planning and housing policy, and improved safety and energy efficiency.

OJ C 341, 5.12.1994

1.2.76. Proposal for a Council Decision adopting a specific programme for the dissemination and exploitation of the results of research, technological development and demonstration (1994-98).

**Commission proposal:** OJ C 228, 17.8.1994; COM(94) 68; Bull. 3-1994, point 1.2.69 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.89

Endorsed by Parliament on 18 November. OJ C 341, 5.12.1994

1.2.77. Proposal for a Council Decision adopting a specific research and training programme in the field of nuclear safety and safeguards (1994-98).

**Commission proposal:** OJ C 113, 23.4.1994; COM(94) 70; Bull. 3-1994, point 1.2.70 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.93

Endorsed by Parliament on 18 November, subject to a number of amendments concerning medical and industrial aspects and the decommissioning of nuclear facilities.

OJ C 341, 5.12.1994

1.2.78. Proposal for a Council Decision adopting a specific programme for research and training in the field of controlled thermonuclear fusion (1994-98).

**Commission proposal:** OJ C 113, 23.4.1994; COM(94) 70; Bull. 3-1994, point 1.2.70 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.94

Endorsed by Parliament on 17 November. OJ C 341, 5.12.1994

1.2.79. Proposal for a Council Decision adopting a specific research and technological development programme to be implemented by the Joint Research Centre for the EAEC (1995-98). **Commission proposal:** OJ C 113, 23.4.1994; COM(94) 70; Bull. 3-1994, point 1.2.70 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.92

Endorsed by Parliament on 17 November, subject to a number of amendments concerning the arrangements for implementing the programme and its objectives.

OJ C 341, 5.12.1994

#### **International cooperation**

1.2.80. Commission communication to the Council and Parliament on cooperation in science and technology between the European Union and the countries of Central and Eastern Europe and the new independent States of the former Soviet Union.

**Reference:** Commission communication on cooperation in science and technology between the Community and the countries of Central and Eastern Europe: Bull. 5-1992, point 1.1.65

Adopted by the Commission on 24 November. In this communication the Commission takes stock of the activities carried out in the context of cooperation in science and technology the objectives of which were set out in its 1992 communication. It stresses the scale of the activities, and the budget in excess of ECU 250 million for 1992-94 clearly shows the Community's desire to cooperate with these countries. The activities carried out concern improvements in the quality of life, maintenance of manpower resources, and contacts between researchers.

COM(94) 420

## Trans-European networks

#### General

1.2.81. Report by the Group of Personal Representatives of the Heads of State or Government to the European Council on trans-European networks.

#### **References:**

Interim report: Bull. 6-1994, point 1.2.7; Supplement 2/94 — Bull.

Conclusions of the Corfu European Council: Bull. 6-1994, point I.7

Submitted to the Commission on 16 November. Following the interim report submitted to the Corfu European Council, the Christophersen Group identified a series of priority projects: 14 transport projects, 10 energy projects and certain connection projects with third countries.

With regard to the environment, the Group acknowledged the relevance of a network approach, especially for the management of water resources and waste. It also confirmed the need to step up cooperation with neighbouring countries in order to connect the trans-European networks to networks outside the Union. The Group concluded that the debate on the funding of trans-European networks was still open and that no solution should be ruled out. It stressed the importance of public sector/private sector partnerships and recalled the Corfu European Council's undertaking that no financial or other obstacles should jeopardize the carrying-out of priority projects. The Group also acknowledged that administrative, legal and regulatory obstacles are a major brake on the implementation of projects, and called upon the Member States and the Commission to take all appropriate steps to eliminate such obstacles. Lastly, it proposed a series of follow-up measures, including the creation of agencies to facilitate the carrying-out of priority projects.

1.2.82. Proposal for a Council Regulation laying down general rules for the granting of Community financial aid in the field of trans-European networks.

**Commission proposal:** OJ C 89, 26.3.1994; COM(94) 62; Bull. 3-1994, point 1.2.79 **Economic and Social Committee opinion:** OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.73 **Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.69

Endorsed by Parliament (first reading) on 30 November, subject to various amendments aimed at clarifying the conditions governing Community funding for trans-European networks, making provision in particular for private sector involvement, the eligibility of infrastructure projects financed by local and regional authorities and by enterprises with franchises to run public services, and the co-financing of investment projects in peripheral, landlocked or island regions subject to certain conditions.

OJ C 363, 19.12.1994

#### **Transport** networks

*1.2.83.* Proposal for a Council Directive on the interoperability of the European high-speed train network.

**Commission proposal:** OJ C 134, 17.5.1994; COM(94) 107; Bull. 4-1994, point 1.2.75

**Committee of the Regions opinion:** Bull. 9-1994, point 1.2.100

Endorsed by the Economic and Social Committee on 23 November. The Committee recommended improving safety, taking passengers into account, and involving management and labour.

1.2.84. Proposal for a Parliament and Council Decision on guidelines for the development of the trans-European network.

Commission proposal: OJ C 220, 8.8.1994; COM(94) 106; Bull. 4-1994, point 1.2.76 Committee of the Regions opinion: Bull. 9-1994, point 1.2.101

Endorsed by the Economic and Social Committee on 23 November. The Committee emphasized the need to take into account the interconnection of the different networks, the component parts of the existing networks, the intermodal nature of the future network and the development of new forms of funding for infrastructure projects.

## Telematics and telecommunications networks

1.2.85. Proposal for a Parliament and Council Decision on a series of guidelines for trans-European data-communications networks between administrations.

Commission proposal: OJ C 105, 16.4.1993; COM(93) 69; Bull. 3-1993, point 1.2.61 Economic and Social Committee opinion: OJ C 249, 13.9.1993; Bull. 6-1993, point 1.2.101 Proposal subject to the co-decision procedure since 1 November 1993 Committee of the Regions opinion: OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.72 OJ C 341, 5.12.1994

1.2.86. Proposal for a Council Decision adopting a pluriannual Community programme to support the implementation of trans-European networks for the interchange of data between administrations (IDA).

**Commission proposal:** OJ C 105, 16.4.1993; COM(93) 69; Bull. 3-1993, point 1.2.61 **Economic and Social Committee opinion:** OJ C 249, 13.9.1993; Bull. 6-1993, point 1.2.101 **Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.72

Endorsed by Parliament (first reading) on 17 November, subject to an amendment concerning information and training for the national parliaments and the Community institutions concerned with the question of trans-European data-communications networks.

OJ C 341, 19.12.1994

1.2.87. Proposal for a Council Decision on a series of guidelines for the development of ISDN as a trans-European network.

**Commission proposal:** OJ C 259, 23.9.1993; COM(93) 347; Bull. 9-1993, point 1.2.66 **Economic and Social Committee opinion:** OJ C 52, 19.2.1994; Bull. 12-1993, point 1.2.118 **Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, points 1.2.77 and 1.2.78 **Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.74

Amended proposal adopted by the Commission on 17 November.

OJ C 353, 13.12.1994; COM(94) 483

Common position agreed by the Council on 17 November. The main objectives of the proposal are to promote access to Euro-ISDN facilities and ensure full geographical coverage by the system, having regard to market needs and the situation of peripheral regions. It sets out the measures needed to further those objectives; in particular analysis of the obstacles to implementing the systems and the means of ensuring the interoperability of telematics services, and analysis and promotion of the transfer of applications to Euro-ISDN. It also identifies a series of projects of common interest aimed at promoting the interoperability of Euro-ISDN and general access to the system, and developing applications which may benefit from the system (teleworking, education, health care, etc.).

1.2.88. Proposal for a Council Decision on the adoption of a multiannual Community programme concerning the development of ISDN as a trans-European network (TEN-ISDN).

**Commission proposal:** OJ C 259, 23.9.1993; COM(93) 347; Bull. 9-1993, point 1.2.66 **Economic and Social Committee opinion:** OJ C 52, 19.2.1994; Bull. 12-1993, point 1.2.118 **Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, points 1.2.77 and 1.2.78 **Committee of the Regions opinion:** OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.74

Amended proposal adopted by the Commission on 17 November. The Commission took over certain European Parliament amendments, in particular concerning the negotiation of Agreements with the European Economic Area countries and countries which have concluded Association Agreements with the Community.

OJ C 353, 13.12.1994; COM(94) 483

## Energy

#### Community energy strategy

*1.2.89.* Council conclusions on the Green Paper on energy policy guidelines.

Adopted on 29 November. In the context of the consultations in progress prior to the drafting of a Green Paper on energy policy guidelines, the Council confirmed that improved competitiveness, strengthened security of supply and enhanced protection of the environment are essential objectives to be considered in the context of energy policy. It recommended that these elements be taken into consideration in the Green Paper in order to encourage a debate on important issues such as the effective operation of the energy markets, long-term supply prospects, reconciling energy and environment policies, promoting energy efficiency and developing cooperation.

#### Promotion of energy technology

*1.2.90.* Proposal for a Council Regulation concerning a Community programme providing financial support for the promotion of European energy technology 1995-98 (Thermie II programme).

**Commission proposal:** OJ C 158, 9.6.1994; COM(94) 59; Bull. 4-1994, point 1.2.79 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.104

Endorsed by Parliament on 15 November, subject to certain amendments. Parliament recommended in particular that the financial support ceiling should be raised to 45% of the eligible cost of projects, that the project submission and selection procedures should be simplified, that provision should be made for an evaluation by independent experts, and that international cooperation in this area should be developed.

OJ C 341, 5.12.1994

#### Internal energy market

#### Natural gas and electricity

*1.2.91.* Council conclusions on the internal market in electricity.

#### **References:**

Council conclusions on the internal market in electricity and natural gas: Bull. 11-1992, point 1.3.111

Amended proposal for Parliament and Council Directives on common rules for the internal market in electricity and natural gas: OJ C 123, 4.5.1994; COM(93) 643; Bull. 12-1993, point 1.2.121

#### Adopted on 29 November.

'The Council confirms the necessity of completing the internal energy market, taking into consideration the different situations in Member States and the basic principles identified in the Council conclusions of 30 November 1992. It is therefore essential to work towards secure, open, transparent, efficient competitive and environmentally acceptable electricity and gas markets, taking into account the energy objectives of rational use of energy and development of renewable and indigenous energy sources.

The Council recognizes that the energy situation in Member States, and in particular their different levels of security of supply, have led to different structures in the organization of the sector. The Council is therefore convinced that the completion of the internal electricity and gas markets requires flexible solutions, which, however, must be applied in a spirit of reciprocity between Member States and lead to equivalent and non-discriminatory opening-up of markets.

The Council recognizes the fact that the deliberations are first concentrating on the electricity market. In this connection, five key topics with regard to the electricity market were identified under the Greek Presidency. Agreement has to a large degree now been reached on four of these topics, while there is the need for additional discussion and clarification with regard to market liberalization in areas extending beyond the production sector and to other aspects of the Directive, for instance that of harmonization and taking into account that each of these five key topics should represent part of an overall agreed solution.

There is agreement in principle on the following themes regarding the electricity sector:

 $\Box$  As regards the production of electricity and with the goal of achieving competition within the branch, Member States should be given the right to choose between authorization and/or tender procedures for new production capacity. Authorizations and tender procedures shall take place according to objective and nondiscriminatory criteria. For monitoring the organization and execution of the tender procedures Member States shall appoint an independent public or private body; the treatment of certain types of power production to be authorized in parallel to tender procedures needs further analysis.

□ Vertically integrated companies shall keep, on a comparable basis, separate accounts for the activities of production, transmission and distribution, in a way which will avoid discrimination and cross-subsidies and will ensure undistorted competition. To guarantee adequate transparency, these separate accounts must be accessible to the independent entities defined by the Member States, as well as to dispute-settlement authorities as provided for in the proposed Directive. □ The provisions of the Directive concerning the network operator are to be limited to those necessary to ensure the implementation of the internal electricity market in a non-bureaucratic way.

□ In so far as Member States impose public service obligations on undertakings in the electricity sector in the general economic interest, — which may include, for instance, services in the fields of environment and security of supply — these must be clearly defined, transparent, non-discriminatory and monitorable. They shall be published and communicated to the Commission. The requirements of Article 90(2) of the EC Treaty have to be respected.

Further discussion is necessary on how to open up the markets beyond the area of electricity production,

especially on the question of the possible simultaneous introduction of a negotiated TPA and a so-called single-buyer system. In this context, it is necessary to verify that both approaches, in a spirit of reciprocity, lead to equivalent economic results and, therefore, to a directly comparable level in the opening-up of markets and to a directly comparable degree of access to electricity markets and that they conform with the provisions of the Treaty.

The Commission is called upon to examine and outline the anticipated consequences of the side-by-side application of both approaches, in particular with respect to the potential for competition and the impact on the various groups of suppliers and purchasers. This analysis will also deal with the question whether, in Member States introducing a tender procedure, power plants destined for export, for autoproduction and independent production, as well as power plants based on CHP and renewable energies, should be permitted by authorization procedures — in parallel to the tender procedures — as well.

This analysis will also deal with the specific problems of opening up the markets in small and very small electricity systems.

The Permanent Representatives Committee is requested to finalize work on the basis of the abovementioned principles so that a common position can be formally adopted as soon as possible in the year 1995.

Four years after the expiry of the deadline for enacting the Directive in national legislation, the Commission shall submit a report on the experience gained and propose, depending on the outcome, such changes in the Directive or other initiatives as may be required to better attain the goals outlined in paragraph 1.'

## Relations with third country energy producers or importers

#### European Energy Charter

#### **References:**

Signature of the Charter: Bull. 12-1991, point 1.2.114

Agreement of the Contracting Parties on the Charter Treaty: Bull. 6-1994, point 1.2.107

1.2.92. Council conclusions on the Charter.

Adopted by the Council on 29 November. The Council regarded the implementation of the Charter by means of a Treaty as an important contribution to economic development and political stability in the countries of Central and Eastern Europe and the former Soviet Union. It noted that the Treaty would contribute to providing greater security of energy supplies in Europe, modernizing the energy industries of the States in transition, reducing the harmful environmental impact of energy production and consumption, increasing trade liberalization and promoting direct investment. The Council intends to sign the Charter Treaty ( $\rightarrow$  point 1.2.93), the Final Act and the Protocol on Energy Efficiency and Related Environmental Aspects on behalf of the European Community in Lisbon on 17 December ( $\rightarrow$  point 1.2.94).

1.2.93. Draft Treaty

Signature of the European Energy Charter: Bull. 12-1991, point 1.2.114 Agreement of the Contracting Parties on the draft Treaty: Bull. 6-1994, point 1.2.107 Commission proposal and draft concerning the signing and provisional application of the Treaty: OJ C 344, 6.12.1994; COM(94) 405; Bull. 9-1994, point 1.2.108

Amended proposal for a Council Decision on the signing of the Treaty and its provisional application by the European Community adopted by the Commission on 28 November. OJ C 372, 28.12.1994

Amended proposal for a Council Decision on the signing of the Treaty and its provisional application by the European Atomic Energy Community adopted by the Commission on 28 November.

OJ C 372, 28.12.1994

1.2.94. Draft Protocol on Energy Efficiency and Related Environmental Aspects.

Recommendation for a Decision on the signing of the Protocol adopted by the Commission on 25 November.

COM(94) 531

Decision on the signing of the Protocol adopted by the Council on 29 November. The Protocol on Energy Efficiency and Related Environmental Aspects, the negotiations for which were conducted in parallel with the negotiations on the Charter Treaty itself, is intended to promote energy efficiency policies consistent with sustainable development, encourage more efficient and environmentally sounder use of energy and foster cooperation in the field of energy efficiency.

## Transport

#### General

*1.2.95.* Commission communication to Parliament and the Council on telematics applications for transport in Europe.

#### **References:**

Commission communication entitled 'Europe's way to the information society: an action plan': COM(94) 347; Bull. 7/8-1994, point 1.2.99

Council resolution on telematics in transport: OJ C 309, 5.11.1994; Bull. 10-1994, point 1.2.62

Adopted on 4 November. In this communication, which follows on from the Council resolution on telematics in transport and fits into the framework set out in the communication entitled 'Europe's way to the information society: an action plan', the Commission defines objectives for this action plan:

□ development of the different levels of the telematics infrastructure: information-processing equipment structures, telecommunications infrastructures, and basic transmission equipment;

□ definition of telematics applications in the various modes of transport;

□ promotion of research and development activities related to transport telematics;

□ setting-up of a framework for coordination between the various players to enable telematics to be promoted in this sector, in particular via public-private partnership agreements.

COM(94) 469

*1.2.96.* Council resolution on a European contribution to the development of a global satellite navigation system (GNSS).

**Reference:** Commission communication on a Community approach to satellite navigation systems: COM(94) 248; Bull. 6-1994, point 1.2.117

Adopted on 21 November. The Council welcomed the submission by the Commission of a communication on a Community approach to satellite navigation systems, and considered that the development of a global satellite navigation system for civil use can contribute to the attainment of Community objectives such as the completion of the internal market and the strengthening of economic and social cohesion, and improve the mobility of people and goods and transport safety. To this end, it invited the Commission:

 $\Box$  to define the requirements of potential users and describe the resulting possibilities;

 $\Box$  to initiate work on the development of a European complement to existing systems, in particular using Inmarsat III satellites (GNSS 1);

 $\Box$  to initiate and support the work needed for the design and organization of a global satellite navigation system (GNSS 2) compatible with GNSS 1;

 $\Box$  to examine the possibilities of contributing to the funding of these activities;

 $\Box$  to submit a draft programme indicating the stages in the introduction of the system;

 $\Box$  to take account of developments in Europe and the work carried out by the International Maritime Organization and the International Civil Aviation Organization, and to cooperate with organizations such as Eurocontrol and the European Space Agency, and the telecommunications operators.

#### **Inland transport**

#### Rail transport

*1.2.97.* Proposal for a Council Directive on the licensing of railway undertakings.

**Commission proposal:** OJ C 24, 28.1.1994; COM(93) 678; Bull. 12-1993, point 1.2.130

**Parliament opinion (first reading):** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.81

**Amended Commission proposal:** OJ C 225, 13.8.1994; COM(94) **31**6; Bull. 7/8-1994, point 1.2.88

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.110

**Council agreement on a common position:** Bull. 9-1994, point 1.2.110

Common position No 43/94 formally adopted by the Council on 21 November.

OJ C 354, 13.12.1994

*1.2.98.* Proposal for a Council Directive on the allocation of railway infrastructure capacity and the charging of infrastructure fees.

**Commission proposal:** OJ C 24, 28.1.1994; COM(93) 678; Bull. 12-1993, point 1.2.130 Parliament opinion (first reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.81

**Amended Commission proposal:** OJ C 225, 13.8.1994; COM(94) 316; Bull. 7/8-1994, point 1.2.88

**Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.110

**Council agreement on a common position:** Bull. 9-1994, point 1.2.110

Common position No 44/94 formally adopted by the Council on 21 November.

OJ C 354, 13.12.1994

#### Road transport

1.2.99. Council Directive 94/55/EC on the approximation of the laws of the Member States with regard to the transport of dangerous goods by road.

Commission proposal: OJ C 17, 20.1.1994; COM (93)548; Bull. 11-1993, point 1.2.92 Economic and Social Committee opinion: OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.90 Parliament opinion (first reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.83 Amended Commission proposal: OJ C 192, 15.7.1994; COM(94) 238; Bull. 6-1994, point 1.2.110 Council agreement on a common position: Bull. 6-1994, point 1.2.110 Council common position: OJ C 301, 27.10.1994; Bull. 9-1994, point 1.2.114

Endorsed by Parliament (second reading) on 17 November, subject to a technical amendment. OJ C 341, 5.12.1994

Adopted by the Council on 21 November. The purpose of the Directive is to harmonize the rules applicable to the national and intra-Community transport of dangerous goods so as to ensure a high level of safety and create a single market in this area. Another aim of the Directive concerns the incorporation into Community law of the European Agreement concerning the international carriage of dangerous goods by road (ADR) to which all the Member States except Ireland are Contracting Parties.

OJ L 319, 12.12 1994

1.2.100. Proposal for a Council Directive on uniform procedures for checks on the transport of dangerous goods by road.

**Commission proposal:** OJ C 26, 29.1.1994; COM (93) 665; Bull. 12-1993, point 1.2.131 Economic and Social Committee opinion: OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.89 Parliament opinion (first reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.82 Amended Commission proposal: OJ C 238, 26.8.1994; COM(94) 340; Bull. 7/8-1994, point 1.2.90 Council agreement on a common position:

Bull. 9-1994, point 1.2.113 Common position No 42/94 formally adopted by

the Council on 21 November.

1.2.101. Proposal for a Council Directive laying down maximum authorized weights and dimensions for road vehicles over 3.5 tonnes circulating within the Community.

**Commission proposal:** OJ C 38. 8.2.1994; COM (93) 679; Bull. 12-1993, point 1.2.132 **Economic and Social Committee opinion:** OJ C 295, 22.10.1994; Bull. 6-1994, point 1.2.109

Endorsed by Parliament (first reading) on 15 November, subject to technical amendments. OJ C 341, 5.12.1994

#### Inland waterway transport

*1.2.102.* Commission Regulation (EC) No 2812/94 concerning the conditions which apply to the putting-into-service of new capacity in inland waterway transport.

**Regulation to be amended:** Council Regulation (EEC) No 1101/89 on structural improvements in inland waterway transport: OJ L 116, 28.4.1989; Bull. 4-1989, point 2.1.175 — as last amended by Regulation (EC) No 844/94: OJ L 98, 16.4.1994; Bull. 4-1994, point 1.2.91

Adopted on 18 November. Purpose: to raise from 1 to 1.5 the 'old for new' ratio as a result of fleet overcapacity caused in particular by the economic recession. In future, every additional vessel commissioned will have to be offset by the scrapping of a tonnage equivalent to one and a half times that of the new vessel or the payment of a special contribution calculated on the basis of this ratio.

OJ L 298, 19.11.1994

#### Sea transport

*1.2.103.* Council Regulation (EC) No 2978/94 on the implementation of IMO resolution A 747 (18) on the application of tonnage measurement

of ballast spaces in segregated-ballast oil-tankers.

Commission proposal: OJ C 5, 7.1.1994; COM (93) 468; Bull. 12-1993, point 1.2.138 Parliament opinion (first reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.84 Economic and Social Committee opinion: OJ C 295, 22.10.1994; Bull. 6-1994, point 1.2.113 Amended Commission proposal: OJ C 192, 15.7.1994; COM(94) 239; Bull. 6-1994, point 1.2.113 Council agreement on a common position: Bull. 6-1994, point 1.2.113 Council common position: OJ C 301, 27.10.1994; Bull. 9-1994, point 1.2.119

Endorsed by Parliament (second reading) on 16 November.

OJ C 341, 5.12.1994

Adopted by the Council on 21 November. Purpose: to cancel out the loss suffered, in terms of port and pilotage charges, by segregated-ballast oil-tankers, where the charges are calculated on the basis of a vessel's gross tonnage.

OJ L 319, 12.12.1994

1.2.104. Council Directive 94/57/EC on common rules and standards for ship inspection and survey organizations and for the relevant activities of maritime administrations.

**Commission proposal:** OJ C 167, 18.6.1993; COM(93) 218; Bull. 5-1993, point 1.2.74 **Economic and Social Committee opinion:** OJ C 34, 2.2.1994; Bull. 11-1993, point 1.2.96 **Parliament opinion (first reading):** OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.93 **Amended Commission proposal:** OJ C 124, 5.5.1994; COM(94) 111; Bull. 4-1994, point 1.2.94 **Council agreement on a common position:** Bull. 6-1994, point 1.2.115 **Council common position:** OJ C 301, 27.10.1994; Bull. 9-1994, point 1.2.120

Endorsed by Parliament (second reading) on 16 November.

OJ C 341, 5.12.1994

Adopted by the Council on 22 November. This Directive lays down measures to be complied with by the Member States and by ship inspection, survey and certification organizations. It is intended to improve maritime safety, while furthering the objective of freedom to provide services.

OJ L 319, 12.12.1994

*1.2.105.* Council Directive 94/58/EC on the minimum level of training of seafarers.

**Commission proposal:** OJ C 212, 5.8.1993; COM(93) 217; Bull. 5-1993, point 1.2.73 **Economic and Social Committee opinion:** OJ C

34, 2.2.1994; Bull. 11-1993, point 1.2.95 Parliament opinion (first reading): OJ C 91,

28.3.1994; Bull. 3-1994, point 1.2.92 Amended Commission proposal: OJ C 144, 27.5.1994; COM(94) 124; Bull. 4-1994, point 1.2.93

**Council agreement on a common position:** Bull. 6-1994, point 1.2.116

**Council common position:** OJ C 301, 27.10.1994; Bull. 9-1994, point 1.2.121

Endorsed by Parliament (second reading) on 16 November.

OJ C 341, 5.12.1994

Adopted by the Council on 22 November. This Directive provides that all seafarers serving on board ships registered in a Community Member State must hold a certificate issued or recognized by a competent authority of a Member State certifying that they have received appropriate training in compliance with the relevant IMO International Convention.

OJ L 319, 12.12.1994

1.2.106. Proposal for a Council Directive concerning the enforcement, in respect of shipping using Community ports and sailing in the waters under the jurisdiction of the Member States, of international standards for ship safety, pollution prevention and shipboard living and working conditions.

**Commission proposal:** OJ C 107, 15.4.1994; COM(94) 73; Bull. 3-1994, point 1.2.91 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.118 **Parliament opinion (first reading):** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.66

Amended proposal adopted by the Commission on 15 November. The proposal takes over most of the amendments proposed by the European Parliament, in particular those aimed at tightening up the control of vessels and guaranteeing operators rights of appeal and compensation.

OJ C 347, 8.12.1994; COM(94) 501

Common position agreed by the Council on 21 November. Purpose: to lay down common criteria for selecting the vessels to be inspected and harmonize inspection and detention proce-

1.2.107. Council resolution on the safety of roll-on/roll-off passenger ferries.

#### **References:**

Commission communication on safe seas: COM(93) 66; Bull. 1/2-1993, point 1.2.104 Council resolution on a common policy on safe seas: OJ C 271, 7.10.1993; Bull. 6-1993, point 1.2.115

Adopted on 21 November. Following the accidents with roll-on/roll-off passenger ferries, and in particular that involving the Estonia which resulted in the death of over 900 people, the Council called upon the Commission and the Member States to submit or support proposals asking the IMO to review the stability requirements for such ferries, the evacuation procedures, the requirements concerning qualified medical personnel on board, and the technical provisions concerning voyage recorders. It also called upon the Commission to submit proposals concerning the mandatory application by 1 July 1996 of the International Safety Management Code, the requirement that the vessels in question be equipped with a system containing information about passengers and crew members, a mandatory survey system for RO-RO services and a system for the control by Member States of the safety of RO-RO passenger ferries serving European Union ports.

#### Air transport

*1.2.108.* Council Directive 94/56/EC establishing fundamental principles governing the investigation of civil aviation accidents and incidents.

Commission proposal: OJ C 257, 22.9.1993; COM(93) 406; Bull. 9-1993, point 1.2.78 Economic and Social Committee opinion: OJ C 34, 2.2.1994; Bull. 11-1993, point 1.2.97 Parliament opinion (first reading): OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.94 Amended Commission proposal: OJ C 109, 19.4.1994; COM (94)102; Bull. 3-1994, point 1.2.94 Council common position: OJ C 172, 24.6.1994; Bull. 5-1994, point 1.2.85 Parliament opinion (second reading): OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.66

Re-examined proposal adopted by the Commission on 17 November.

COM(94) 503

Adopted by the Council on 21 November. This Directive sets out the basic principles governing the investigation of civil aviation accidents and incidents. With a view to ensuring more effective prevention, the following common principles are established: the obligation to carry out an investigation into every serious accident, a separation between the judicial investigation and the technical investigation, the permanence and independence of the organizations carrying out the investigation, and the obligation to publish an investigation report as soon as possible.

OJ L 319, 12.12.1994

#### State aid

#### General

1.2.109. Commission communication on the application of Articles 92 and 93 of the EC Treaty and Article 61 of the Agreement on the European Economic Area to State aid in the aviation sector.

**Reference:** Commission communication on the way forward for civil aviation in Europe: COM (94) 218; Bull. 6-1994, point 1.2.109

Adopted by the Commission on 16 November. In this communication the Commission sets out, in the light of the recommendations of the Committee of Enquiry set up in June 1993, and on the basis of the civil aviation action programme published in June 1994, the guidelines which it intends to follow with regard to State aid in the air transport sector. Taking into account in particular the objectives regarding the completion of the internal market in this sector and the need for greater transparency in the assessment of State aid, it lays down the criteria with which proposed aid must comply.

In particular, the Commission stipulates that an airline which has already received aid will be authorized to receive other aid only in exceptional and unforeseeable circumstances beyond its control. Other conditions laid down by the Commission include the preparation of a comprehensive restructuring programme, capacity reduction, non-interference by the public authorities in the management of airlines and the proper use of the aid.

OJ C 350, 10.12.1994

#### **International cooperation**

1.2.110. Commission communication to the Council on the implementation of the Alpine initiative by Switzerland and its consequences for the transport sector.

**Reference:** Recommendation for a Council Decision on the opening of negotiations between the European Community and Switzerland on road and air transport: Bull. 1/2-1994, point 1.2.97

Adopted by the Commission on 16 November. In this communication, the Commission examines the arrangements for implementing the Alpine initiative adopted by Switzerland in February 1994 with a view to switching transit traffic through the Alps from the roads to the railways within 10 years and banning the development of road infrastructure in the Alps. The Commission also analyses the implications of implementing the initiative with regard to the future negotiations on transport and suggests that the Council should resume work on the negotiating directives.

### Telecommunications, information services and industry

#### Telecommunications

*1.2.111.* Report to the European Council on the Information Society in Europe: a first assessment since Corfu.

#### **References:**

Report by the group of prominent persons on Europe and the global information society: Bull. 6-1994, point 1.2.9 and Supplement 2/94 — Bull. Commission communication 'Europe's way to the information society: an action plan': COM(94) 347; Bull. 7/8-1994, point 1.2.99

Submitted to the European Council on 30 November. The report, primarily a follow-up to the work of the group of prominent persons chaired by Mr M. Bangemann, Member of the Commission, assesses the implementation of the information society action plan adopted at the request of the Corfu European Council, which covers the regulatory and legal framework, networks, basic services and applications, social, societal and cultural aspects and the promotion of the information society. It highlights the progress made with telecommunications in particular and the need for extra efforts to increase public awareness of the various aspects of the information society.

1.2.112. Parliament resolution on the recommendation to the European Council 'Europe and the global information society' and on the communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions 'Europe's way to the information society: an action plan'.

#### **References:**

Report by the group of prominent persons on Europe and the global information society: Bull. 6-1994, point 1.2.9; Supplement 2/94 — Bull.

Commission communication 'Europe's way to the information society: an action plan': COM (94) 347; Bull. 7/8-1994, point 1.2.99

Adopted by Parliament on 30 November. Parliament stresses the need for the development of information highways to be sufficiently well structured to avoid the exclusion of unqualified workers, any increase in inequality between regions, intrusion into private life and the undermining of cultural identities. It considers that Community-wide rules will have to be set out for the granting of licences, interconnection, user access, the guarantee of universal service, charging, security of operation and consumer protection. Parliament advocates the creation of a European regulatory authority responsible for enforcing these rules and supports the objective of controlled liberalization of telecommunications infrastructure.

OJ C 363, 19.12.1994

*1.2.113.* Council resolution on the liberalization of telecommunications infrastructure.

#### **References:**

Council resolution on the review of the situation in the telecommunications sector and the need for further development in that market: OJ C 213, 6.8.1993; Bull. 6-1993, point 1.2.122

Conclusions of the Corfu European Council: Bull. 6-1994, point I.8

Commission Green Paper on the liberalization of telecommunications infrastructure and cable television networks (Part One): COM(94) 440; Bull. 10-1994, point 1.2.71

Agreed by the Council on 17 November. The Council welcomes the submission by the Commission of Part One of the Green Paper on the liberalization of telecommunications infrastructure. It recognizes the general principle that the provision of telecommunications infrastructure should be liberalized by 1 January 1998 and approves an additional transitional period of five years for Member States with less-developed networks and two years for very small networks.

The Council agrees that the regulatory framework to be established by 1 January 1998 to ensure effective liberalization of the provision of telecommunications infrastructure should be based on common principles governing the provision and financing of a universal service, the establishment of interconnection rules, the setting-out of licensing procedures and conditions, comparable and effective market access, also in non-Community countries, and fair competition.

1.2.114. Council resolution on the provision of and access to space segment capacity.

#### **References:**

Council resolution on the development of the common market for satellite communications services and equipment: OJ C 8, 14.1.1992; Bull. 12-1991, point 1.2.88

Commission communication on space segment capacity in satellite communications: COM(94) 210; Bull. 6-1994, point 1.2.120

Commission Directive 94/46/EC amending Directives 88/301/EEC and 90/388/EEC in particular with regard to satellite communications: OJ L 268, 19.10.1994; Bull. 10-1994, point 1.2.19

Agreed by the Council on 17 November. The Council recognizes that the satellite communications sector is of strategic importance and that intergovernmental organizations such as Intelsat, Inmarsat and Eutelsat are of considerable importance in the supply of space segment capacity. It accordingly identifies as basic goals for the further development of satellite communications policy:

□ non-discriminatory access to space segment capacity for all providers and users of satellite communications services throughout the Community;

□ adjustment of the intergovernmental satellite organizations in the light of the Community regulatory framework and market requirements, particularly as regards the separation of regulatory and operational aspects, the linkage of investment and usage and non-discrimination if both space segment capacity and satellite services are provided;

□ improved access to the markets of non-Community countries, in parallel with liberalization in the Community market;

□ effective management of orbit and frequency resources within the framework of the International Telecommunications Union.

1.2.115. Commission communication to the European Parliament and the Council on the consultation on the Green Paper on mobile and personal communications, accompanied by a proposal for a Council resolution on the further development of mobile and personal communications in the European Union.

**Reference:** Green Paper on a common approach in the field of mobile and personal communications: COM(94) 145; Bull. 4-1994, point 1.2.98

Adopted by the Commission on 23 November. In its communication, which follows the broadbased consultation initiated with the adoption of the Green Paper on mobile and personal communications, the Commission lists the results of the process, which involved many European and national organizations active in the telecommunications field.

The Commission puts forward a programme of action and proposes to the Council that the principles of this programme be adopted in the form of a resolution establishing the following priorities:

 $\Box$  introduction of competition rules: all special and exclusive rights to be abolished by 1 January 1996;

□ development of a Code of Conduct for service providers;

 $\square$  ensuring access to the market for service providers;

□ promotion of the frequency availability needed for new digital services and of targeted programmes to support the market entry of emerging mobile technologies;

□ provision of public voice telephony services by mobile-network operators via the fixed networks from 1 January 1998;

□ establishment of European-level licensing of personal satellite-communications services.

COM(94) 492

1.2.116. Communication from the Commission to the Council and the European Parliament on the present status of, and future approach to, open access to telecommunications networks and services (open network provision).

#### **References:**

Proposal for a European Parliament and Council Directive on the application of open network provision (ONP) to voice telephony: OJ L 263, 12.10.1992; COM(92) 247; Bull. 7/8-1992, point 1.3.86

Rejection by the European Parliament of the proposal for the application of open network provision (ONP) to voice telephony: OJ C 261, 19.9.1994; Bull. 7/8-1994, point 1.2.101

Adopted by the Commission on 29 November. Following Parliament's rejection on 19 July of the Council's common position on the proposal for the application of open network provision (ONP) to voice telephony, the Commission declares its intention to present a new proposal in the near future. It sets out the main points to be considered in establishing the basic principles of open network provision with a view to complete liberalization of voice telephony services from 1 January 1998. In this context the Commission examines the applicability of the principles of open network provision, the choice of areas to be regulated in terms of interconnection and interoperability, and the standards required to ensure that markets are open and users' interests are well served.

COM(93) 513

1.2.117. Proposal for a European Parliament and Council Directive on the adoption of standards for the satellite broadcasting of television signals, repealing Council Directive 92/38/EEC ( $\rightarrow$  point 1.2.228).

# Economic and social cohesion

#### **Cohesion Fund**

#### Financing

1.2.118. Commission decisions: see Table 1.

Table 1 -	_	Financing under the cohesion
		financial instrument

	(million ECU)		
Country/purpose	Total assistance		
Spain			
Environment	27.259		
Greece			
Transport	0.34		
Ireland			
Environment	1.059		
Portugal			
Transport	109.566		
Technical assistance	0.029		

#### Structural action, regional policies

#### Planning and orientation

1.2.119. Commission Regulation (EC) No 2745/94 amending Regulation (EEC) No 1866/90 on arrangements for using the ecu for the purposes of budgetary management of the Structural Funds.

**Regulation amended:** Regulation (EEC) No 1866/90 (OJ L 170, 3.7.1990; Bull. 7/8-1990, point 1.3.100), last amended by Regulation (EC) No 402/94: OJ L 54, 25.2.1994; Bull. 1/2-1994, point 1.2.113 **Reference:** Council Regulation (EEC) No 2328/91 on improving the efficiency of agricultural structures: OJ L 218, 6.8.1991; Bull. 7/8-1991, point 1.2.165

Adopted on 10 November. Sets the indexation method to be used for Community support frameworks, single programming documents, decisions proposing Community initiatives and structural action covered by Article 31(1) of Regulation (EEC) No 2328/91.

OJ L 290, 11.11.1994

#### Structural action under Objective 2 (conversion of regions seriously affected by industrial decline)

#### Single programming documents

1.2.120. Draft Commission Decisions approving the single programming documents for Community structural financing in the Belgian, Dutch, French, German, Italian and Luxembourg Objective 2 regions.

Approved on 9 and 23 November. The single programming documents, drawn up by the Commission in partnership with the relevant national authorities, are based on the following common objectives:

□ improvement of employment at the local level, in particular by adjustment of local production structures and raising skill levels;

□ development of innovative training, research and environmental action;

□ diffusion of the results of research and technology development;

 $\Box$  inclusion of the environment in conversion strategies;

□ support for local development initiatives: investment aid, project engineering and economic promotion.

For the allocation of assistance to each Member State see Table 2.

	ocuments approved	Country/region	Total assistance
under Objective		Italy	
	(million ECU)	Emilia-Romagna	12
Country/region	Total assistance	Friuli-Venezia-Giulia	24
Germany		Liguria	96
Bavaria	14.6	Lombardy	23
Berlin	158.3	Lazio	64
Bremen	46.9	Piedmont	205
Hesse	21.2	Tuscany	127
Lower Saxony	42.5	Umbria	35
North Rhine-Westphalia	361.3	Valle d'Aosta	6
Rhineland-Palatinate	23.4	Luxombourg	_
Saarland	49.1	Luxembourg	7
Schleswig-Holstein	15.3	Netherlands	
D. J. 1		Twente	58
Belgium	1.2	Arnhem-Nijmegen	56
Aubange	1.3 46.8	South-East Brabant	67
Limburg Turnhout	46.8 23.4	South Limburg	43
Turmout	23.4	<u></u>	
Denmark			
North Jutland	46.4		
West Lolland	9.5	Structural action under	Objective 2
France		(combating long-term under	
Alsace	19.6	(	······································
Aquitaine	379.2	Community support frame	work
Auvergne	61.1	1.2.121. Commission De	ecision approving
Lower Normandy	57.8	Community support framework for	
Brittany	89.7	Social Fund assistance und	ler Objective 3 in B
Burgundy	49.4	gium. Draft Decision approved: Bull. 9-19 1.2.130	
Champagne-Ardenne	77.5		
Franche-Comté	47.8		,
	146.0	Formally adopted on 4 No	ovember.
Upper Normandy		Structural action under	Objective 4
Languedoc-Roussillon	70.5	Structural action under (adaptation of workers t	
	127.4	and changes in production systems)	
Midi-Pyrénées	42.6		
Loire Region	135.9	General	
Picardy	122.4	1.2.122. Commission co	mmunication or
Provence-Alpes-Côtes d'Azur	113.1	new European Social Fund	mmunication on 1 1 Objective 4.
Rhône-Alpes	99.7	<b>Reference:</b> Council I 2052/88 on the tasks of t	Regulation (EEC)

their effectiveness and on coordination of their activities between themselves and with the operations of the European Investment Bank and the other existing financial instruments (OJ L 195, 17.7.1988; Bull. 6-1989, point 2.1.159), last amended by Regulation (EEC) No 2081/93: OJ L 193, 31.7.1993; Bull. 7/8-1993, point 1.2.115

Adopted on 16 November. This is a report to Parliament, the Council, the Economic and Social Committee and the Committee of the Regions on progress made in attainment of the new Objective 4 introduced on review of the Structural Fund Regulations. In describing action taken so far the Commission identifies four priorities common to the various programming documents:

□ anticipation of labour-market trends and vocational qualification requirements;

□ vocational training and retraining, guidance and counselling;

□ improvement and development of appropriate training systems;

□ technical assistance and other general ancillary action.

The single programming documents had been drawn up in consultation with an enlarged partnership and it was important that this be maintained throughout the implementation period, in line with each Member State's specific procedures and institutional practices.

COM(94) 510

#### Single programming documents and Community support framework

1.2.123. Draft Commission Decisions approving single programming documents for Community structural financing under Objective 4 in Denmark, France, Germany, Italy, Luxembourg, the Netherlands and Spain and the Community support framework for European Social Fund assistance in Belgium.

Approved on 9 and 16 November. The single programming documents and Community support framework under Objective 4 adopted by the Commission on the basis of partnership with the relevant national authorities are based on the following specific priorities:

□ anticipation of labour-market trends and vocational-qualification and skill requirements;

□ expansion of training, guidance and counselling;

□ improvement of existing and development of new training systems in order to gear workers more effectively to new skill requirements;

□ technical assistance on information distribution, counselling, service provision and assessment.

The programming period for Italy, the Netherlands and Spain is 1994-99 and for Belgium, Denmark, France, Germany and Luxembourg 1994-96.

For the European Social Fund allocation to each Member State see Table 3.

#### Table 3 — Community assistance for single programming documents approved under Objective 4

	(million ECU)
Country	Total assistance
Germany	104.51
Belgium	25.46
Denmark	13
Spain	368.6
France	299.6
Italy	398.75
Luxembourg	0.89
Netherlands	156.2

#### Structural action under Objective 5a (adjustment of agricultural structures)

#### Single programming documents

1.2.124. Draft Commission Decisions approving single programming documents for the period 1994-99 for Community structural financing for improvement of the processing and marketing of agricultural and forestry products in the Netherlands, Spain and the United Kingdom under Objective 5a.

Approved on 23 November. The single programming documents cover joint action under Objective 5a in the following sectors:

□ Spain: forestry products, meat, milk and milk products, eggs and poultry, cereals, oil-seeds, wines and spirits, fruit and vegetables, flowers and plants, seeds;

□ Netherlands: seeds, potatoes, flowers, plants, etc.; fruit and vegetables, organic products, meat, milk products, eggs and poultry;

□ United Kingdom: meat, milk and milk products, eggs and poultry, cereals, oil-seeds, fruit and vegetables, flowers and plants, various plant and animal products.

The Community assistance scheduled is ECU 39.206 million for the Netherlands, ECU 119 million for Spain and ECU 44.8 million for the United Kingdom.

#### Community support framework

1.2.125. Draft Commission Decision approving the Community support framework for 1994-99 for Community structural financing for improvement of the processing and marketing of agricultural and forestry products in Italy under Objective 5a.

Approved on 23 November. The Community support framework covers joint action under Objective 5a in the following sectors: meat, eggs, milk and milk products, cereals, oil-seeds, wines and spirits, fruit and vegetables, seeds, flowers, plants, etc. and forestry products. The Community assistance scheduled is ECU 185.62 million.

#### Legislation

1.2.126. Council Regulation (EC) No 2843/94 amending Regulations (EEC) Nos 2328/91 and 866/90 with a view to expediting the adjustment of production, processing and marketing structures as part of the reform of the common agricultural policy.

#### **Regulations amended:**

Council Regulation (EEC) No 866/90 on improving processing and marketing conditions for agricultural products (OJ L 91, 6.4.1990), last amended by Regulation (EEC) No 3577/90: OJ L 353, 17.12.1990; Bull. 12-1990, point 1.2.1

Council Regulation (EEC) No 2328/91 on improving the efficiency of agricultural structures (OJ L 218, 6.8.1991, last amended by Regulation (EEC) No 2080/92: OJ L 215, 30.7.1992; Bull. 6-1992, point 1.3.146

**Commission proposal:** OJ C 152, 3.6.1994; COM(94) 166; Bull. 4-1994, point 1.2.102 **Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.96 **Council agreement:** Bull. 10-1994, point 1.2.79

Formally adopted on 21 November.

OJ L 302, 25.11.1994

### Structural action under Objective 5a (adjustment of fisheries structures)

*1.2.127.* Commission communication on allocation of financial resources to Member States for adjustment of fisheries structures (Objective 5a) for 1994-99.

**Reference:** Commission Decision 94/447/EC establishing an indicative allocation by Member State of commitment appropriations from the Structural Funds for Objective 5a (fisheries structures): OJ L 183, 19.7.1994; Bull. 3-1994, point 1.2.107

Adopted on 9 November. Makes an indicative allocation of the resource balance of ECU 81.9 million available following Decision 94/447/EC. For the complete allocation of resources see Table 4.

# Table 4 — Indicative breakdown by MemberState of financial resourcesunder Objective 5a — adjustmentof fisheries structures — forthe period 1994 to 1999

	(million ECU)
Member State	Amount of assistance
Germany	74.5
Belgium	24.5
Denmark	139.9
Spain	119.6
France	189.9
Italy	134.4
Luxembourg	1.1
Netherlands	46.6
United Kingdom	99.7
Total	819.2

*1.2.128.* Draft Commission Decisions approving the single programming documents for structural action in fisheries and aquaculture and

on processing and marketing of fishery and aquaculture products in Belgium, Denmark, France, Germany, Italy, Luxembourg, the Netherlands, Spain and the United Kingdom under Objective 5a (fisheries).

Approved on 30 November. These single programming documents, establishing the framework for structural action under Objective 5a (fisheries) for 1994-99, cover joint action in the following areas:

□ adjustment of fishing effort and reorientation of fishing activities;

- □ fleet renewal and modernization;
- □ development of aquaculture;
- □ protection of sensitive marine zones;
- □ facilities at fishing ports;

□ processing and marketing of fisheries and aquaculture products;

□ product promotion.

Allocation of the scheduled Community contribution between Member States was the subject of a separate communication ( $\rightarrow$  point 1.2.127). See Table 4.

#### Structural action under Objective 5b (development and structural adjustment of rural areas)

#### Single programming documents

1.2.129. Draft Commission Decisions approving single programming documents for Community structural action in France (Midi-Pyrénées, Rhône-Alpes), Italy (Friuli-Venezia Giulia, Lombardy, Umbria), the Netherlands (Groningen-Drenthe, Overijssel, Zeeland) and the United Kingdom (Dumfries and Galloway, Northern Uplands) under Objective 5b (adjustment of rural areas).

Approved on 16 November. The single programming documents, drawn up in partnership with the relevant national authorities, are based on the following priorities:

□ economic development and diversification;

□ assistance to small, medium-sized and craft enterprises;

□ development of tourism;

□ capitalization of human resources;

 $\square$  conservation of natural resources and the environment.

See Table 5 for the Community assistance scheduled for each region.

# Table 5 — Community assistance for single<br/>programming documents approved<br/>under Objective 5b

	(million ECU)		
Country/region	Total assistance		
France			
Midi-Pyrénées	283.1		
Rhône-Alpes	169.3		
Italy			
Friuli-Venezia-Giulia	43.9		
Lombardy	40.3		
Umbria	75.49		
Netherlands			
Groningen-Drenthe	34.9		
Overijssel	15.5		
Zeeland	11.8		
United Kingdom			
Dumfries and Galloway	47		
Northern uplands	108		

### Specific programme for modernization of the Portuguese textile and clothing industry

*1.2.130.* Proposal for a Council Regulation granting financial assistance to Portugal for a specific programme for modernization of her textile and clothing industry.

Adopted by the Commission on 30 November. Would institute for 1995-99 a programme for modernization of the Portuguese textile and clothing industry designed to facilitate its adjustment to increasing international competition. The scheduled Community contribution is ECU 400 million.

OJ C 373, 29.12.1994; COM(94) 562

#### Financing

#### Regions lagging behind in development

1.2.131. Commission decisions: see Table 6.

Table 6 — Financing under Objective 1

		(million ECU)
Country/region/purpose	Fund	Total assistance
Ireland		
Industrial	ERDF/ESF/	
development	EAGGF	1 029
Italy		
Sardinia	ERDF	967
Spain		
Regions		
Asturias	ERDF	809.208
<ul> <li>Canary Islands</li> </ul>	ERDF	694.735
Cantabria	ERDF	343.045
<ul> <li>Castile-Leon</li> </ul>	ERDF	1612.628
Castile-la-Mancha	ERDF	936.584
• Ceuta	ERDF	47.367
<ul> <li>Extremadura</li> </ul>	ERDF	1011.899
<ul> <li>Galicia</li> </ul>	ERDF	1 544.484
• Melilla	ERDF	42.149
Murcia	ERDF	487.320
<ul> <li>Valencia</li> </ul>	ERDF	1267.941
Global grants		
(Murcia)	ERDF	79.169
Regional aid	ERDF	387.000
Local bodies	ERDF	580.644
Global grants	ERDF	210.59

# Combating long-term unemployment and integration of young people into working life

1.2.132. Commission decisions: see Table 7.

Table 7 — Financing under Objective 3

million	ECII)

		(million ECU)
Country/region/purpose	Fund	Total assistance
Germany		
Bavaria	ESF	56.49
Belgium		
Global financing	ESF	36.04
Flemish community	ESF	185.8
French community	ESF	5.5
Wallonia	ESF	156.8

# Assistance for the most remote regions

1.2.133. Proposal for a Council Regulation establishing a system of compensation for the additional costs incurred in marketing certain fishery products from the Azores, Madeira, the Canary Islands and the French department of Guiana owing to their very remote location ( $\rightarrow$ point 1.2.178).

1.2.134. Commission report for 1992-93 on progress achieved in implementing Poseima.

#### **References:**

Council Decision 91/315/EEC setting up a programme of options specific to the remote and insular nature of Madeira and the Azores (Poseima): OJ L 171, 29.6.1991; Bull. 6-1991, point 1.2.121

Council Regulation (EEC) No 1600/92 on specific measures for the Azores and Madeira relating to certain agricultural products: OJ L 173, 27.6.1992; Bull. 6-1992, point 1.3.121

Adopted on 9 November. In this interim report the Commission, in discussing the social and economic situation in the Azores and Madeira, points out that they suffer from a GDP per head less than half the Community average and very high supply and transport costs owing to their insular nature and remoteness, reviews the impact of the measures adopted under various Community policies and involving various Community instruments and points to the predominance of agriculture in these and the progressive adoption of measures for fisheries and craft industries and tax and customs measures. The Commission suggests various adjustments to the agriculture measures in order to deal with difficulties encountered and new requirements and expansion of craft and industrial production and services in order to create jobs.

COM(94) 476

### Agriculture

#### Agrimonetary system

1.2.135. Report to the Council on the agrimonetary system for the single market for the period from 1 January 1993 to 30 June 1994; proposal for a Council Regulation amending Regulation (EEC) No 3813/92 on the unit of account and the conversion rates to be applied for the purposes of the common agricultural policy.

**Regulation to be amended:** Council Regulation (EEC) No 3813/92 (OJ L 387, 31.12.1992; Bull. 12-1992, point 1.3.209), as amended by Regulation (EC) No 3528/93: OJ L 320, 22.12.1993; Bull. 12-1993, point 1.2.189

Adopted by the Commission on 16 November. In this report, provided for in Regulation (EEC) No 3813/92, the Commission analyses the operation of the agrimonetary system during the period from 1 January 1993 to 30 June 1994, and notes that the switch-over mechanism, which permits the automatic adjustment of farmers' incomes to monetary fluctuations, has helped to increase agricultural prices artificially by over 20% in recent years. It also takes the view that retaining the provisions of the Regulation whereby this mechanism is to be abandoned in favour of a return to the original mechanism of a fixed, narrow 4-point 'franchise' from 1 January 1995 would, as the EMS stands, lead to serious instability of agricultural conversion rates (ACRs). It therefore advocates, in the light of past experience and the current economic situation, an improvement in the agrimonetary system in

three directions: strengthening the way the CAP system works as a whole by abandoning the switch-over mechanism, which would prove incompatible, in the event of revaluation of currencies, with the CAP reform, budgetary discipline and the GATT rules; adjustment of the rules on the stability of agricultural rates so as to avoid fluctuations in agricultural prices in national currencies; revision of the compensation mechanisms triggered in the event of appreciable currency revaluations.

On this basis the Commission adopted a proposal for amendments to the Regulation providing for the following:

 $\Box$  as regards the adjustment of the rules on the stabilization of agricultural conversion rates: introduction of a symmetrical threshold for the movable 5-point 'franchise' so as to leave a certain margin of fluctuation for real market rates without triggering changes in agricultural rates, together with the possibility of reducing the extent of the franchise between two currencies in order to avoid speculative trade patterns;

 $\square$  as regards the revision of the compensation mechanisms:

- introduction of a period of 10 days for confirmation of movements in currencies before any reduction in ACRs, and thus in prices, resulting from a currency revaluation;
- in the event of an appreciable decrease in the value of ACRs, i.e. exceeding previous devaluations, suspension of the decrease for 40 days to give time for assessment of the situation and confirmation of the trend;
- limiting possibilities for triggering compensatory measures to cases of 'appreciable' decreases in the value of ACRs;
- introduction of the possibility for a Member State to grant national aid for a maximum period of 12 months to offset the loss of income resulting from the devaluation of ACRs;
- maintenance of structural and environmental aids at their level below the cut in rates and extension of the principle of the degressive, transitional compensatory aid mechanism to aid per hectare or livestock unit.

OJ C 360, 17.12.1994; COM(94) 498

#### **Market organization**

#### Arable crops

1.2.136. Proposal for a Council Regulation derogating from Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops as regards the set-aside requirement for the 1995/96 marketing year.

**Commission proposal:** OJ C 302, 28.10.1994; COM(94) 417; Bull. 10-1994, point 1.2.85

Endorsed by Parliament on 30 November subject to an amendment relaxing the penalties in the event of overrun of the base area.

OJ C 363, 19.12.1994

*1.2.137.* Proposal for a Council Regulation amending Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops.

**Commission proposal:** OJ C 297, 25.10.1994; COM(94) 404; Bull. 10-1994,point 1.2.84

Endorsed by Parliament on 30 November, subject to amendments relaxing the penalties in the event of overrun of the base area and authorizing the Member States to take preventive measures to avoid the triggering of excessive penalties where the base area or maximum guaranteed quantity is exceeded for oil-seeds.

OJ C 363, 19.12.1994

#### Sugar

1.2.138. Proposal for a Council Regulation amending Regulation (EEC) No 1785/81 on the common organization of the market in sugar.

**Regulation to be amended:** Council Regulation (EEC) No 1785/81 (OJ L 177, 1.7.1981), as last amended by the Act of Accession of Austria, Finland, Norway and Sweden to the European Union: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15

#### **References:**

Act of Accession of Spain and Portugal to the Community: OJ L 302, 15.11.1985; Bull. 1-1986, point 1.1.1

Fourth ACP-EEC Convention: OJ L 229, 17.8.1991; Bull. 9-1991, point 1.3.38

Final Act of the Uruguay Round multilateral trade negotiations: Bull. 4-1994, point 1.3.61

Adopted by the Commission on 16 November. This proposal is based first and foremost on the need at this stage to lay down detailed rules for a possible reduction in quotas in connection with the implementation of the agreement reached in the Uruguay Round, and, in view of the expiry on 30 June 1995 of the agreements in force concerning the system of sugar quotas, the need to decide by 1 January on the provisions which are to govern the production of sugar, isoglucose and inulin syrup from 1 July 1995.

It also reviews the situation with regard to supplies to Community sugar refineries in accordance with the agreements relating to the accession of Portugal and the commitments entered into by the Community during the negotiations on the accession of Finland to review preferential sugar imports into that State and consider requests for broader preferential access to the Portuguese market for the ACP countries put forward in the context of the Fourth Lomé Convention. The main provisions of the proposal are the following:

 $\Box$  the present level of production quotas and the agreements on self-financing will be kept for six marketing years, i.e. until the end of the GATT transition period in 2000/01. It will nonetheless be possible to provide for a reduction in the guarantees offered within the framework of quotas for one or more marketing years, the balance between the two types of production within quotas (A and B) and between regions being maintained in any case;

□ the reimbursement of storage costs for C sugar carried over from one year to the next will be abolished from the 1996/97 marketing year. On a transitional basis a reimbursement reduced from 12 to six months will be maintained for C sugar carried over from 1995/96 to 1996/97. Storage costs may also be reimbursed for any quantity of C sugar resulting from any reduction in the A or B quota in connection with the GATT agreement;

 $\Box$  as regards imports, the fixing for six marketing years of the maximum estimated requirements of refineries in Finland and the Member States concerned, i.e. France, Portugal and the United Kingdom; establishment *a priori* of the Community machinery required for the implementation of an agreement to be negotiated for six marketing years with the ACP States which are signatories of Protocol 8 to the Fourth Lomé Convention and/or other States in order to determine in particular the level of preference and the minimum purchase price to be observed by the refineries.

The proposal also contains measures providing for a progressive reduction in State aids in Italy and an amendment to the rules governing the use of sugar products in the chemical industry, so as to remove obstacles to the development of this outlet.

OJ C 377, 31.12.1994; COM(94) 439

#### Oils and fats

1.2.139. Proposal for a Council Regulation laying down marketing standards for certain milk and non-milk fats and fats composed of plant and animal products.

**Commission proposal:** OJ C 36, 14.2.1992; COM(91) 462; Bull. 11-1991, point 1.2.105 **Economic and Social Committee opinion:** OJ C 223, 31.8.1992; Bull. 5-1992, point 1.1.160 **Parliament opinion:** OJ C 337, 21.12.1992; Bull. 11-1992, point 1.3.185 **Amended Commission proposal:** OJ C 62, 4.3.1993; COM(93) 60; Bull. 1/2-1993, point 1.2.172

Agreed by the Council on 14 November. Lays down the general Community rules for the definition, classification, designation and placing on the market of fats for use as spreads and intended for supply to the final consumer.

1.2.140. Proposal for a Council Regulation amending Regulation (EEC) No 2261/84 laying down general rules on the granting of aid for the production of olive oil and of aid to olive oil producer organizations.

**Reference:** 1994/95 agricultural prices: OJ L 197, 30.7.1994; Bull. 7/8-1994, point 1.2.134 **Regulation to be amended:** Council Regulation (EEC) No 2261/84 laying down general rules on the granting of aid for the production of olive oil and of aid to olive oil producer organizations (OJ L 208, 3.8.1984), as last amended by Regulation (EEC) No 3500/90: OJ L 338, 5.12.1990; Bull. 11-1990, point 1.3.139

Adopted by the Commission on 29 November. The purpose of this proposal, which forms part of the agreement on the prices package for 1994/95, is to postpone the deadline for determining estimated production and olive and oil yields and also to increase the percentages of advances paid on production aid.

COM(94) 536

#### Dried fodder

*1.2.141.* Proposal for a Council Regulation on the common organization of the market in dried fodder.

**Reference:** 1994/95 agricultural prices: OJ L 197, 30.7.1994; Bull. 7/8-1994, point 1.2.134 **Regulations to be repealed:** 

Council Regulation (EEC) No 1117/78 on the common organization of the market in dried fodder (OJ L 142, 30.5.1978), as last amended by Regulation (EEC) No 3496/93: OJ L 319, 21.12.1993

Council Regulation (EEC) No 1417/78 on the aid system for dried fodder (OJ L 171, 28.6.1978), as last amended by Regulation (EEC) No 1110/89: OJ L 118, 29.4.1989

Adopted by the Commission on 18 November. The purpose of this proposal, which is part of the 1994/95 prices package, is to establish a new system of support for dried fodder, comprising a flat-rate aid of ECU 57 per tonne for dehydrated fodder and ECU 32 per tonne for sun-dried fodder, subject to the limit of a maximum guaranteed quantity divided among the Member States on the basis of their subsidized production during the marketing years 1992/93 and 1993/94.

OJ C 365, 21.12.1994; COM(94) 508

#### Fresh fruit and vegetables

1.2.142. Proposal for a Council Regulation amending Regulation (EEC) No 3438/92 laying down special measures for the transport of certain fresh fruit and vegetables originating in Greece as regards the duration of their application.

**Regulation to be amended:** Council Regulation (EEC) No 3438/92: OJ L 350, 1.12.1992; Bull. 11-1992, point 1.3.189

Adopted by the Commission on 29 November. On the basis of a report to the Council on the cost of aid measures for the transport of certain fruit and vegetables originating in Greece during 1993 and on account of the continuing conflict in the former Yugoslavia, the Commission proposed that this aid be continued until the end of 1995.

OJ C 365, 21.12.1994; COM(94) 534

#### Wine

*1.2.143.* Proposal for a Council Regulation on reform of the common organization of the market in wine.

**Commission proposal:** OJ C 194, 16.7.1994; COM(94) 117; Bull. 5-1994, point 1.2.103

Own-initiative opinion adopted by the Committee of the Regions on 15 November. The Committee of the Regions rejected the compulsory grubbing of vines, which it considered would have serious social, economic and regional-planning implications. With regard to the enrichment of wine, it came out in favour of the use of concentrated grape musts with the maintenance of the Community financial aid and recommended harmonization of policy on the taxation of wine in the Member States, accompanied by measures to encourage moderate consumption.

1.2.144. Proposal for a Parliament and Council Regulation amending Council Regulation (EEC) No 1576/89 laying down general rules on the definition, description and presentation of spirit drinks and Council Regulation (EEC) No 1601/91 laying down general rules on the definition, description and presentation of aromatized wines, aromatized wine-based drinks and aromatized wine-product cocktails following the Uruguay Round of the multilateral trade negotiations.

**Commission proposal:** COM(94) 414; Bull. 10-1994, point 1.3.70

Economic and Social Committee opinion delivered on 24 November, suggesting that the Commission should incorporate into its proposal legislative measures to reinforce the protection of intellectual property rights.

*1.2.145.* Council Regulation (EC) No 2796/94 amending Regulation (EEC) No 3677/89 as regards the total alcoholic strength by volume of certain quality wines imported from Hungary and Romania.

**Reference:** agreements between the Community and Hungary and Romania respectively on the reciprocal protection and control of wine names: OJ L 337, 31.12.1993; Bull. 11-1993, point 1.2.152

**Regulation amended:** Council Regulation (EEC) No 3677/89 (OJ L 360, 9.12.1989), as last amended by Regulation (EEC) No 2606/93: OJ L 239, 24.9.1993; Bull. 9-1993, point 1.2.119

**Commission proposal:** COM(94) 395; Bull. 9-1994, point 1.2.140

Adopted on 14 November. In accordance with the agreements with Hungary and Romania, authorizes on a permanent basis imports into the Community of certain Hungarian and Romanian wines with a total alcoholic strength by volume exceeding the maximum Community limit (15% vol.).

OJ L 297, 18.11.1994

#### Cotton

*1.2.146.* Council Regulation (EC) No 2760/94 adjusting, for the fourth time, the system of aid for cotton introduced by Protocol 4 annexed to the Act of Accession of Greece.

**Regulation amended:** Council Regulation (EEC) No 1964/87 adjusting the system of aid for cotton introduced by Protocol 4 to the Act of Accession of Greece (OJ L 184, 3.7.1987), as last amended by Regulation (EEC) No 1553/93: OJ L 154, 25.6.1993; Bull. 6-1993, point 1.2.186 **Commission proposal:** OJ C 269, 27.9.1994; COM(94) 377; Bull. 9-1994, point 1.2.141 **Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.86

Adopted on 10 November. Limits the maximum reduction in the norm price if the maximum guaranteed quantity is exceeded to 18.5% for 1994/95.

OJ L 294, 15.11.1994

#### Milk and milk products

1.2.147. Proposal for a Council Regulation amending Regulation (EEC) No 2990/82 on the sale of butter at reduced prices to persons receiving social assistance.

**Regulation to be amended:** Council Regulation (EEC) No 2990/82 (OJ L 314, 10.11.1982), as last amended by Regulation (EEC) No 3654/92: OJ L 370, 19.12.1992; Bull. 12-1992, point 1.3.241

Adopted by the Commission on 3 November. On the basis of a report on the implementation of a scheme for the sale of cut-price butter to recipients of social assistance in Ireland, the Commission proposed that the scheme be continued until 31 December 1996, with a reduction in the Community aid of ECU 25 per 100 kg.

COM(94) 472

1.2.148. Proposal for a Council Regulation amending Regulation (EC) No 3610/93 relating to the continuing of the import of New Zealand butter into the United Kingdom on special terms. **Regulation to be amended:** Council Regulation (EC) No 3610/93: OJ L 328, 29.12.1993; Bull. 12-1993, point 1.2.205

Adopted by the Commission on 18 November. Would allow importation of New Zealand butter into the United Kingdom to continue from 1 January to 30 June 1995.

COM(94) 499

1.2.149. Council Regulation (EC) No 2807/94 amending Regulation (EEC) No 804/68 on the common organization of the market in milk and milk products.

**Commission proposal:** OJ C 83, 19.3.1994; COM(94) 10; Bull. 1/2-1994, point 1.2.121 **Economic and Social Committee opinion:** OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.122 **Parliament opinion:** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.113

Adopted on 14 November. With the aim of rationalizing the implementation of the intervention system in connection with the single market and simplifying the rules, the Regulation, which forms part of the 1994/95 prices package, gives a single definition of butter eligible for intervention and makes such butter eligible, regardless of which Member State it was produced in.

OJ L 298, 14.11.1994

#### Beef and veal

*1.2.150.* Proposal for a Council Regulation on the common organization of the market in beef and veal.

**Regulation to be consolidated:** Council Regulation (EEC) No 805/68, as last amended by Regulation (EC) No 1884/94: OJ L 197, 30.7.1994; Bull. 7/8-1994, point 1.2.134

Adopted by the Commission on 3 November. Would consolidate in a single text Regulation (EEC) No 805/68 and the numerous amendments made to it since it was adopted.

OJ C 321, 18.11.1994; COM(94) 467

#### Poultrymeat and eggs

*1.2.151.* Proposal for a Council Regulation amending Regulation (EEC) No 1907/90 on certain marketing standards for eggs.

**Regulation to be amended:** Council Regulation (EEC) No 1907/90 (OJ L 173, 6.7.1990), as last

Adopted by the Commission on 22 November. Would allow more flexibility for egg-packing undertakings regarding the use of reusable open containers and indications relating to 'extra' eggs and align the definition of 'batch' on the recent amendment concerning the obligatory indication of the date of minimum durability, with an exemption for egg sales from producers to retailers in the Nordic regions.

COM(94) 507

#### **EAGGF Guarantee Section**

1.2.152. Proposal for a Council Regulation on the crediting of securities, deposits and guarantees furnished under the common agricultural policy and subsequently forfeited, and repealing Regulation (EEC) No 352/78.

**Regulation to be repealed:** Council Regulation (EEC) No 352/78 on the crediting of securities, deposits and guarantees furnished under the common agricultural policy and subsequently forfeited: OJ L 50, 20.2.1978

Adopted by the Commission on 8 November. Would include among securities forfeited to the EAGGF those provided in connection with the issue of export or import licences and those furnished under a tendering procedure, which are currently forfeited to the national budgets. The inclusion of such securities will in particular enable the EAGGF to check that the rules on their provision and release are properly applied.

COM(94) 480

*1.2.153.* Proposal for a Council Regulation amending Regulation (EEC) No 4045/89 on the scrutiny by Member States of transactions forming part of the system of financing by the EAGGF Guarantee Section.

**Commission proposal:** OJ C 175, 28.6.1994; COM(94) 159; Bull. 6-1994, point 1.2.148

Endorsed by Parliament on 18 November, subject to various amendments reinforcing the role of Commission officials in scrutiny operations. OJ C 341, 5.12.1994

1.2.154. Proposal for a Council Regulation amending Regulation (EEC) No 3508/92 estab-

lishing an integrated administration and control system for certain Community aid schemes.

**Commission proposal:** OJ C 294, 22.10.1994; COM(94) 286; Bull. 7/8-1994, point 1.2.139

Endorsed by Parliament on 18 November, subject to various amendments concerning in particular the presentation of annual reports by the Commission to the Council and Parliament and fixing the date on which the Regulation will expire irrevocably as 31 December 1995.

OJ C 341, 5.12.1994

1.2.155. Proposal for a Council Regulation amending, as a result of the accession of Austria, Finland, Norway and Sweden, certain regulations in the agricultural sector providing for part-financing of certain measures in favour of the new Member States.

**Reference:** Act of Accession of Austria, Finland, Norway and Sweden to the European Union: OJ C 241, 29.8.1994; Bull. 6-1994, point 1.3.15 **Regulations to be amended:** 

Council Regulation (EEC) No 4045/89 on the scrutiny by Member States of transactions forming part of the system of financing by the EAGGF Guarantee Section and repealing Directive 77/435/EEC (OJ L 388, 30.12.1989; Bull. 12-1989, point 2.1.209), as last amended by Regulation (EEC) No 1863/90: OJ L 170, 3.7.1990

Council Regulation (EEC) No 307/91 on reinforcing the monitoring of certain expenditure chargeable to the European Agricultural Guidance and Guarantee Fund Guarantee Section: OJ L 37, 9.2.1991; Bull. 1/2-1991, point 1.2.195

Council Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes (OJ L 355, 5.12.1992; Bull. 11-1992, point 1.3.163), as amended by Regulation (EC) No 165/94: OJ L 24, 29.1.1994; Bull. 1/2-1994, point 1.2.137

Council Regulation (EC) No 165/94 concerning the co-financing by the Community of remote-sensing checks and amending Regulation (EEC) No 3508/92 establishing an integrated administration and control system for certain Community aid schemes: OJ L 24, 29.1.1994; Bull. 1/2-1994, point 1.2.137

Adopted by the Commission on 25 November. Would provide for Community part-financing of expenditure by the new Member States on establishing control systems in agriculture.

COM(94) 527

#### State aid

Decision to raise no objection

#### Italy

*1.2.156.* Commission decision on aids for zoo-technical purposes in Friuli-Venezia Giulia.

Adopted on 16 November. The Commission took the view that the aids granted for investments or schemes to combat epizootics could qualify as an exception under Article 92(3)(c) of the Treaty. As far as the existing aids are concerned, and in particular those relating to genetic improvement, the Commission proposed appropriate measures to the Italian authorities which would enable them to comply with the Community rules concerning the maximum limits for such aids.

#### Decision to initiate procedure

#### France

1.2.157. Commission decision on aids for the production of rape and sunflower and promotion and research schemes for biofuels obtained from oil-seeds.

Adopted on 16 November. The Commission was unable to deliver an opinion on the compatibility of these measures with the common market as the information supplied was incomplete.

#### Decision to terminate procedure

#### Ireland

1.2.158. Commission decision on aids for the mushroom industry.

Adopted on 16 November. The Irish authorities had decided to abolish the reduction of corporation tax on mushroom producers.

#### Final negative decision

#### Belgium

1.2.159. Commission decision on aids to promote outlets for poultry and small animal products.

Adopted on 30 November. The Commission decided to request the Belgian Government to abolish the aids for the promotion of poultry and small animal products on the grounds that the terms for financing such aid would have the effect of distorting intra-Community trade to an extent contrary to the Community interest.

### Fisheries

#### Resources

#### Internal aspects

1.2.160. Council Regulation (EC) No 2761/94 amending Regulation (EC) No 3676/93 fixing, for certain fish stocks and groups of fish stocks, the total allowable catches for 1994 and certain conditions under which they may be fished.

**Regulation amended:** Council Regulation (EC) No 3676/93: OJ L 341, 31.12.1993; Bull. 12-1993, point 1.2.236 **Commission proposal:** COM(94) 459; Bull. 10-1994, point 1.2.93

Adopted on 10 November. Increases TACs for sprat and cod in the North Sea and haddock to the west of Scotland.

OJ L 294, 15.11.1994

1.2.161. Proposal for a Council Regulation amending for the second time Regulation (EC) No 3676/93 fixing, for certain fish stocks and groups of fish stocks, the total allowable catches for 1994 and certain conditions under which they may be fished.

**Regulation to be amended:** Council Regulation (EC) No 3676/93 (OJ L 341, 31.12.1993; Bull. 12-1993, point 1.2.236), as last amended by Regulation (EC) No 2761/94: OJ L 294, 15.11.1994; point 1.2.160 of this Bulletin

Adopted by the Commission on 28 November. The purpose of this proposal is to take account of the results of the bilateral consultations between the Community and Sweden and Norway on the reciprocal fishing rights for 1994 between the Community and those countries, and to increase the TACs for Norway lobster in the North Sea, taking account of the available scientific information, and for cod in the Baltic Sea, in the light of the results of the most recent session of the International Baltic Sea Fisheries Commission.

#### COM(94) 532

1.2.162. Proposal for a Council Regulation laying down for 1995 certain measures for the conservation and management of fishery resources applicable in vessels flying the flag of certain non-member countries in the 200-nautical-mile zone off the coast of the French department of Guiana.

**Reference:** Council Regulation (EC) No 3681/93 laying down for 1994 certain measures for the conservation and management of fishery resources applicable in vessels flying the flag of certain non-member countries in the 200-nautical-mile zone off the coast of the French department of Guiana: OJ L 341, 31.12.1993; Bull. 12-1993, point 1.2.239

Adopted by the Commission on 10 November. Would grant for 1995 fishing quotas for prawns to the ACP countries bordering the French department of Guiana and licences for fishing snapper and shark to Venezuela, without change compared to 1994.

COM(94) 479

1.2.163. Proposal for a Council Regulation establishing the rules for access to certain Community fishing areas and resources; proposal for a Council Regulation amending Regulation (EEC) No 2847/93 establishing a control system applicable to the common fisheries policy.

**Commission proposal:** OJ C 247, 3.9.1994; COM(94) 308 and 309; Bull. 7/8-1994, point 1.2.152

Economic and Social Committee opinion delivered on 23 November. The Committee approved the proposal for rules for access to certain Community fishing areas and resources, with misgivings about the 'standard vessel day' formula used to define fishing effort. However, it felt that the proposed control system would be too complex and difficult to apply.

1.2.164. Proposal for a Council Regulation amending, for the 17th time, Regulation (EEC) No 3094/86 laying down certain technical measures for the conservation of fishery resources.

**Regulation to be amended:** Council Regulation (EEC) No 3094/86 (OJ L 288, 11.10.1986; Bull. 10-1986, point 2.1.174), as last amended by Regulation (EC) No 1796/94: OJ L 187, 22.7.1994; Bull. 7/8-1994, point 1.2.153

**Reference:** Commission communication on the use of passive fishing gear in the Community: COM(94) 235; Bull. 6-1994, point 1.2.160

Adopted by the Commission on 9 November. The purpose of the proposal is to establish technical measures for passive gear, thus giving substance to the communication already adopted by the Commission on the subject, formally to ban the use within protected areas for flatfish of vessels having an engine power higher than 221 kW, and to make permanent certain derogations from the technical conservation measures regularly included in the annual Regulations on TACs and quotas.

OJ C 348, 9.12.1994; COM(94) 481

#### External aspects

#### **Cape Verde**

1.2.165. Agreement in the form of an exchange of letters on the provisional application of the Protocol defining, for the period from 6 September 1994 to 5 September 1997, the fishing rights and the financial compensation provided for in the Agreement between the Community and Cape Verde on fishing off the coast of Cape Verde.

**Commission proposal on the conclusion of the Agreement:** COM(94) 388; Bull. 9-1994, point 1.2.155

Decision 94/744/EC on the conclusion of the Agreement adopted by the Council on 10 November.

OJ L 297, 18.11.1994

#### The Comoros

1.2.166. Agreement in the form of an exchange of letters concerning the provisional application of the Protocol establishing for the period 20 July 1994 to 19 July 1997 the fishing opportunities and financial compensation provided for in the Agreement between the Community and the Comoros on fishing off the Comoros.

**Commission proposal on the conclusion of the Agreement:** COM(94) 390; Bull. 9-1994, point 1.2.156 Decision 94/745/EC on the conclusion of the Agreement adopted by the Council on 10 November.

OJ L 297, 18.11.1994

#### Côte d'Ivoire

1.2.167. Agreement in the form of an exchange of letters concerning the provisional application of the Protocol establishing for the period 1 July 1994 to 30 June 1997 the fishing opportunities and financial compensation provided for in the Agreement between the Community and Côte d'Ivoire on fishing off the coast of Côte d'Ivoire.

**Commission proposal on the conclusion of the Agreement:** COM(94) 385; Bull. 9-1994, point 1.2.157

Decision 94/746/EC on the conclusion of the Agreement adopted by the Council on 10 November.

OJ L 297, 18.11.1994

#### Greenland

1.2.168. Draft Agreement in the form of an exchange of letters amending the Agreement on fisheries between the European Community, on the one hand, and the Government of Denmark and the local Government of Greenland, on the other.

**Commission proposal on the conclusion of the Agreement:** OJ C 282, 8.10.1994; COM(94) 392; Bull. 9-1994, point 1.2.158

Endorsed by Parliament on 18 November. OJ C 341, 5.12.1994

1.2.169. Draft third Protocol laying down the conditions relating to fishing provided for in the Agreement on fisheries between the European Community, on the one hand, and the Government of Denmark and the local Government of Greenland, on the other.

**Commission proposal on the conclusion of the Agreement:** OJ C 287, 15.10.1994; COM(94) 393; Bull. 9-1994, point 1.2.159

Endorsed by Parliament on 18 November. OJ C 341, 5.12.1994

#### **Equatorial Guinea**

*1.2.170.* Agreement in the form of an exchange of letters concerning the provisional application of the Protocol establishing for the

period 1 July 1994 to 30 June 1997 the fishing opportunities and financial compensation provided for in the Agreement between the Community and Equatorial Guinea on fishing off the coast of Equatorial Guinea.

**Commission proposal on the conclusion of the Agreement:** COM(94) 387; Bull. 9-1994, point 1.2.160

Decision 94/743/EC on the conclusion of the Agreement adopted by the Council on 10 November.

OJ L 297, 18.11.1994

#### Morocco

*1.2.171.* New draft fisheries Agreement between the Community and Morocco.

Commission recommendation: Bull. 10-1994, point 1.2.96

Negotiating directives adopted by the Council on 23 November.

#### Senegal

*1.2.172.* Draft Protocol setting out the fishing possibilities and financial compensation provided for in the Agreement between the Community and Senegal on fishing off the coast of Senegal for the period from 2 October 1994 to 1 October 1996.

Proposals for a Regulation and a Decision on the conclusion, respectively, of the Protocol and the Agreement in the form of an exchange of letters concerning its provisional application adopted by the Commission on 23 November. Would fix the technical and financing conditions for fishing activity by the EC fishing fleet in Senegalese waters to 1 October 1996.

COM(94) 514

#### **Baltic Sea**

*1.2.173.* International conference on Baltic Sea fishing.

Meeting held in Warnemünde (Germany), from 14 to 16 November. The conference, organized by the Commission, brought together for the first time the nine Baltic coastal States (Germany, Denmark, Estonia, Finland, Latvia, Lithuania, Poland, Russia and Sweden), to discuss the economic and biological aspects of fishing in that region. The European Union Member States with no Baltic coastline also participated in the conference. Exchanges of views covered exploitation of stocks, fishing fleet structure and the conditions for processing and marketing Baltic fishery products.

### North-West Atlantic Fisheries Organization (NAFO)

1.2.174. Council Regulation (EC) No 2762/94 amending Council Regulation (EEC) No 3928/92 adopting a pilot observer scheme for Community fishing vessels operating in the North-West Atlantic Fisheries Organization's fishery zones.

**Regulation amended:** Council Regulation (EEC) No 3928/92: OJ L 397, 31.12.1992; Bull. 12-1992, point 1.3.283 **Commission proposal:** OJ C 193, 16.7.1994; COM(94) 203; Bull. 6-1994, point 1.2.166 **Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.98

Adopted on 10 November. The Regulation extends to 31 December 1994 the Pilot Observer Scheme for Community fishing vessels operating in the NAFO zone.

OJ L 294, 15.11.1994

1.2.175. Parliament resolution on the recent agreement on NAFO fisheries quotas for 1995.

Adopted on 18 November. Parliament believes that the proposal to fix a TAC of 27 000 tonnes for Greenland halibut in the NAFO zone has no scientific basis and prejudices Community interests. It calls on the Commission to propose to the Council that the measure should not be ratified.

OJ C 341, 5.12.1994

#### Market organization

*1.2.176.* Proposals for Council Regulations fixing, for the 1995 fishing year:

 $\Box$  the guide prices for the fishery products listed in Annex I(A), (D) and (E) to Regulation (EEC) No 3759/92;

 $\Box$  the guide prices for the fishery products listed in Annex II to Regulation (EEC) No 3759/92;  $\Box$  the Community producer prices for tuna intended for the industrial production of products falling within CN code 1604.

**Basic Regulation:** Council Regulation (EEC) No 3759/92 on the common organization of the market in fishery products and aquaculture; OJ L 388, 31.12.1992; Bull. 12-1992, point 1.3.284

Adopted by the Commission on 4 November. COM(94) 470

Agreed by the Council on 23 November. Fix fishery product prices for the 1995 fishing year, taking account of market trends. The prices, and the changes they represent compared to 1994, are given in Table 8.

Table 8 — 1995 fish prices

			Monkfish:
Species	Price (ECU/ tonne)	Change 1995/94 (%)	whole without head
Guide prices			Common shrimp
for fresh fish			Edible crab
Herring			Norway lobster:
• 1 January to 31 July and 1 October			whole
to 31 December	242	- 2	tails
• 1 August to 30 September	162	- 6	Dab
Sardine	425	-1	Flounder
Picked dogfish	875	0	Albacore or long tuna (whole)
Catsharks	654	- 5	Albacor or long
Redfish	910	- 2	tuna (gutted with
Cod	1 273	- 1	Cuttlefish
Coalfish	644	- 2	Sole
Haddock	898	- 2	Guide prices for frozen fish
Whiting	762	- 2	Sea bream
Ling	934	- 2	Squid (Loligo patagonica)
Mackerel (Scomber scombrus)	237	- 1	Squid (Ommastrep sagittatus)
Mackerel (Scomber japonicus)	284	- 5	Squid (Illex argen

Species	Price (ECU/ tonne)	Change 1995/94 (%)
Anchovy	967	+ 1
Plaice • 1 January to 30 April • 1 May to 31 December	802 1 103	0 0
Hake	3124	0
Megrim	1954	0
Ray's bream	1 461	- 2
Monkfish: whole without head	2217 4513	+ 1 0
Common shrimp	1747	+ 4
Edible crab	1 463	0
Norway lobster: whole tails	4 248 5 566	0 - 10
Dab	743	- 1
Flounder	449	0
Albacore or longfinned tuna (whole)	1777	- 2
Albacor or longfinned tuna (gutted with head)	2074	- 2
Cuttlefish	1 3 1 0	+ 1
Sole	4987	0
Guide prices for frozen fish Sea bream	1 265	-2
Squid (Loligo patagonica)	922	+ 4
Squid (Ommastrephes sagittatus)	796	0
Squid (Illex argentinus)	758	+ 1

Species	Price (ECU/ tonne)	Change 1995/94 (%)
Cuttlefish	1 583	+ 3
Octopus	1 422	+ 1
Lesser or Greenland halibut	1 526	+ 2
Whole hake	1 101	- 4
Hake fillets	1 388	- 4
Prawn (Parapenoeus longirostris)	4838	- 1
Other Penaeidae species Community producer	6483	0
price for tuna Yellowfin	1 008	0

1.2.177. Proposal for a Council Regulation amending Regulation (EEC) No 3759/92 on the common organization of the market in fishery products and aquaculture.

**Commission proposal:** OJ C 298, 26.10.1994; COM(94) 403; Bull. 9-1994, point 1.2.164

*Economic and Social Committee opinion delivered on 23 November.* The Committee recognizes that resolute action will be necessary to resolve the crisis in the fishing industry. It also calls for an in-depth study of the safeguard clauses.

1.2.178. Proposal for a Council Regulation establishing a system of compensation for the additional costs incurred in the marketing of certain fishery products from the Azores, Madeira, the Canary Islands and the French department of Guiana as a result of their very remote location.

**Reference:** Council Regulation (EC) No 1503/94 establishing a system of compensation for the additional costs incurred in the marketing of certain fishery products from the Azores, Madeira, the Canary Islands and the French department of Guiana as a result of their very remote location: OJ L 162, 30.6.1994; Bull. 6-1994, point 1.2.167

Adopted by the Commission on 4 November. Would establish on a permanent basis, with effect from 1 January 1995, the system established for 1994 by Regulation (EC) No 1503/94, which is aimed at offsetting the additional costs resulting from the remoteness from markets and the isolation of the Azores, Madeira, the Canary Islands and Guiana.

OJ C 343, 6.12.1994; COM(94) 473

### Environment

# Fifth Community environment programme

**Reference:** Fifth Community programme of policy and action in relation to the environment and sustainable development: COM(92) 23; Bull. 3-1992, point 1.2.115

#### General

1.2.179. Interim review of implementation of the fifth programme.

Communication adopted by the Commission on 30 November. In this interim report the Commission examines to what extent the mechanisms which are vital to change attitudes towards environmental and sustainable development issues have been put into place. In particular, it analyses the progress made on the folelements: integration lowing six of environmental considerations into other policy areas, broadening of the range of instruments (including economic and fiscal instruments), partnership and shared responsibility, changing patterns of consumption and production, application of legislation, and the international dimension.

#### COM(94) 453

## Taking the environment into account in other policies

1.2.180. Commission communication to the Council and Parliament on economic growth and the environment.

#### **References:**

Proposal for a Council Directive introducing a tax on carbon dioxide emissions and energy: OJ C 196, 3.8.1992; COM(92) 226; Bull. 5-1992, point 1.1.114; Bull. 1/2-1993, point 1.2.162

Commission White Paper on growth, competitiveness and employment: COM(93) 700, Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull.

Adopted by the Commission on 3 November. In this communication the Commission analyses the implications for economic and fiscal policy making of the application of the principles enshrined in the EC Treaty of sustainable growth respecting the environment (Article 2) and the integration of environmental protection requirements into other Community policies (Article 130r). This analysis, which is intended to provide a basis for discussion within the Community institutions in the run-up to the next European Council, should also be seen in the context of the fifth environment programme and the White Paper on growth, competitiveness and employment.

The Commission states that there is nothing automatic about the move towards sustainable development and, while economic growth and environmental protection are compatible, there is still a need for a sound policy framework in order to improve the quality of the environment.

To this end, it advocates stronger reliance on market-based instruments such as environmental taxes and charges like the tax on carbon dioxide emissions and energy which it proposed in 1992. Using instruments of this kind would make it possible to place less reliance on binding administrative and regulatory measures and, as a result of the revenue generated, to reduce certain other statutory contributions and charges, including taxes on labour. The Commission also suggests that existing tax and incentive schemes should be analysed in order to identify and correct any elements which have undesirable environmental implications.

The Commission also recommends phasing in the necessary policy changes gradually and predictably in order to limit adjustment costs and to arrive at broad agreement between public authorities, employers and employees on the measures to be introduced.

COM(94) 465

#### Economic, fiscal and legal instruments

1.2.181. Proposal for a Council Directive amending Council Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment.

**Commission proposal:** COM(93) 575; Bull. 3-1994, point 1.2.144 **Economic and Social Committee opinion:** Bull. 9-1994, point 1.2.165

Committee of the Regions opinion adopted on 16 November. The Committee considered that the proposal failed to contribute sufficiently to the objective of standardizing the application in the Member States of the procedures for assessing the environmental impact of certain projects, and suggested that it should be revised in the light of experience acquired.

#### Financial instruments

*1.2.182.* Commission Decision granting financial support to demonstration and financial assistance projects in the environmental protection field.

**Basic Regulation:** Council Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE): OJ L 206, 22.7.1992; Bull. 5-1992, point 1.1.123

Adopted by the Commission on 25 November. Purpose: to grant financial support totalling ECU 53 084 747 to 160 projects.

#### **Industry and environment**

# Environmental control of products, industrial plants and biotechnology

1.2.183. Proposal for a Council Regulation amending for the first time Annex I to Council Regulation (EEC) No 2455/92 concerning the export and import of certain dangerous chemicals.

**Commission proposal:** OJ C 112, 22.4.1993; COM(93) 120; Bull. 3-1993, point 1.2.96 **Economic and Social Committee opinion:** OJ C 249, 13.9.1993; Bull. 6-1993, point 1.2.158 **Parliament opinion (first reading):** OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.147 **Council common position:** OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.173

Endorsed by Parliament (second reading) on 17 November, subject to amendments aimed at extending the scope of the proposal to include additional substances.

OJ C 341, 5.12.1994

1.2.184. Parliament resolution on the environmental disaster which is imminent as a result of the use by companies based in the European Union of chemical substances containing cyanide in gold-mining operations near Pergamon and Edremit (Turkey).

Adopted by Parliament on 17 November. Parliament stressed the environmental hazards posed by the plan to mine gold using cyanide in the vicinity of Pergamon, a project partly financed by German capital. It pointed out that the use of cyanide to extract ores is not tolerated in the European Union, and called upon the Turkish Government to ban its use, called upon the Member States to require their companies to comply, outside the European Union, with the standards applicable within the European Union, and called upon the Commission to investigate the ecological impact of the project.

OJ C 341, 5.12.1994

1.2.185. Parliament resolution on the oil spill disaster in northern Russia.

Adopted by Parliament on 17 November. Parliament stressed the gravity of the recent oil spills in the northern Urals, called upon the Russian authorities to implement a clean-up programme rapidly, and called on the Western oil companies to refrain from any operation liable to aggravate the situation. Focusing attention on the risks of nuclear contamination in the Kola peninsular and at Chernobyl, it called for the support granted under the programmes of assistance for the countries of the former Soviet Union to be devoted to environmental protection as a matter of priority, and advocated an international programme to combat ecological disasters in those countries. It also called for the environmental impact of all the activities in which the Member States are involved in the Arctic to be reassessed.

OJ C 341, 5.12.1994

# Emissions from industrial plants and products

1.2.186. Proposal for a Council Directive amending Directive 88/609/EEC on the limitation of emissions of certain pollutants into the air from large combustion plants.

Commission proposal: OJ C 17, 22.1.1993; COM(92) 563; Bull. 12-1992, point 1.3.190 Economic and Social Committee opinion: OJ C 201, 26.7.1993; Bull. 5-1993, point 1.2.100 Parliament opinion: OJ C 268, 4.10.1993; Bull. 9-1993, point 1.2.104 Proposal subject to the cooperation procedure since 1 November 1993 Council agreement on a common position: Bull. 3-1994, point 1.2.148 Council common position: OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.174

Parliament opinion (second reading) adopted on 17 November. Parliament rejected the common position.

OJ C 341, 5.12.1994

#### Waste management

*1.2.187.* Proposal for a Parliament and Council Directive on packaging and waste packaging.

Commission proposal: OJ C 263, 12.10.1992; COM(92) 278; Bull. 7/8-1992, point 1.3.144 Economic and Social Committee opinion: OJ C 129, 10.5.1993; Bull. 3-1993, point 1.2.98 Parliament opinion (first reading): OJ C 194, 19.7.1993; Bull. 6-1993, point 1.2.159 Amended Commission proposal: OJ C 285, 21.10.1993; COM(93) 416; Bull. 9-1993, point 1.2.106 Proposal subject to the co-decision procedure since 1 November 1993 Council agreement on a common position: Bull. 12-1993, point 1.2.178 Council common position: OJ C 137. 19.5.1994; Bull. 3-1994, point 1.2.149 Parliament amendments (second reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.124 Commission opinion amending proposal: COM(94) 204; Bull. 5-1994, point 1.2.124 Conciliation **Committee** meetings: Bull. 9-1994, point 1.2.167; Bull. 10-1994, point 1.2.105

Joint draft approved by the Conciliation Committee on 8 November. The joint draft contains all the amendments adopted by Parliament on second reading. The provisions concerning economic instruments have been reworded. *1.2.188.* Proposal for a Council Directive on the incineration of hazardous waste.

Commission proposal: OJ C 130, 21.5.1992; COM(92) 9; Bull. 1/2-1992, point 1.3.149 and Bull. 3-1992, point 1.2.128 Economic and Social Committee opinion: OJ C 332, 16.12.1992; Bull. 10-1992, point 1.3.101 Parliament opinion (first reading): OJ C 115, 26.4.1993; Bull. 3-1993, point 1.2.99 Amended Commission proposal: OJ C 190, 14.7.1993; COM(93) 296; Bull. 6-1993, point 1.2.160 Council agreement: Bull. 6-1993, point 1.2.160 Consultation of Parliament on the change of legal basis: OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.151 Council common position: OJ C 232. 20.8.1994; Bull. 7/8-1994, point 1.2.157

Parliament opinion (second reading) adopted on 17 November. Parliament rejected the common position.

OJ C 341, 5.12.1994

#### **Civil protection**

1.2.189. Parliament resolution on the floods in Italy, France and Spain ( $\rightarrow$  point 1.2.221).

# Environmental quality and natural resources

Protection of nature, flora and fauna.

*1.2.190.* Proposal for a Council Regulation on measures concerning tropical forests.

**Commission proposal:** OJ C 78, 19.3.1993; COM(93) 53; Bull. 1/2-1993, point 1.2.157 **Economic and Social Committee opinion:** OJ C 249, 13.9.1993; Bull. 6-1993, point 1.2.166 **Parliament opinion:** OJ C 315, 22.11.1993; Bull. 10-1993, point 1.2.128 **Proposal subject to the cooperation procedure since 1 November 1993 Amended Commission proposal:** OJ C 201, 23.7.1994; COM(94) 153; Bull. 6-1994, point 1.2.182

Common position agreed by the Council on 25 November. The purpose of this proposal is to lay down the objectives of, and the arrangements for implementing, Community measures

designed to contribute to the preservation and sustainable management of tropical forests and their biological diversity. The Regulation would run for an initial period of three years (1995-97), with an assessment of the results to be made before the end of 1997. The amount deemed necessary for the measures is ECU 50 million per annum.

*1.2.191.* Draft Protocols to the Convention on the Protection of the Alps.

**Reference:** Convention on the Protection of the Alps: Bull. 9-1994, point 1.2.171

Recommendation for a Decision on the signing of the Protocols adopted by the Commission on 23 November. The four Protocols to the Convention on the Protection of the Alps which the Commission recommends signing concern the conservation of nature and the countryside, town and country planning and sustainable development, mountain farming and the rural environment, and the accession of the Principality of Monaco to the Convention.

COM(94) 504

# Urban environment, air quality, transport and noise

*1.2.192.* Proposal for a Parliament and Council Directive amending Council Directive 86/662/ EEC on the limitation of noise emitted by earthmoving machinery.

Commission proposal: OJ C 157, 9.6.1993; COM(93) 154; Bull. 5-1993, point 1.2.104 Parliament opinion: OJ C 255, 20.9.1993; Bull. 7/8-1993, point 1.2.145 Economic and Social Committee opinion: OJ C 304, 10.11.1993; Bull. 9-1993, point 1.2.108 Proposal subject to the co-decision procedure since 1 November 1993 Council agreement on a common position: Bull. 3-1994, point 1.2.155 Council common position: OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.186

Amendments adopted by Parliament (second reading) on 16 November. These amendments concern the procedure for adapting the Directive to technical progress.

OJ C 341, 5.12.1994

*1.2.193.* Proposal for a Parliament and Council Directive on the control of volatile organic compound emissions resulting from the storage of petrol and its distribution to service stations.

**Commission proposal:** OJ C 227, 3.9.1992; COM(92) 277; Bull. 7/8-1992, point 1.3.157

**Economic and Social Committee opinion:** OJ C 73, 15.3.1993; Bull. 1/2-1993, point 1.2.160

**Parliament opinion (first reading):** OJ C 194, 19.7.1993; Bull. 6-1993, point 1.2.170

**Council agreement on a common position:** Bull. 6-1993, point 1.2.170

**Amended Commission proposal:** OJ C 270, 6.10.1993; COM(93) 422; Bull. 9-1993, point 1.2.109

**Council common position:** Bull. 10-1993, point 1.2.129

Proposal subject to the co-decision procedure since 1 November 1993

**Parliament amendments (second reading):** OJ C 91, 28.3.1994; Bull. 3-1994, point 1.2.154

**Commission opinion amending the proposal:** COM(94) 154; Bull. 5-1994, point 1.2.129

**Conciliation Committee meeting:** Bull. 9-1994, point 1.2.176

Joint draft approved by the Conciliation Committee on 8 November. The joint draft takes over certain technical amendments adopted by Parliament on second reading.

### Global environment, climate change, geosphere and biosphere

*1.2.194.* Proposal for a Council Regulation on substances that deplete the ozone layer.

Commission proposal: OJ C 232, 28.8.1993; COM(93) 202; Bull. 6-1993, point 1.2.173 Economic and Social Committee opinion: OJ C 52, 19.2.1994; Bull. 12-1993, point 1.2.182 Parliament opinion (first reading): OJ C 61, 28.2.1994; Bull. 1/2-1994, point 1.2.173 Amended Commission proposal: OJ C 109, 19.4.1994; COM(94) 75; Bull. 3-1994, point 1.2.156 Council agreement on a common position: Bull. 6-1994, point 1.2.187 Council common position: Bull. 7/8-1994, point 1.2.159

Endorsed by Parliament (second reading) on 17 November.

OJ C 341, 5.12.1994

### Social policy

#### General

1.2.195. Commission White Paper on European social policy: a way forward for the Union.

Reference: Commission White Paper on growth,

competitiveness and employment: COM(93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull.

**Commission White Paper on European social policy:** COM(94) 333; Bull. 7/8-1994, point 1.2.163

Committee of the Regions opinion delivered on 16 November. The Committee approved the Commission's White Paper, stressing the important role of local and regional authorities in the implementation of employment policy and advocating stronger involvement on the part of local and regional authorities in measures financed by the European Social Fund. The Committee also expressed its support for social protection systems throughout Europe and for moves to remove remaining legal barriers to the free movement of workers.

Economic and Social Committee opinion delivered on 24 November. The Committee approved the move to draw up a social policy action programme, stressing the need to make further efforts to adapt legislation leading to the inclusion in the programme of certain legislative proposals which were in abeyance, extending the traditional ambit of European social policy in order to tackle social exclusion, and ensuring consistency with the White Paper on growth, competitiveness and employment.

# Implementation of the Protocol on social policy

1.2.196. Commission communication concerning the application of the Agreement on social policy.

**Commission communication:** COM(93) 600; Bull. 12-1993, point 1.2.163

Economic and Social Committee opinion delivered on 24 November. The Committee drew attention to the social policy application of the principle of 'horizontal subsidiarity', meaning the division of responsibilities between the social partners and the authorities. It called for the social partners to be consulted on all social policy proposals, regardless of their legal basis, and for the consultation period to be extended. It also stressed that the social partners must be entitled, subject to certain conditions, to use collective bargaining channels to implement legislative measures adopted by the Council. The Committee also drew attention to certain difficulties concerning the selection of representative organizations.

#### Employment

1.2.197. Commission document concerning the employment action plan adopted by the Brussels European Council (Phase 2), entitled 'Action to turn growth into jobs'.

#### **References:**

White Paper on growth, competitiveness and employment: the challenges and ways forward into the 21st century: COM(93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull. Brussels European Council: Bull. 12-1993, points I.3 and I.7

Transmitted to the European Council on 23 November. This document is the Commission's contribution to the next European Council's review of the employment action plan adopted by the Brussels European Council in December 1993. Within the framework of this plan, the Commission calls on the European Council, meeting in Essen on 9 and 10 December, to adopt the following objectives:

□ improve the employability of people via education and training, more particularly by promoting life-long learning and access to continuing training for all, adapting vocational education and training policies to market needs, diversifying training methods and provision, and setting national strategic targets for the qualification level of the workforce;

□ increase the employment intensity of growth by promoting flexible work organization arrangements, wage restraint and new job opportunities to meet new needs through local development;

 $\Box$  reduce indirect labour costs, especially towards the bottom end of the labour market;

□ improve employment policies and public employment services, with special reference to the long-term unemployed;

 $\Box$  offer a better future for young people by way of specially targeted schemes.

The Commission proposes that these measures be put into effect by the Member States in ac-

cordance with their own economic characteristics, and that progress be reviewed by the Council and the European Council.

COM(94) 529

*1.2.198.* Parliament resolution on an action plan on employment policy to be adopted at the Essen European Council meeting.

**Reference:** White Paper on growth, competitiveness and employment: the challenges and ways forward into the 21st century: COM(93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 ----Bull.

Adopted by Parliament on 1 December. Parliament's view is that the objective of creating at least 15 million sustainable new jobs by the turn of the century should be an overriding priority and that there can be no more important priority than the implementation of the White Paper. It calls on the Council more specifically to put forward a concrete plan for financing the investments set out in the White Paper and to set targets for common efforts in terms of vocational training in the Member States. It also advocates strengthening programmes to combat youth and long-term unemployment and to devise economic policies geared to the creation of jobs.

OJ C 363, 19.12.1994

1.2.199. European Employment Week.

**Reference:** Council Regulation (EEC) No 2434/92 amending Part II of Regulation (EEC) No 1612/68 on freedom of movement for workers within the Community: OJ L 245, 26.8.1992; Bull. 7/8-1992, point 1.3.112

Held in Brussels on 15, 16 and 17 November. This conference, attended by Mr Delors, President of the Commission, Mr P. Flynn, Member of the Commission, Mr J. A. Grinan, Spanish Minister for Labour and Social Security, and Mr I. Kanerva, Finnish Minister for Labour, brought together people from all sectors dealing with employment in the Member States, including representatives of the social partners and of the academic world. It provided a forum for examining, discussing and exchanging ideas and experiences and for putting forward proposals for employment initiatives in the Member States. Mr Flynn also introduced the EURES network, set up under Regulation (EEC) No 2434/92 to facilitate Europe-wide mobility by matching job applications and vacancies.

1.2.200. Conference on training.

**Reference:** Commission White Paper on growth, competitiveness and employment: COM(93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 — Bull.

Meeting held on 8 November. Mr Delors, President of the Commission, together with Mr P. Flynn and Mr A. Ruberti, Members of the Commission, and a delegation of European employers' and trade union representatives attended this social dialogue conference on training. Focusing on continuing training, it emerged that investment in human resources was the key to making employment systems more effective and that there was an evident need to give a boost to technical training and to widen the bases of research. The social partners also wanted greater recognition of their role in implementing training and employment measures. The participants were generally positive in their review of the social dialogue, said that their opinions tended to converge with those set out in the White Paper, and announced the creation of a European centre for industrial relations.

#### Health and safety at work

1.2.201. Proposal for a Council Directive amending Directive 89/655/EEC on the minimum safety and health requirements for the use of work equipment by workers at work.

**Commission proposal:** OJ C 104, 12.4.1994; COM(94) 56; Bull. 3-1994, point 1.2.166

Endorsed by the Economic and Social Committee on 23 November.

The Committee suggested simplifying the presentation of the proposal so as to make it easier for SMEs to apply the requirements.

# Education, vocational training and youth

#### General

1.2.202. Proposal for a Parliament and Council Decision establishing 1996 as the European Year of Lifelong Learning.

**Commission proposal:** OJ C 287, 15.10.1994; COM(94) 264; Bull. 9-1994, point 1.2.186

Endorsed by the Committee of the Regions on 16 November. Stressing the need to give everyone access to education and how training can help to combat marginalization, the Committee called for special attention to be devoted to vulnerable and disadvantaged groups. It advocated support for innovative measures with a lasting effect, such as the setting-up of a pan-European information network for the dissemination of good practice and exchange of information and experience. The Committee also stressed the major contribution made by libraries and the need to promote new information technologies, and called for recognition of the role played by local and regional authorities.

Endorsed by the Economic and Social Committee on 23 November. The Committee stressed that good continuing education and training must be founded upon sound initial training, seeking to encourage close cooperation between the various education systems and business. It thought that the social partners should have been included on the Advisory Committee and advocated close coordination with bodies appointed by the Member States. Judging the budget to be very modest, the Committee suggested establishing priorities and instituting pilot projects.

1.2.203. Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on 'Education and training in the face of technological, industrial and social challenges: first thoughts'.

#### **References:**

White Paper on growth, competitiveness and employment: the challenges and ways forward into the 21st century: COM(93) 700; Bull. 12-1993, point 1.2.44; Supplement 6/93 – Bull.

Proposal for a Parliament and Council Decision establishing the Community action programme 'Socrates': point 1.2.204 of this Bulletin

Proposal for a Council Decision establishing an action programme for the implementation of a European Community vocational training policy 'Leonardo da Vinci': point 1.2.205 of this Bulletin

Proposal for a Parliament and Council Decision establishing 1996 as the European Year of Lifelong Learning: point 1.2.202 of this Bulletin

Adopted by the Commission on 23 November. In its communication, the Commission lays the

foundations for a forward-looking approach to education and training policy in order to implement the guidelines set out in the White Paper on growth, competitiveness and employment. It stresses the need to make education and training systems respond appropriately to expanding and diversifying needs. Viewing education and training as an autonomous and coherent policy area acting in support of, and jointly with, the other decisive factors in social and economic modernization, the Commission takes a closer look at five main themes on which it would be possible to develop Community activities in order to support and complement the measures taken by the Member States:

□ development of improved capacity for anticipating phenomena and changes in skills, by developing cooperation so as to adapt education and training systems;

□ development of supply: the Commission proposes setting up a system for monitoring Member States' training systems by updating the management charts drawn up in connection with the White Paper, and by defining certain common objectives;

□ ways and means: the Commission is looking into the possibility of setting up, under the Community programmes, databases on innovative products and methods in education and training;

□ resources: the Commission advocates analysing a number of possibilities and establishing new financing arrangements with a view to coping with what is likely to be an exponential rise in training needs;

 $\Box$  the players: the Commission is looking into ways of encouraging dialogue at all levels on vocational training.

Finally, the Commission stresses the need to promote the European dimension in education and training along the above lines, with special reference to the 1996 European Year, and bearing in mind the importance of mobility, the knowledge of several languages, and the academic and vocational recognition of diplomas. COM(94) 528

#### Cooperation in the field of education

*1.2.204.* Proposal for a Parliament and Council Decision establishing the Community action programme 'Socrates'.

Commission proposal: OJ C 66, 3.3.1994; COM (93) 708; Bull. 1/2-1994, point 1.2.184 Parliament opinion (first reading): OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.165 Economic and Social Committee opinion: OJ C 195, 18.7.1994; Bull. 4-1994, point 1.2.165 Amended Commission proposal: OJ C 164, 16.6.1994; COM(94) 180; Bull. 5-1994, point 1.2.137 Committee of the Regions opinion: OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.137 Council agreement on a common position: Bull. 6-1994, point 1.2.197 Council common position: OJ C 244. 31.8.1994; Bull. 7/8-1994, point 1.2.167 Parliament amendments (second reading): OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.113

Opinion incorporating an amended proposal adopted by the Commission on 11 November. The Commission accepted most of Parliament's amendments, more especially those seeking to make the programme's activities and structures more accessible to disadvantaged groups, and others dealing with mobility and the intercultural dimension to teaching. It also accepted the amendments concerning the entry into force of the programme, moves to open the programme to the countries of Central and Eastern Europe, Malta and Cyprus, and removing mention of the sum deemed necessary for running the programme.

COM(94) 502

#### Vocational training

*1.2.205.* Proposal for a Council Decision establishing an action programme for the implementation of a European Community vocational training policy 'Leonardo da Vinci'.

Commission proposal: OJ C 67, 4.3.1994; COM (93) 686; Bull. 12-1993, point 1.2.113 Economic and Social Committee opinion: OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.169 Parliament opinion (first reading): OJ C 205, 25.7.1994; Bull. 5-1994, point 1.2.138 Amended Commission proposal: OJ C 176, 29.6.1994; COM(94) 215; Bull. 5-1994, point 1.2.138 Council agreement on a common position: Bull. 6-1994, point 1.2.198 Council common position: OJ C 244. 31.8.1994; Bull. 7/8-1994, point 1.2.169 Parliament opinion (second reading): OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.114

Re-examined proposal adopted by the Commission on 15 November. The amendments accepted by the Commission concern the nature and composition of the committee set up to assist the Commission, the role of the social partners, the removal of reference to the amount deemed necessary for running the programme, and the principle of opening the programme to the countries of Central and Eastern Europe, Cyprus and Malta, and the relevant budgetary aspects.

COM(94) 497

1.2.206. European Handbook for Guidance Counsellors.

**Reference:** Council Decision 87/569/EEC concerning an action programme for the vocational training of young people and their preparation for adult and working life (PETRA): OJ L 346, 10.12.1987; Bull. 12-1987, point 2.1.143, as last amended by Council Decision 91/387/EEC: OJ L 214, 2.8.1991; Bull. 7/8-1991, point 1.2.144

Published by the Commission on 21 November. This handbook, which is an offshoot of the Community programme PETRA and was produced in close conjunction with the Member States, sets out to enable guidance services to meet young people's need for information and help them to find suitable opportunities and openings for gaining transnational experience in all the Member States. The guide gives, for each Member State, detailed information on education and training systems, guidance services, living and working conditions and the names and addresses of reference and contact organizations. It also gives full details of all the Community programmes, measures and initiatives in the field of training, vocational guidance, education and comparability of qualifications.

Published by the Office for Official Publications of the European Communities, it will be available in all the vocational guidance centres in the European Union's Member States and in the countries covered by the European Economic Area.

1.2.207. Social dialogue conference on training ( $\rightarrow$  point 1.2.200).

#### Youth

1.2.208. Proposal for a Parliament and Council Decision adopting the 'Youth for Europe III' programme designed to promote the develop-

ment of exchanges among young people and of youth activities in the Community.

Commission proposal: OJ C 160, 11.6.1994; COM(93) 523; Bull. 11-1993, point 1.2.81 Economic and Social Committee opinion: OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.170 Parliament opinion (first reading): OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.167 Amended Commission proposal: OJ C 170, 23.6.1994; COM(94) 186; Bull. 5-1994, point 1.2.141 Committee of the Regions opinion: OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.141 Council agreement on a common position: Bull. 6-1994, point 1.2.199 Council common position: OJ C 232, 20.8.1994; Bull. 7/8-1994, point 1.2.171 Parliament amendments (second reading): OJ C 323, 21.11.1994; Bull. 10-1994, point 1.2.116

Opinion incorporating an amended proposal adopted by the Commission on 10 November. The Commission accepted most of Parliament's amendments, including those relating to the participation of other countries in the programme, the intercultural learning aspects, mobility and use of the media in the programme. It also accepted the amendments relating to the date of entry into force (1 January 1995) and deletion of the reference to an amount deemed necessary for running the programme.

COM(94) 490

*1.2.209.* Conclusions of the Council and the Ministers for Youth meeting within the Council on the promotion of voluntary service periods for young people.

Adopted by the Council on 30 November. Under the policy of cooperation in matters relating to youth and having regard to the competence of the Member States in regard to voluntary services, the Council examined the possibilities for developing transnational voluntary service periods for young people.

Considering that such voluntary service periods take the form of public service activities and represent an unpaid commitment, the Council took the view that such arrangements should be encouraged, with bilateral and multilateral exchange relationships being promoted in order to meet growing demand. It called on the Commission to report on the development of the situation regarding voluntary service periods in the Community and to propose practical measures to promote cooperation between the countries taking part in the Youth for Europe III programme, as well as between the organizations dealing with voluntary service in the Member States.

OJ C 348, 9.12.1994

*1.2.210.* Contribution to the interim report for the Essen European Council concerning the 'youth' aspects of combating racism and xenophobia.

#### **References:**

Conclusions of the Corfu European Council: Bull. 6-1994, point I.23

Interim report on efforts to combat racism and xenophobia: point 1.4.2 of this Bulletin

Presented to the Council on 30 November. Considering that racism and xenophobia constitute transnational phenomena which young people can help tackle, the Ministers for Youth drew up a series of measures to encourage a spirit of tolerance and mutual understanding, taking the view that some of the activities in the Youth for Europe III programme offered an opportunity to inculcate such a spirit in young people.

#### Cooperation with non-member countries on education, training and youth

*1.2.211.* Draft cooperation agreements between the European Community, the United States and Canada on training and higher education.

**Commission recommendation:** Bull. 9-1994, point 1.2.188

Negotiating brief adopted by the Council on 21 November.

### Public health and solidarity

#### **Public health**

#### General

*1.2.212.* Proposal for a Parliament and Council Decision adopting a programme of Community action on health promotion, information, educa-

tion and training within the framework for action in the field of public health.

**Commission proposal:** OJ C 252, 9.9.1994; COM(94) 202; Bull. 6-1994, point 1.2.201

Endorsed by the Committee of the Regions on 16 November. The Committee also recommended the adoption of targeted measures promoting health and safety awareness and accident avoidance in the home and at the workplace, with particular emphasis on the needs of children and the elderly. It called for recognition of the contribution made by local and regional authorities to public health promotion and advocated the setting-up of cooperation networks bringing together all those involved right across the professional and social spectrum.

#### AIDS

*1.2.213.* Proposal for a Council and Parliament Decision adopting a programme of Community action on the prevention of AIDS and certain other communicable diseases within the framework for action in the field of public health.

Commission approval: Bull. 10-1994, point 1.2.117

Adopted by the Commission on 9 November. OJ C 333, 29.11.1994; COM(94) 413

*1.2.214.* Proposal for a Council and Parliament Decision concerning the extension of the 'Europe against AIDS' programme.

Commission proposal: COM(93) 453; Bull. 9-1993, point 1.2.140 Proposal subject to the co-decision procedure since 1 November 1993 Parliament opinion (first reading): OJ C 20, 24.1.1994; Bull. 12-1993, point 1.2.258 Economic and Social Committee opinion: OJ C 133, 16.5.1994; Bull. 1/2-1994, point 1.2.188 Committee of the Regions opinion: OJ C 217, 6.8.1994; Bull. 5-1994, point 1.2.143 Council common position: OJ C 213, 3.8.1994; Bull. 6-1994, point 1.2.203

Amendment adopted by Parliament at second reading on 16 November, deleting the reference to a predetermined financial contribution.

OJ C 341, 5.12.1994

*1.2.215.* Commission report on the implementation in 1993 of the plan of action in the framework of the 'Europe against AIDS' programme.

**Reference:** Decision 91/317/EEC of the Council and the Ministers for Health of the Member States, meeting within the Council, adopting a plan of action in the framework of the 1991-93 'Europe against AIDS' programme: OJ L 175, 4.7.1991; Bull. 6-1991, point 1.2.215 **Previous report:** COM(93) 42; Bull. 3-1993, point 1.2.152

Adopted on 25 November. In 1993 the Commission financed 72 projects by organizations engaged in or wishing to engage in AIDSrelated work. The budget of ECU 8.3 million was significantly higher than in previous years. In its general assessment of the impact of the programme the Commission notes that the projects covered 10 areas of action, with prevention, information, awareness-raising, and social support and counselling high up on the list. It also notes that priority was given to large-scale projects and to systematic information and assessment.

COM(94) 525

#### Drugs

*1.2.216.* Proposal for a Council and Parliament Decision adopting a Community action programme on the prevention of drug dependence.

**Commission proposal:** OJ C 257, 14.9.1994; COM(94) 223; Bull. 6-1994, point 1.2.206

Endorsed by the Committee of the Regions on 16 November. The Committee called for an increase in the resources allocated to drug education and to demand reduction and expressed support for giving special attention to more vulnerable groups, such as the unemployed and ethnic minorities, when it comes to prevention. It also stressed the front-line role of regional and local authorities, especially on the education front.

#### Infectious diseases

1.2.217. Parliament resolution on the cases of cholera in southern Italy.

Adopted on 17 November. Parliament expressed concern at the recent cases of cholera, albeit isolated, in the region of Apulia, due mainly to shortcomings in the sewage and water treatment systems, and at the serious damage suffered by the fisheries and agri-foodstuffs sectors as a result of the widespread media coverage of the cholera outbreak. It called on the Italian authorities to take prompt action to prevent the spread of the disease and to launch a health information and education campaign. It also called on the Commission to ensure that the Structural Fund resources earmarked for these regions are concentrated on upgrading water treatment and sewage systems.

OJ C 341, 5.12.1994

#### Solidarity

#### Measures to help the disabled

1.2.218. Proposal for a Council Decision concerning the continued development of the Handynet system within the framework of Decision 93/136/EEC establishing a third Community action programme to assist disabled people (Helios II (1993-96)).

**Reference:** Council Decision 93/136/EEC establishing a third programme of Community action to assist disabled people: Helios II (1993-96): OJ L 56, 9.3.1993; Bull. 1/2-1993, point 1.2.208 **Commission proposal:** OJ C 222, 10.8.1994; COM(94) 303; Bull. 7/8-1994, point 1.2.175

Endorsed by the Economic and Social Committee on 23 November. On the grounds that the Handynet database is an integral part of Helios II, the Committee would like to see the same long-term commitment to both the system and the programme. It advocates concrete action in the area of employment, broadening access to the system, and education and culture, and the establishment of legal safeguards for the rights of the disabled. The Committee also stressed the need to promote cooperation and mobilize all the parties concerned.

Endorsed by Parliament on 1 December, subject to certain amendments, relating in particular to the evaluation of the programme, the improvement of user access and the arrangements for financial implementation.

OJ C 363, 19.12.1994

#### Measures to help disaster victims

1.2.219. Parliament resolution on landslides on the crag of Arcos de la Frontera.

Adopted on 17 November. Following the recent

landslides which have swept away large masses of earth and rocks, threatening the future stability of monuments, Parliament called on the Spanish authorities to start work on shoring up the crag and on the Commission to grant financial assistance to preserve the site, which is part of the Community's historic and artistic heritage.

OJ C 341, 5.12.1994

*1.2.220.* Commission decision to grant emergency aid to victims of the floods in Italy and France.

Adopted on 9 November. Following the severe storms which have recently struck south-east France and have still not yet abated in Italy, the Commission decided to grant emergency aid of ECU 2 million to Italy and ECU 200 000 to France to provide immediate relief for the worst affected.

*1.2.221.* Parliament resolution on the floods in Italy, France and Spain.

Adopted on 17 November. In view of the disastrous consequences of the recent flooding in several areas in the north of Italy and the south of France and Spain, Parliament called on the Commission to take all the necessary steps to repair the damage, to study ways and means of using the resources received by these regions from the Structural Funds for the purposes of reconstruction and reclamation, and to draw up a general hydrogeological disaster prevention plan. It also called for the application of Article 130r of the EC Treaty, which makes provision for preventive action, and for the setting-up of an independent Community environment inspectorate to monitor compliance with environmental legislation. It also underlined the need to introduce a policy on reafforestation and the use of crops, and to draw up a package of special civil protection measures.

OJ C 341, 5.12.1994

### Consumers

#### **Consumer information and education**

*1.2.222.* Proposal for a Parliament and Council Directive amending Council Directive 79/581/ EEC on consumer protection in the indication of

the prices of foodstuffs as amended by Council Directive 88/315/EEC and Council Directive 88/314/EEC on consumer protection in the indication of the prices of non-food products.

**Directive to be amended**: Council Directive 79/581/EEC: OJ L 158, 26.6.1979

Approved by the Commission on 23 November. Purpose: to extend the life of Directive 79/581/ EEC to 1999.

COM(94) 431

### Culture

#### General

*1.2.223.* Council conclusions on the Commission communication on European Community action in support of culture.

#### **References:**

Council conclusions on cultural heritage: Bull. 6-1994, point 1.2.210

Commission communication to Parliament and the Council on European Community action in support of culture: OJ C 235, 23.8.1994; COM (94) 356; Bull. 7/8-1994, point 1.2.178

Adopted on 10 November. The Council noted with interest the Commission communication on Community action in support of culture and emphasized that such action should be guided in particular by the following criteria: transparency and ongoing consultation, easy access to programmes, provision for thorough evaluation, overall balance between programmes set up in accordance with established priorities and funds available, and cooperation with third countries. It also underlined the need to pursue subsidiarity and complementarity, involving close cooperation between the Commission and the Member States, to devote particular attention to the cultural dimension of the audiovisual media, to reexamine existing priorities and activities and to concentrate on concrete artistic and cultural projects. It pointed out that cultural measures must be organized with a view to maximum efficiency in the context of the financial perspective.

OJ C 348, 9.12.1994

### Literary translation

*1.2.224.* Support for translations of contemporary literature.

**Reference:** Conclusions of the Council and the Ministers responsible for cultural affairs meeting within the Council on books and reading: Bull. 5-1989, point 2.1.130

Award-winning translations designated by the Commission. 80 literary translations have been selected to receive Community financial support totalling ECU 282 395 in 1994. This is a pilot project stemming from the resolution adopted on 18 May 1989 by the Council and the Ministers responsible for cultural affairs and introduced in 1990 for a period of five years. The aim is to promote the dissemination of works of contemporary literature representative of European culture, with particular support for the less widely-spoken languages.

### 'Mies van der Rohe Pavilion' prize

1.2.225. 'Mies van der Rohe Pavilion' prize for European architecture (1994).

Presented in Barcelona on 26 November. The prize was created in 1987 by the Commission, Parliament and the Mies van der Rohe Foundation in Barcelona to increase the awareness of the general public, local, regional and national authorities, and business and industry as to the cultural significance of contemporary architecture and its impact on the present and future development of European cities. Presented by Mr Pinheiro, Member of the Commission, and Mr Margall, Mayor of Barcelona and President of the Foundation, it was awarded this year to Nicholas Grimshaw and Partners for the Waterloo International Terminal at Waterloo Station in London.

# Information, communication and audiovisual media

#### Information and communication

1.2.226. Establishment of the Jacques Delors Information Centre in Lisbon.

Approved by the Commission on 4 November.

The purpose of the Centre is to give the Portuguese public access to the full range of European information and documentation, both on the spot and countrywide, via databases and regional and local public relays.

1.2.227. European Sport Forum.

Meeting held in Brussels on 22 November. The European Sport Forum, which was set up in 1991 and meets every year, is designed to provide a platform for representatives of the world of sport, the Member States, the European Parliament and the Commission to hold constructive discussions and exchange information concerning sport and related Community policies.

#### **Audiovisual policy**

#### Technological aspects

1.2.228. Proposal for a Council and Parliament Directive on the use of standards for the transmission of television signals (including repeal of Council Directive 92/38/EEC).

**Commission proposal;** OJ C 341, 18.12.1993; COM(93) 556; Bull. 11-1993, point 1.2.200 **Economic and Social Committee opinion:** OJ C 148, 30.5.1994; Bull. 3-1994, point 1.2.180 **Parliament opinion (first reading):** OJ C 128, 9.5.1994; Bull. 4-1994, point 1.2.180 **Amended Commission proposal:** OJ C 321, 18.11.1994; COM(94) 455; Bull. 10-1994, point 1.2.134

Common position agreed by the Council (telecommunications) on 17 November. To take account of market developments and recent technological advances the proposed Directive makes provision for measures to promote the accelerated development of advanced television services, including wide-screen (16:9) television services, high-definition television services and television services using fully digital transmission systems. To this end it lays down certain technical requirements which will have to be met by all television services transmitted to viewers, whether by cable, satellite or terrestrial means, as well as a set of rules for conditional access to digital pay-TV.

### 3. Role of the Union in the world

# Common foreign and security policy

#### **European Union common position**

#### Ukraine

*1.3.1.* Common position 94/779/CFSP defined by Council on the basis of Article J.2 of the Treaty on European Union on the objectives and priorities of the European Union towards Ukraine.

#### **References:**

Twentieth Western Economic Summit: Bull. 7/8-1994, points 1.3.52 and 2.3.1

Presidency statement on behalf of the European Union on the Ukrainian parliament decision on the accession of Ukraine to the Non-Proliferation Treaty: point 1.3.16 of this Bulletin

Adopted by the Council on 28 November. The Council specified the following objectives and priorities to be pursued in the European Union's relations with Ukraine: to develop a strong political relationship with Ukraine and increase cooperation between Ukraine and the European Union; to support democratic development in Ukraine; to support economic stabilization and reform and the integration of Ukraine into the world economic order; to continue to provide assistance for the process of nuclear disarmament; lastly, to promote early implementation of the EU/G7 action plan on nuclear safety and reform of the energy sector in Ukraine.

OJ L 313, 6.12.1994

#### Parliament recommendation

*1.3.2.* Parliament recommendation to the Council on the situation in Bosnia-Herzegovina.

Adopted by Parliament on 17 November. The recommendation was adopted under Article J.7

on the Treaty on European Union. Parliament recommended that the Council use its influence with the UN Security Council and the Contact Group in order to ensure the following: acceptance of the Contact Group's peace plan by the Bosnian Serbs and application of the plan by all parties concerned; subordination of any further lifting of the embargo against the Federal Republic of Yugoslavia (Serbia and Montenegro) to recognition by the Belgrade Government of the Republic of Bosnia-Herzegovina; lifting of the siege of Sarajevo and the opening of a corridor, under Unprofor control, to provide free movement to and from the city; adjustment of the protected areas and exclusion zones policy to make it consistent with the peace plan, which would require free access to the areas concerned for humanitarian operations and the active prevention of and/or reaction to any further aggressive action against the enclaves; recognition by the international community of the right of the Republic of Bosnia-Herzegovina to defend itself.

OJ C 341, 5.12.1994

#### European Union statements, presidency statements and press statements

1.3.3. The European Union statements, presidency statements and press statements published in November are set out below.

#### Angola

*1.3.4.* The following presidency statement on behalf of the European Union was published in Brussels and Bonn on 3 November:

'The European Union welcomes the initialling of the peace agreement between the Angolan Government and UNITA in Lusaka. The conclusion of this agreement underlines the will of both parties to put an end to a devastating civil war.

The European Union hopes for rapid implementation of the Lusaka agreements as well as complete and

lasting reconciliation. Considering the developments following the Acordos de Paz and the elections of autumn 1992 every effort should be made to avoid another derailing of the process. The Union stresses the urgency of agreeing a ceasefire and repeats its call for an immediate end to all military operations. The European Union supports the recommendation of the UN Secretary-General to increase the strength of Unavem II to its original authorized level with the view to consolidating the peace accord in its initial and most critical stages.

The European Union is particularly grateful to the UN Special Envoy Mr Alioune Blondin Beye as well as to the observer troika composed of the USA, Russia and Portugal for their successful mediation.

Eighteen years of civil war have devastated Angola and caused terrible sufferings to the people. To rebuild the country will require first and foremost the communal sense and resources of both the Angolan Government and the people of Angola, jointly assisted in that effort by the international community. The European Union will continue its extensive humanitarian aid programme to Angola and is ready to cooperate closely with the Angolan Government in the reconstruction of the economy. This cannot be achieved however without lasting peace and true national reconciliation.

The acceding countries Austria and Sweden associate themselves with this statement.'

*1.3.5.* The following presidency statement on behalf of the European Union concerning peace in Angola was published in Brussels and Bonn on 22 November.

'The European Union welcomes the signing of the peace agreement between the Government of the Republic of Angola and UNITA, which took place in Lusaka on 20 November 1994.

The European Union pays tribute to the United Nations Special Envoy, Mr Alioune Blondin Beye, and to the troika of observers from the Russian Federation, the United States of America and the Portuguese Republic for their efforts at mediation.

The Lusaka Agreement may mark the end of a war which has lasted for 18 years, claiming countless victims and devastating an entire country.

The signing of the agreement is an important step along the road to peace and national reconciliation in Angola, but the distance still to be covered is considerable. In particular, the observance of a ceasefire by both parties in the conflict is an essential precondition for the continuation of the peace process.

The European Union is confident that the parties to the peace agreement will do their utmost to ensure that the progress represented by the signing is irreversible, so that the people of Angola may embark upon a new life of peace, stability and democracy.

The implementation of peace agreements must be based on a climate of trust, to be created in the first instance by the parties to the peace agreement and to which the international community, and in particular the United Nations, should contribute by speedy and effective action.

The European Union's support has been substantial and uninterrupted, both in terms of development and rehabilitation aid and in the area of humanitarian aid. It is prepared to continue to assist the Angolan Government in its efforts to rebuild and develop Angola, so that peace will be based on a stable and solid economic and social foundation.

This statement is endorsed by the acceding States Finland and Norway.'

#### APEC

1.3.6. The following presidency statement on behalf of the European Union concerning the outcome of the meeting of APEC leaders in Bogor on 15 November was published in Brussels and Bonn on 23 November:

'The EU welcomes the decision of the APEC leaders to enhance the economic integration of the dynamic Asia Pacific region and to intensify development cooperation with the aim of promoting sustainable growth and equitable development within the region.

The EU further welcomes the leaders' commitment to the strengthening of the open multilateral trading system in a GATT-consistent manner and to the implementation of the outcome of the Uruguay Round.

On this occasion the EU reiterates its commitment to forge closer relations with States, economies and regional organizations of the Asia Pacific area and to intensify the dialogue with them about all issues of common concern.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.'

#### Gambia

*1.3.8.* The following presidency press statement on behalf of the European Union was published in Brussels and Bonn on 3 November:

**Reference:** Presidency press statement: Bull. 10-1994, point 1.3.8

'The European Union has noted the announcement of a four-year election timetable by the armed forces provisional ruling council. It has also noted the AFPRC's extensive proposals for the reform of various sectors. That the Gambia, a country with a previously good democratic and human rights record, should be ruled by a military government for a further four years is unsatisfactory and unnecessary. The European Union believes that the restoration of constitutional government to the Gambia should be the most urgent priority of the AFPRC. Any necessary reforms may then be carried out with the mandate of the Gambian people.

The European Union recalls the measures adopted on 12 October (suspension of all military cooperation and balance of payments support, review of new aid projects on a case-by-case basis). Implementation of these measures has already begun and will be maintained until progress is made towards a return to democracy.'

#### Indonesia

1.3.9. The following presidency statement on behalf of the European Union was published in Brussels and Bonn on 22 November:

'The EU has noted with concern the conviction and sentencing of Mr Muchtar Pakpahan, leader of the officially unrecognized trade union SBSI. The EU recalls that, by virtue of Indonesia's membership of the ILO, it has undertaken to give effect to the principles laid down in the ILO charter.

Workers and employers, without distinction whatsoever, shall have the right to establish and, subject only to the rules of the organization concerned, to join organizations of their own choosing without previous authorization.

Workers' and employers' organizations shall have the right to draw up their constitutions and rules, to elect their representatives in full freedom, to organize their administration and activities and to formulate their programmes. The public authorities shall refrain from any interference which would restrict this right or impede the lawful exercise thereof.

Workers' and employers' organizations shall not be liable to be dissolved or suspended by administrative authority.

The EU appeals to the Indonesian authorities to refrain from any restrictions of these rights and to take further steps towards establishing a general climate (including the freedom of expression) in which labour organizations can work freely and independently.

The acceding countries Sweden and Norway associate themselves with this statement.'

#### Moldova

1.3.10. The following presidency statement on behalf of the European Union was published in Brussels and Bonn on 28 November:

**Reference:** Draft partnership and cooperation agreement between the European Community and Moldova: point 1.3.35 of this Bulletin

'The European Union welcomes the strengthening of relations with Moldova, as signified by the signature of the partnership and cooperation agreement. This will provide the basis for the further building-up of cooperation with Moldova, particularly in the economic and trade spheres. The European Union welcomes the continuation of the Moldovan economic reform programme, for which it has given substantial support.

The European Union reiterates its support for Moldova's independence and territorial integrity. The European Union welcomes the agreement signed between the Governments of the Russian Federation and the Republic of Moldova on 21 October 1994 on the withdrawal of the Russian 14th army from the territory of the Moldova. The European Union urges the parties to adhere to the timetable for withdrawal set down in that agreement.

The European Union welcomes the continuation of negotiations on the status of Transdniestra and the constructive role the CSCE and the Russian special envoy have played in that process. The European Union calls upon the parties to show restraint and flexibility in seeking a solution to the issue.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.'

#### Mozambique

1.3.11. The following presidency statement on behalf of the European Union was published in Brussels and Bonn on 21 November:

**Reference:** Presidency press statement: Bull. 10-1994, point 1.3.13

'The European Union notes with satisfaction that the first multiparty presidential and parliamentary elections in Mozambique, which took place from 27 to 29 October 1994, have been declared free and fair by the Special Representative of the UN Secretary-General in Maputo and fully associates itself with this assessment.

The European Union shares this evaluation, based on the UN observation effort in which 200 European Union election observers were integrated.

The European Union and Member States also contributed in a major way to the operation costs of the election process, thus proving high commitment for the democratic process in Mozambique. It is particularly noteworthy that the elections have taken place in a peaceful manner and without serious incidents. Furthermore the European Union pays tribute to the efficient organization of the elections by the national election commission (CNE) and its President, Dr Brazao Mazula. In its view the remarkably high turnout and the dedication of the electorate under sometimes difficult conditions reflect the intense interest of the Mozambican people in actively participating in the democratic development of their country.

These elections are a decisive step forward in the continuing peace process, which began with the signing of the General Peace Agreement for Mozambique in Rome in October 1992, and lead the way to a lasting and peaceful settlement of a civil war that has devastated the country.

The European Union wishes to congratulate all parties involved in making this process a success. It especially praises the UN Special Representative, Mr Aldo Ajello, whose contribution was essential for keeping the process on track and the UN operation in Mozambique, Onumoz, which has played a vital role in creating the necessary conditions of confidence and security. The European Union is confident that the Parliament and the government formed on the basis of these elections will continue the process of national reconciliation with the aim of establishing lasting stability, prosperity and peace in Mozambique.

The acceding countries Finland, Norway and Sweden associate themselves with this statement.'

#### Rwanda

1.3.12. The following presidency statement on behalf of the European Union was published in Brussels and Bonn on 28 November:

#### **References:**

Council Decision 94/697/CFSP concerning the common position on the objectives and priorities of the European Union vis-à-vis Rwanda: OJ L 283, 29.10.1994; Bull. 10-1994, point 1.3.4

Council guidelines on a programme for immediate action to rehabilitate social and production facilities in Rwanda: point 1.3.70 of this Bulletin

'The Council discussed the problem of refugees in Central Africa. It expressed its concern at the deteriorating situation in the refugee camps on the Rwandan borders and at the consequent risk of regional destabilization. The Council also expressed its concern at the serious problem of the lack of safety of the staff of humanitarian organization working in the camps.

The Council supports the steps taken to deal with this situation as a matter of urgency. Only an overall approach, in the context of implementation of the common position which was adopted on 24 October 1994 and which covers, *inter alia*, the resumption of development aid to Rwanda gradually, under certain conditions, will help the Rwandan Government to re-establish the rule of law and safe conditions for the re-

turn of the refugees, will encourage a structured dialogue of national reconciliation and will make it possible to halt the deterioration in the situation and find a lasting solution without delay.

In that framework, the Council (Development Cooperation) on 25 November 1994 recommended the implementation of a programme of measures for Rwanda. That programme, worth ECU 67 million, covers immediate action to rehabilitate social and production structures in Rwanda.

In addition, the Council would like the plan for a regional conference on refugees in Central Africa to come to fruition as soon as possible. The Council also calls on the United Nations Organization to give the highest priority to the various measures for the return of the Rwandan refugees and for stabilizing the region.'

#### São Tomé and Príncipe

*1.3.13.* The following presidency press statement on behalf of the European Union was published in Brussels and Bonn on 3 November:

'The European Union has noted with satisfaction the sense of civic responsibility once again demonstrated by the people of São Tomé and Príncipe on the occasion of the elections on 2 October.

The European Union earnestly hopes that São Tomé and Príncipe will be able to establish a stable government, which is essential for the country's economic and social development, and appeals to all political forces to commit themselves seriously to consolidating a democratic society.

The acceding country Austria associates itself with this declaration.'

#### Sri Lanka

1.3.14. The following presidency statement on behalf of the European Union was published in Brussels and Bonn on 29 November:

'The EU welcomes the result of the presidential elections, which were judged to be fair and free. The EU is encouraged that this outcome will be an incentive for the newly established Sri Lankan Government to proceed with its constructive effort to undertake confidence-building measures in order to peacefully resolve the problem of the north and east of Sri Lanka.

The EU condemns acts of terrorism such as the assassination of Mr Gamini Dissanayake. Violence does not provide a solution for political problems.

In this respect it strongly urges the LTTE to take positive steps to respond to moves made by the Sri Lankan Government for restoring peace in the country and to cease its campaign of violence.

The EU shall continue to closely follow events in Sri Lanka.

The acceding countries Austria and Finland associate themselves with this statement.'

#### Palestinian Territories

1.3.15. The following European Union statement on aid to the Palestinians was published in Brussels and Bonn on 28 November:

#### **References:**

Peace agreement between Israel and the PLO: Bull. 9-1993, point 1.3.19

Council Decision 94/276/CFSP on a joint action in support of the Middle East peace process: OJ L 119, 7.5.1994; Bull. 4-1994, point 1.3.2 Israeli-Palestinian agreement: Bull. 5-1994, point 1.3.46

'The European Union considers that the Middle East peace process has reached a crucial stage in which it is necessary for all sides to do their utmost to bring it to a successful conclusion. In this context, the further development of the Palestinian Territories is of paramount importance. The European Union has on numerous occasions, for example, in the joint action adopted on 19 April 1994, confirmed its readiness to support the Middle East peace process in general and the development in the Palestinian Territories in particular through both political and material assistance.

While the *Ad Hoc* Liaison Committee is meeting in Brussels to examine once more the issue of aid to the Palestinian Territories, the European Union wishes to stress the great importance of this meeting, under the current circumstances.

As the largest contributor of aid to the Palestinians, the European Union reaffirms its determination to continue its economic and financial efforts, and the willingness to examine ways and means of meeting the needs of the Palestinians more effectively. The European Union is convinced that, during the particular phase in which autonomy is being created and Palestinian institutions set up, it is vital for the inhabitants of the Territories to see concrete evidence in their daily lives of the positive effects of the political changes which took place over eight years ago.

This objective requires efforts to be made on all sides, whether it be the donor community as a whole, or the regional parties. The European Union has undertaken important measures to this end. Not only was the sum of ECU 87.38 million in grants committed from the Community budget in 1994, but a very large part of that sum has already reached the Palestinian Territories: the Autonomous Territories and the Occupied Territories received payments totalling ECU 71.89 million in 1994 (on 24 November 1994). By February 1995 they will receive ECU 24.30 million more. They will therefore have received ECU 96.06 million over 14 months, to which should be added Member States' contributions.

While the European Union reiterates its readiness and resolve to continue to contribute to the success of the peace process, it calls upon other donors, and especially those from the region itself to carry their share of the international burden. International aid can only be complementary to the efforts of the parties directly concerned. Therefore, Palestinians and Israelis can also make a contribution, each for the aspects which concern them, by endeavouring to improve the operation of the bodies in charge of aid administration, by facilitating the entry of equipment financed by international aid and by implementing forthwith the clauses of the Israeli-Palestinian economic agreement of 29 April 1994 concerning access of Palestinian workers and products to Israel.

The European Union is also convinced that donors' efforts to help the civilian population must be accompanied by a reactivation of the peace process, particularly with regard to the full implementation of the Declaration of Principles of 13 September 1993. Indeed, the tragic events in Gaza demonstrate the overriding need to consolidate, deepen and speed up the process begun by the historic declaration of September 1993. In this context, the European Union welcomes the decision of Israel and the PLO to resume their negotiations on the implementation of the autonomy agreement. It is essential that these discussions open the way as soon as possible to new progress on the issues outstanding, in particular those of the elections and the extension of autonomy to the West Bank.'

#### Non-proliferation Treaty

1.3.16. The following presidency statement on behalf of the European Union concerning the Ukrainian Parliament decision on Ukraine's accession to the Non-proliferation Treaty was published in Brussels and Bonn on 29 November:

Reference: Corfu European Council conclusions: Bull. 6-1994, point I.18

'The European Union welcomes the fact that the Ukrainian Parliament has, by its decision on 16 November 1994, opened the way towards accession to the NPT. The European Union looks forward to Ukraine acceding to the Treaty as soon as possible as a non-nuclear-weapon State.

The European Union has indicated in the conclusions of the Corfu European Council of 24 and 25 June and

of the General Affairs Councils of 4 and 31 October 1994 its desire to further strengthen its relations with Ukraine. The Ukrainian accession to the NPT will assist this process.

The European Union would welcome the conclusion of a full scope safeguards agreement according to the IAEA information circular 153 (INFCIR 153) as soon as possible as well as the early dismantlement and transfer of all nuclear weapons which are still stationed in its territory.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.

The Central and Eastern European countries associated with the Union align themselves with this statement.'

1.3.17. The following presidency statement on behalf of the European Union concerning Moldova's accession to the Non-proliferation Treaty was published in Brussels and Bonn on 29 November:

'The European Union welcomes the fact that Moldova has deposited on 21 October 1994 its instrument of accession to the Non-Proliferation Treaty as a nonnuclear-weapon State.

The European Union stresses the importance of an early start of negotiations between Moldova and the IAEA concerning a safeguards agreement, in order to complete the requirements following from the accession to the NPT.

The European Union takes this opportunity to underscore its belief in universal adherence to the NPT and calls upon all States which have not yet done so to accede to the NPT as non-nuclear-weapon States.

The acceding countries Austria, Finland and Sweden associate themselves with this statement.

The Central and Eastern European countries associated with the Union align themselves with this statement.'

### Enlargement

#### **EFTA countries**

#### Sweden

1.3.18. Result of the Swedish referendum.

**Reference:** Signing of the Treaties for the accession of Austria, Finland, Norway and Sweden to the European Union: Bull. 6-1994, point 1.3.15

On 13 November the people of Sweden approved their country's accession to the European Union by a majority of 52.2%. To mark this occasion, Mr Delors issued the following statement:

'I extend my welcome to the people of Sweden not only for their decision to join the European Union but for a host of other reasons. To build a Europe that is at once strong and rich in its diversity, caring and united, we need to benefit from the Swedes' experience, to learn from the way they have constructed their society, from their sensitivity — all this, I believe, will enrich the European Union.

I always thought that, in the final analysis, a nation so open to the outside, so devoted to overcoming inequality in the world, so keen on development, could not close in on itself. As for those who voted 'no', we shall do our best to show them that ours is a friendly home and that the Swedes with all their character belong here.

I regret now that I did not begin my task at the Commission with the Swedes behind me in my battles for the social dimension, for a genuine policy on the environment, for a new model of development, for promoting women's rights and improving their situation. I believe Sweden will have a very useful role to play in all these respects.'

#### Norway

#### 1.3.19. Result of the Norwegian referendum.

#### **References:**

Agreement establishing the European Economic Area: Bull. 1/2-1994, point 1.3.27 Signing of the Treaties for the accession of Austria, Finland, Norway and Sweden to the European Union: Bull. 6-1994, point 1.3.15

On 28 November the Norwegian people voted against Norway's accession to the European Union by a majority of 52.2%. Mr Delors issued the following statement to mark this event.

'I am disappointed because I thought that Norway had much to offer the European Union. The people of Norway are the sole judges of what is good for their future and we respect the vote of a country that has always demonstrated a strong sense of democracy.

Naturally we will be looking at the consequences of this decision because we are tied to Norway by the European Economic Area. When I presented the proposal to create the European Economic Area with the EFTA countries to the European Parliament in January 1989, it was not, as some said, to delay their accession to the Union, but because it seemed a solution that would one day actually aid their accession. We shall maintain our close relationship with Norway therefore and (...) we fully respect the decision of the Norwegian people.'

### Central and Eastern Europe and the independent States of the former Soviet Union

#### **Central and Eastern Europe**

## Relations with the associated countries of Central and Eastern Europe

1.3.20. Parliament resolution on the strategy of the European Union to prepare for the accession of the countries of Central and Eastern Europe, with a view to the European Council in Essen.

**Reference:** Commission communications on 'The Europe Agreements and beyond: a strategy to prepare the countries of Central and Eastern Europe for accession': COM(94) 320 and COM (94) 321; Bull. 7/8-1994, points 1.3.26 and 1.3.27

Adopted on 30 November. Parliament noted the Commission's proposed strategy and approved the principle of enlargement of the European Union to embrace all the countries of Central and Eastern Europe, including the Baltic States, provided conditions for accession were laid down and the countries in question complied with the Community acquis. It stressed the need to complete institutional reform of the Union itself beforehand and to ensure that the integration of these countries was properly planned and called for full use to be made of the opportunities offered by the Association Agreements. Parliament also emphasized the importance of multilateral dialogue and all forms of cooperation between the European Union and the countries in question, and urged that the Union back their efforts to achieve peace and security (particularly by bolstering democracy and the rule of law). Reaffirming its commitment to assisting the countries of Central and Eastern Europe, Parliament recommended that resources be focused on stabilizing democracy and that a balance be sought between relations with Eastern Europe and relations with Mediterranean countries.

OJ C 363, 19.12.1994

1.3.21. Recommendation for a Decision adjusting the agricultural trade component of the Europe Agreements and Interim Agreements between the European Communities and the associated countries of Central and Eastern Europe.

#### **References:**

Interim Agreements on trade and trade-related matters between the EEC and ECSC and Poland, Hungary and the Czech and Slovak Federal Republic: OJ L 114, 115 and 116, 30.4.1992; Bull. 1/2-1992, point 1.4.9

Interim Agreement on trade and trade-related matters between the EEC and ECSC and Romania: OJ L 81, 2.4.1993; Bull. 3-1993, point 1.3.10

Interim Agreement on trade and trade-related matters between the EEC and ECSC and Bulgaria: OJ L 323, 23.12.1993; Bull. 12-1993, point 1.3.15

Draft Europe (association) Agreements between the European Communities and their Member States, of the one part, and Bulgaria, the Czech Republic, the Slovak Republic and Romania, of the other part: Bull. 10-1993, points 1.3.12, 1.3.14 and 1.3.16

Europe (association) Agreements between the European Communities and their Member States, of the one part, and Hungary and Poland, of the other part: Bull. 12-1993, point 1.3.20

Final Act embodying the results of the Uruguay Round of multilateral trade negotiations: COM(94) 143; Bull. 4-1994, point 1.3.61

Commission communications on 'The Europe Agreements and beyond: a strategy to prepare the countries of Central and Eastern Europe for accession': COM(94) 320 and COM(94) 321, Bull. 7/8-1994, points 1.3.26 and 1.3.27

Adopted by the Commission on 23 November. In the wake of its communication on preparing the countries of Central and Eastern Europe for accession the Commission is proposing to negotiate adjustments to the Europe and Interim Agreements with the six countries in question. The proposed alterations are necessary as a result of the conclusion of the Uruguay Round and enlargement of the European Union, and are intended to rebalance the agricultural component of the agreements.

## Assistance for Central and Eastern Europe

#### **Technical assistance**

**Reference:** Council Regulation (EEC) No 3906/89 on economic aid for certain countries of Central and Eastern Europe (PHARE pro-

gramme) (OJ L 375, 23.12.1989; Bull. 12-1989, point 2.2.25), as last amended by Regulation (EEC) No 1764/93: OJ L 162, 3.7.1993; Bull. 6-1993, point 1.3.13

*1.3.22.* Proposal for a Council Regulation amending Regulation (EEC) No 3906/89 to extend economic aid to Croatia ( $\rightarrow$  point 1.3.41).

1.3.23. Commission financing decision (under the PHARE programme) for the former Yugoslav Republic of Macedonia ( $\rightarrow$  point 1.3.49).

#### **Financial assistance**

*1.3.24.* Council Decision 94/773/EC providing further macro-financial assistance for Albania.

**Commission proposal:** OJ C 112, 22.4.1994; COM(94) 112; Bull. 3-1994, point 1.3.35 **Parliament opinion:** OJ C 205, 25.7.1994; Bull. 5-1994, point 1.3.29

Adopted by the Council (general affairs) on 28 November. The Council Decision grants Albania a first instalment of ECU 15 million (out of the maximum macro-financial assistance of ECU 35 million). The second instalment will be released by a further Council Decision based on a Commission report on progress made in the field of human rights.

OJ L 308, 2.12.1994

#### Bilateral relations

#### **Baltic States**

1.3.25. Draft Europe (association) Agreements between the European Communities and Estonia, Latvia and Lithuania.

**Commission recommendations:** Bull. 10-1994, point 1.3.22

Negotiating directives adopted by the Council (general affairs) on 28 November.

*1.3.26.* Draft Agreement on free trade and trade-related matters between the European Communities and Estonia.

**Commission recommendation:** Bull. 12-1993, point 1.3.13

**Amended Commission recommendation:** Bull. 1/2-1994, point 1.3.39

**Negotiating directives:** Bull. 1/2-1994, point 1.3.39

**Proposal for a Council Decision (EC) regarding conclusion of the Agreement:** COM(94) 330; Bull. 7/8-1994, point 1.3.33

**Draft Commission Decision (ECSC, Euratom) regarding conclusion of the Agreement:** COM (94) 330 — Bull. 7/8-1994, point 1.3.33

**Initialling of the Agreement:** Bull. 7/8-1994, point 1.3.33

**Council Decision on the signing of the Agreement:** Bull. 7/8-1994, point 1.3.33

Signing of the Agreement: Bull. 7/8-1994, point 1.3.33

**Consultation of the ECSC Consultative Committee:** Bull. 10-1994, point 1.3.23

Endorsed by Parliament on 18 November.

OJ C 341, 5.12.1994

1.3.27. Draft Agreement on free trade and trade-related matters between the European Communities and Latvia.

**Commission recommendation:** Bull. 12-1993, point 1.3.13

**Amended Commission recommendation:** Bull. 1/2-1994, point 1.3.39

**Negotiating directives:** Bull. 1/2-1994, point 1.3.39

Initialling: Bull. 6-1994, point 1.3.24

Proposal for a Council Decision (EC) regarding conclusion of the Agreement: COM(94) 326; Bull. 7/8-1994, point 1.3.34

**Draft Commission Decision (ECSC, Euratom) regarding conclusion of the Agreement:** Bull. 7/8-1994, point 1.3.34

**Council Decision on the signing of the Agreement:** Bull. 7/8-1994, point 1.3.34

Signing of the Agreement: Bull. 7/8-1994, point 1.3.34

**Consultation of the ECSC Consultative Committee:** Bull. 10-1994, point 1.3.24

Endorsed by Parliament on 18 November.

OJ C 341, 5.12.1994

1.3.28. Draft Agreement on free trade and trade-related matters between the European Communities and Lithuania.

**Commission recommendation:** Bull. 12-1993, point 1.3.13

Amended Commission recommendation: Bull. 1/2-1994, point 1.3.39

Negotiating directives: Bull. 1/2-1994, point 1.3.39

Initialling: Bull. 6-1994, point 1.3.25

**Proposal for a Council Decision (EC) regarding conclusion of the Agreement:** COM(94) 327; Bull. 7/8-1994, point 1.3.35

**Draft Commission Decision (ECSC, Euratom) regarding conclusion of the Agreement:** Bull. 7/8-1994, point 1.3.35 **Council Decision on the signing of the Agreement:** Bull. 7/8-1994, point 1.3.35

Signing of the Agreement: Bull. 7/8-1994, point 1.3.35

**Consultation of the ECSC Consultative Committee:** Bull. 10-1994, point 1.3.25

Endorsed by Parliament on 18 November. OJ C 341, 5.12.1994

#### **Bulgaria and Romania**

#### **References:**

Interim Agreement on trade and trade-related matters between the EEC and the ECSC, of the one part, and Romania, of the other part: OJ L 81, 2.4.1993; Bull. 3-1993, point 1.3.10

Interim Agreement on trade and trade-related matters between the EEC and the ECSC, of the one part, and Bulgaria, of the other part: OJ L 323, 23.12.1993; Bull. 12-1993, point 1.3.15

Draft Europe (association) Agreements between the European Communities and their Member States, of the one part, and Bulgaria and Romania, of the other part: Bull. 10-1993, points 1.3.12 and 1.3.16

1.3.29. Draft second additional protocol to the Europe Agreement between the European Communities and their Member States and Bulgaria, and to the Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community and Bulgaria.

Proposal for a Decision on the conclusion of the additional protocol adopted by the Commission on 30 November. The Decision would speed up the dismantling of tariffs and tariff quotas so as to bring Bulgaria into line with the tighter timetable for the other four associated countries of Central and Eastern Europe.

*1.3.30.* Draft second additional protocol to the Europe Agreement between the European Communities and their Member States and Romania, and to the Interim Agreement on trade and trade-related matters between the European Economic Community and the European Coal and Steel Community and Romania.

Proposal for a Decision on the conclusion of the additional protocol adopted by the Commission on 30 November. The Decision would speed up the dismantling of tariffs and tariff quotas to as to bring Romania into line with the tighter timetable for the other four associated countries of Central and Eastern Europe. Draft ECSC Decision regarding the conclusion of the protocol adopted by the Commission on 30 November.

*1.3.31.* Proposal for a Council Decision on the provisional implementation of certain articles of the second additional protocols to the Europe Agreements and Interim Agreements in question.

Adopted by the Commission on 30 November. The Decision would allow certain provisions of the additional protocols to be implemented from 1 January 1995, pending formal conclusion of those protocols ( $\rightarrow$  points 1.3.29 and 1.3.30).

## Independent States of the former Soviet Union

Assistance for the independent States of the former Soviet Union

#### **Financial assistance**

*1.3.32.* Proposal for a Council Decision providing macro-financial assistance for Ukraine.

Reference: Twentieth Western economic summit: Bull. 7/8-1994, point 1.3.52

Adopted by the Commission on 4 November. The Commission proposed that the Community provide assistance for Ukraine in the form of a 10-year balance of payments loan. The loan would be made as a single payment of ECU 85 million, supplementing the resources provided by the international financial institutions and other donors. It would be subject to the condition that Ukraine's financial relations with the Community be regularized, that the Chernobyl closure plan proposed by the G7 be implemented and that an understanding be reached with the IMF on a stand-by arrangement.

COM(94) 487

#### Bilateral relations

#### Belarus

1.3.33. Draft partnership and cooperation Agreement between the European Community and Belarus.

**Commission recommendation:** Bull. 7/8-1992, point 1.4.3

Negotiating directives: Bull. 10-1992, point 1.4.19

Amended Commission Recommendation: Bull. 10-1994, point 1.3.31

Amended negotiating directives adopted by the Council on 14 November.

*1.3.34.* Draft Interim Agreement on trade and trade-related matters between the European Community and Belarus.

Negotiating directives adopted by the Council on a recommendation from the Commission on 14 November.

#### Moldova

1.3.35. Draft partnership and cooperation Agreement between the European Communities and their Member States, of the one part, and Moldova, of the other part.

Reference: Agreement on trade and commercial and economic cooperation between the EEC and Euratom and the USSR: OJ L 68, 15.3.1990; Bull. 1/2-1990, points 1.2.23 and 1.2.24 Commission recommendation: Bull. 7/8-1992, point 1.4.3 Negotiating directives: Bull. 10-1992, point 1.4.19 Proposal for a Council Decision amending the negotiating directives: Bull. 6-1994, point 1.3.31 Amended negotiating directives: Bull. 7/8-1994, point 1.3.43 Initialling: Bull. 7/8-1994, point 1.3.43

Proposal for a Decision on the conclusion of the Agreement adopted by the Commission on 3 November.

COM(94) 477

Decision on the signing of the Agreement adopted by the Council on 28 November.

Agreement signed in Brussels on 28 November. This is a mixed-type agreement (combining areas of Community and Member-State responsibility) intended to replace the trade and commercial and economic cooperation agreement concluded with the USSR in 1990. The new agreement is valid for 10 years. It provides for the eventual prospect of a free-trade area and for a political dialogue, and includes a human rights clause. It covers trade in goods, the establishment and operation of companies, cross-border trade in services, payments, capital, competition, protection of intellectual, industrial and commercial property and legislative, economic, cultural and financial cooperation. A separate protocol deals with customs matters. The agreement establishes institutional machinery composed of a Cooperation Council, a Cooperation Committee and a Parliamentary Cooperation Committee.

#### Ukraine

*1.3.36.* Common position 94/779/CFSP defined by Council on the basis of Article J.2 of the Treaty on European Union on the objectives and priorities of the European Union towards Ukraine ( $\rightarrow$  point 1.3.1).

*1.3.37.* Draft Interim Agreement on trade and trade-related matters between the European Communities and Ukraine.

**Commission recommendation:** Bull. 6-1994, point 1.3.35 **Negotiating directives:** Bull. 6-1994, point 1.3.35

**Proposal for a Council Decision (EC) regarding conclusion of the Agreement:** COM(94) 341; Bull. 7/8-1994, point 1.3.46

**Draft Commission Decision (ECSC, Euratom) regarding conclusion of the Agreement:** COM (94) 341; Bull. 7/8-1994, point 1.3.46

Decision regarding the signing of the Agreement adopted by the Council on 28 November.

# Mediterranean and Middle East

#### General

1.3.38. Recommendation for a Council Decision authorizing the Commission to negotiate protocols adapting the agreements concluded by Andorra, Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, San Marino, Slovenia, Syria, Tunisia and Turkey with the European Community and the European Coal and Steel Community in the light of the accession of the Kingdom of Norway, the Republic of Austria, the Republic of Finland and the Kingdom of Sweden to the European Union.

**Reference:** Accession to the European Union of the Kingdom of Norway, the Republic of Austria, the Republic of Finland and the Kingdom of Sweden: Bull. 6-1994, point 1.3.15

Adopted by the Commission on 28 November, with a view to opening negotiations to adapt the existing agreements concluded by the EC and the ECSC with the above countries in the light of the enlargement of the European Union.

#### Northern Mediterranean

#### Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia

1.3.39. Proposal for a Council Regulation concerning the arrangements applicable to imports into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia; draft Decision of the Representatives of the Governments of the Member States of the European Coal and Steel Community meeting within the Council concerning the arrangements applicable to imports into the Community of products covered by the ECSC Treaty originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia; proposal for a Council Regulation establishing ceilings and Community surveillance for imports of certain products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia; draft Decision of the Representatives of the Governments of the Member States of the European Coal and Steel Community meeting within the Council establishing ceilings and Community surveillance for imports of certain products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia (1995).

**Regulation and Decision extended:** Council Regulation (EC) No 3698/93 concerning the arrangements applicable to the import into the Community of products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia; Decision 93/732/ECSC of the Representatives of the Governments of the Member States of the ECSC meeting within the Council concerning the arrangements applicable to imports into the Community of products covered by the ECSC Treaty originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia: OJ L 344, 31.12.1993; Bull. 12-1993, point 1.3.30

Adopted by the Commission on 3 November, in order to retain in 1995 the preferential import arrangements applied by the Community to products originating in the Republics of Bosnia-Herzegovina, Croatia, Slovenia and the former Yugoslav Republic of Macedonia.

COM(94) 457

#### Bosnia-Herzegovina

1.3.40. Parliament resolution on the situation in Bosnia-Herzegovina.

**Reference:** Parliament recommendation to the Council on the situation in Bosnia-Herzegovina: point 1.3.2 of this Bulletin

Adopted on 17 November. Parliament insisted that the decisions of the United Nations Security Council and General Assembly should be respected and measures taken to avoid exposing Unprofor troops to unnecessary danger, urging the European Union and its Member States to make a supreme effort to achieve agreement within the Atlantic Alliance on how to defeat aggression against Bosnia-Herzegovina and calling on the Western countries to find common solutions in order to save the lives of the Bosnian population.

OJ C 341, 5.12.1994

#### Croatia

*1.3.41.* Proposal for a Council Regulation amending Regulation (EEC) No 3906/89 in order to extend economic aid to Croatia.

**Regulation to be amended:** Council Regulation (EEC) No 3906/89 on economic aid to certain countries of Central and Eastern Europe (PHARE programme) (OJ L 375, 23.12.1989; Bull. 12-1989, point 2.2.25), as last amended by Council Regulation (EEC) No 1764/93: OJ L 162, 3.7.1993; Bull. 6-1993, point 1.3.13

Adopted by the Commission on 23 November, the aim being to include Croatia in the PHARE programme. Croatia's participation will be financed under existing budget allocations. OJ C 360, 17.12.1994; COM(94) 526.

1.3.42. Mr Mate Granič, Deputy Prime Minister and Foreign Minister, visited the Commission on 10 November. He met Mr Van den Broek, with whom he discussed the political situation in former Yugoslavia, particularly Bosnia-Herzegovina and Croatia, and bilateral relations between Croatia and the European Union. Mr Granič welcomed the prospect of his country being included in the PHARE programme.

#### Maghreb

#### Morocco

1.3.43. Commission financing decision.

#### **References:**

Commission communication on combating drugs and developing the northern provinces of Morocco: Bull. 9-1993, point 1.3.27

Council conclusions on combating drugs and developing the northern provinces of Morocco: Bull.12-1993, point 1.3.35

Adopted on 25 November, allocating ECU 6 835 000 to finance a job creation scheme in the northern provinces of Morocco as part of the campaign against drugs and the development of the provinces concerned.

#### Mashreq

#### Egypt

*1.3.44.* Draft Euro-Mediterranean Association Agreement with Egypt.

#### **References:**

EEC-Egypt Cooperation Agreement: (OJ L 266, 27.9.1978), as last amended by Regulation (EEC) No 3069/1990: OJ L 295, 26.10.1990

EC-Egypt Cooperation Council: Bull. 5-1994, point 1.3.43

Commission communication to the Council and Parliament on strengthening the Mediterranean policy of the European Union: establishing a Euro-Mediterranean partnership: COM(94) 427; Bull.10-1994, point 1.3.34

Recommendation for a Decision adopted by the Commission on 3 November. This recommenda-

tion followed on from the Commission communication on establishing a Euro-Mediterranean partnership. The purpose of the Agreement is to strengthen political dialogue based on respect for human rights and democratic principles, gradually create a free-trade area, step up economic and financial cooperation and encourage regional cooperation.

Syria

#### **References:**

EEC-Syria Cooperation Agreement: OJ L 269, 27.9.1978

Fourth financial Protocol: OJ L 32, 5.2.1994; Bull.1/2-1994, point 1.3.61

#### 1.3.45. EC-Syria Cooperation Council

Inaugural meeting held in Brussels on 28 November, under the joint presidency of Mr Farouk Al Shara, the Syrian Foreign Minister, and Mr Klaus Kinkel, Germany's Foreign Minister and Council President. The Commission was represented by Mr Marín, and the European Investment Bank by Mrs Ariane Obolensky.

This was the first Cooperation Council meeting since the signing of the Cooperation Agreement in 1977, and its special significance was highlighted by the parties, who expressed their desire to see cooperation between Syria and the EU stepped up. The talks also emphasized the parties' shared interest in promoting peace and security throughout the Mediterranean region.

Mr Al Shara explained his government's position on the Middle East peace process, and took stock of Euro-Syrian cooperation as it had developed since the signing of the Cooperation Agreement in 1977. Pointing to the progress made by Syria in strengthening its ties with the European Union, Mr Marín confirmed that the Commission was willing to provide financial support for the Syrian Government's economic reforms. Mr Kinkel announced that the European Union intended to lift the embargo it had placed on arms sales to Syria in 1986.

A joint press release was issued at the end of the meeting.

1.3.46. Parliament resolution on the forthcoming meeting of the EC-Syria Cooperation Council.

Adopted on 17 November. Parliament welcomed the forthcoming meeting of the EC-Syria Coop-

eration Council, and called on the parties to include human rights on the agenda. The resolution looked forward to concrete results concerning the freeing of those imprisoned without charge, the banning of torture in custody and the full investigation of all cases of death and disappearance while in custody, further arguing that arrests should be supervised by the judiciary, and arrested persons brought before the judicial authorities and permitted to contact a lawyer, their families and a doctor. The resolution also welcomed Syria's participation in the Middle East peace process.

OJ C 341, 5.12.1994

#### Jordan

1.3.47. Crown Prince El Hassan Bin Talal visited the Commission on 24 November, accompanied by Mr M. Khatib, Minister for Planning, Mr T. Hassan, Minister of State for Foreign Affairs, and Mrs R. Khataf, Minister for Trade and Industry.

Prince Hassan, Mr Khatib, Mr Hassan and Mrs Khataf met Mr Delors, Mr Marín, and Mr Van den Broek, with whom they discussed the Middle East peace process, and EU-Jordan relations, which both sides desired to see strengthened.

#### Financial and technical cooperation

*1.3.48.* Report from the Commission to the Council and the European Parliament on the implementation of financial and technical cooperation with Mediterranean non-member countries and on financial cooperation with those countries as a group.

Adopted on 18 November. The report provides an overview of the implementation of the financial protocols and of regional and decentralized cooperation under the Community's Mediterranean policy. The Commission reviews cooperation country-by-country, and also assesses 'horizontal' cooperation.

COM(94) 384

1.3.49. Commission financing decision.

**Reference:** Council Regulation (EEC) No 3906/89 on economic aid to certain countries of Central and Eastern Europe (PHARE pro-

gramme) (OJ L 375, 23.12.1989; Bull. 12-1989, point 2.2.25), as last amended by Council Regulation (EEC) No 1764/93: OJ L 162, 3.7.1993; Bull. 6-1993, point 1.3.13

Adopted on 30 November. This Decision allocates ECU 23 million under the PHARE programme to the former Yugoslav Republic of Macedonia, targeting the sectors hardest hit by the sanctions, where the aid will make a substantial contribution to meeting the humanitarian and social needs of the population.

#### Support for the peace process

1.3.50. Economic summit on the Middle East and North Africa.

#### **References:**

Commission communication to the Council on future relations and cooperation between the Community and the Middle East: COM(93) 375; Bull. 9-1993, point 1.3.18

Commission communication on Community support to the Middle East peace process: COM (93) 458; Bull. 9-1993, point 1.3.23

Israel-Palestine Agreement: Bull. 5-1994, point 1.3.46

Meeting held in Casablanca, from 30 October to I November. The purpose of the summit was to support the peace process by preparing the ground for economic cooperation between Israel and its Arab neighbours and between all the countries of the region. The meeting was convened by His Majesty King Hassan II, with the endorsement of the US President, Mr Bill Clinton, and the President of the Russian Federation, Mr Boris Yeltsin, and was attended by Mr Delors, who gave a speech at the opening session. The representatives of 61 countries participated in the meeting, as did 1 114 business leaders.

At the end of the summit, the participants adopted the 'Casablanca Declaration', stressing the need to create partnership ties among the countries of the Middle East and North Africa as a bulwark of the peace process. Business leaders called on the governments to create a favourable climate for the development of trade and investment, while the government representatives urged the former to join in the peace process by building commercial and industrial links to provide tangible evidence of progress. The participants stressed that any such projects would require liberalization of the movement of goods, capital and labour throughout the region, and welcomed the decision of the Gulf Cooperation Council countries to relax their embargo on trade and economic relations with Israel.

1.3.51. The EU troika met Mr Yassir Arafat, President of the Palestinian Authority, and Mr Shimon Peres, the Israeli Foreign Minister, in Brussels on 28 November.

The troika, consisting of Mr Klaus Kinkel, German Foreign Minister and President of the Council, Mr Giannos Kranidiotis, Greece's Deputy Foreign Minister, and a representative of the French Government, was joined by Mr Marín representing the Commission. The talks focused on EU support for the peace process, with both Mr Arafat and Mr Peres requesting that aid to the Territories be disbursed more rapidly, and redirected towards job creation. They also asked for additional funds to promote the long-term development of the Territories. Mr Arafat stressed that the European Union was the most generous donor, and had been the most punctilious in meeting its commitments. The parties also discussed the creation of a tax collection system in Gaza and Jericho.

# United States, Japan and other industrialized countries

#### **South Africa**

*1.3.52.* Draft Cooperation Agreement between the European Community and the Republic of South Africa.

**Proposal for a Council Decision concerning the conclusion of the agreement:** OJ C 282, 8.10.1994; COM(94)402; Bull. 9-1994, point 1.3.16

Endorsed by Parliament on 30 November. OJ C 363, 19.12.1994

#### Japan

1.3.53. Ministerial meeting between the European Union and Japan.

Reference: Joint declaration: Bull. 7/8-1991, point 1.3.33

#### Previous meeting: Bull. 1/2-1993, point 1.3.33

Sixth meeting held in Tokyo on 19 November. At this meeting, foreshadowed in the 1991 joint declaration, the Commission was represented by Sir Leon Brittan, Mrs Scrivener and Mr Steichen. The Japanese delegation consisted of Mr Y. Kono, Foreign Minister, Mr M. Takemura, Finance Minister, Mr R. Hashimoto, Minister for International Trade and Industry, Mr K. Okawara, Minister for Agriculture, Forestry and Fisheries and Mr M. Komura, Minister for the Economic Planning Agency. The meeting focused on economic and trade relations between the European Union and Japan. On the question of market access, progress consisted chiefly of the Japanese authorities' announcement of the following new measures: amendment of the rules governing the labelling of food products and recognition of conformity with Japanese standards in the case of textiles and medical equipment possessing European certification as well as European electrical equipment certified in accordance with international standards. The two sides also agreed to negotiate mutual recognition agreements in respect of certification procedures for industrial products. A decision was taken, in addition, to introduce parallel monitoring of the application of the mostfavoured-nation clause in respect of European products.

The two sides agreed to schedule informal discussions on customs cooperation and Japan decided to use as a model European product liability legislation. The European delegation, for its part, urged the Japanese to reduce their trade surplus. The two sides also held an exchange of views on international relations.

#### Asia

#### **Bilateral relations**

#### China

1.3.54. Visit by Sir Leon Brittan on 6 and 7 November.

Sir Leon met Mrs Wu Yi, Minister for Foreign

Trade; they discussed a number of issues, notably China's application to join the World Trade Organization, difficulties in gaining access to the Chinese market, and conducted high-level talks on textiles. Sir Leon also inaugurated a new China-Europe business school together with Mr Huang Ji, Mayor of Shanghai.

#### Hong Kong

1.3.55. Visit by Sir Leon Brittan from 8 to 10 November.

During this visit, Sir Leon met Mr Chris Patten, Hong Kong Governor and a number of State Secretaries. They discussed the European Union's firm support for economic integration in the Asia-Pacific region and the forthcoming Asia-Pacific Economic Cooperation (APEC) summit. They also mooted the possibility of a very high-level political dialogue between the European Union and Asia and examined various commercial matters.

#### Thailand

*1.3.56.* Visit by Mr René Steichen from 20 to 22 November.

**Reference:** Final Act of the Uruguay Round multilateral trade negotiations: COM(94) 143; Bull. 4-1994, point 1.3.61

Mr Steichen met Mr U. Pimchaichon, Minister for Commerce and Mr S. Mongolkiti, Minister for Agriculture; they discussed a range of trade issues, particularly in the field of agriculture. They also discussed the ratification of the Uruguay Round agreements, the establishment of the World Trade Organization and the results of the Asia-Pacific Economic Cooperation (APEC) summit.

#### Viet Nam

*1.3.57.* Visit of Mr Do Quoc Sam, Minister, Chairman of the State Planning Commission on 18 November.

#### **References:**

Draft framework trade and cooperation Agreement between the Community and Viet Nam: Bull. 10-1993, point 1.3.41

Commission communication entitled 'Towards a new Asia strategy': COM(94) 314; Bull. 7/8-1994, point 1.3.55 Mr Do Quoc Sam met Mr Manuel Marín and Mr Hans van den Broek. They discussed bilateral relations between the European Union and Viet Nam and expressed their desire for the swift conclusion of the framework cooperation agreement. Noting the upturn in the Vietnamese economy, they stressed the importance of institutional support from the Community for the economic reform process and called attention to Viet Nam's needs in terms of social provision and training. They also welcomed the country's forthcoming accession to the Association of South-East Asian Nations (ASEAN) and highlighted the Community's support for the process of regional integration in South-East Asia.

#### **Cooperation with Asian countries**

#### 1.3.58. Project financing

**Basic Regulation:** Council Regulation (EEC) No 443/92 on financial and technical assistance to and economic cooperation with the developing countries in Asia and Latin America: OJ L 52, 27.2.1992; Bull. 1/2-1992, point 1.4.40

Commission financing decisions to provide assistance to the following projects (see Table 9).

Table 9 — Cooperation with Asia

	(1	nillion ECU)
Country	Purpose	Amount (grant)
Various countries	Commissioning of external experts' reports	7.5
China (Tibet)	Integrated rural develop- ment project in Pa Nam Project for the development	7.6
	of fisheries in the Fujian province (lengthiness)	0.6
India	Small-scale irrigation pro- ject in Orissa	10.7
Philippines	Support for agrarian reform	20
Thailand	Health reform project	4
Viet Nam	Social project for the pro- tection of forests and the natural environment in	
	Nghe An province	17.5

## Aid for refugees and displaced persons

1.3.59. Commission decisions: see Table 10.

Table 10 — Aid for refugees and displaced persons

		(million ECU)
Country	Number of programmes	Total
Bangladesh	1	2
Viet Nam	11	1.25

### Latin America

#### **Relations with regional bodies**

#### **Relations with Mercosur**

*1.3.60.* Visits made by the Foreign Ministers of the Mercosur countries on 24 November.

**Reference:** Commission communication 'The European Community and Mercosur: an enhanced policy': COM(94) 428; Bull. 10-1994, point 1.3.51

Mr Celso Nunes, Mr Guido Di Tella, Mr Luis Ramirez and Mr Sergio Abreu, the Foreign Ministers of Brazil, Argentina, Paraguay and Uruguay, held talks with Mr Delors, Mr Marín and Mr Van den Broek. Discussions focused on the communication on the enhancement of EC-Mercosur relations, adopted by the Commission in October. Both sides underlined the innovative nature of the planned interregional agreement and welcomed the fact that Mercosur would shortly acquire legal personality.

#### **Cooperation with Latin America**

1.3.61. Project financing.

**Basic Regulation:** Council Regulation (EEC) No 443/92 on financial and technical assistance to, and economic cooperation with, the developing

countries in Asia and Latin America: OJ L 52, 27.2.1992; Bull. 1/2-1992, point 1.4.40

Commission financing decisions to provide assistance for the following projects (see Table 11).

Table 11		Cooperation	with	Latin America	
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. <u> </u>	( <i>m</i> ( <i>m</i>	illion ECU)
Country	Purpose	Amount (grant)
Various countries	Projects involving external consultants	7.5
Bolivia	Technical assistance for the external financing director- ate and the National Food Aid Office	0.2
Colombia	Institutional and Com- munity development in Ciudad Bolivar	6.47
El Salvador	Support programme for the informal sector (phase II)	7
Ecuador	Support for the institutional capacity building of the Charles Darwin Foundation (Galapagos Islands)	0.86
	Rehabilitation of the Paute area	12
Guatemala	Rural development project in the department of Alta Verapaz	8
	Rural development project in the department of Baja Verapaz	7.5
Honduras	Water supply and basic hygiene programme in rural areas	2.84
Peru	Programme to support the structural adjustment proc- ess: development of young people's skills and their integration into Peru's	
	labour-market	9

#### Aid to refugees and displaced persons

*1.3.62.* Commission decision to grant aid worth ECU 3 million to Nicaragua.

### ACP countries and OCTs

#### **Relations with ACP countries**

#### Stabex and Sysmin

1.3.63. Commission progress report to the ACP-EC Committee of Ambassadors on the processing of transfers for 1993 under the system to stabilize export earnings set up by the fourth Lomé Convention.

#### **References:**

Fourth Lomé Convention: OJ L 229, 17.8.1991; Bull. 9-1991, point 1.3.38 Report drawn up by the Commission under

Article 194(4)of the fourth ACP-EC Convention (Stabex) for 1993: Bull. 7/8-1994, point 1.3.70 Commission decision on Stabex transfers for 1993: Bull. 7/8-1994, point 1.3.71

Adopted on 3 November. In its report, the Commission notes that, for 1993, 36 ACP States received a total of 57 transfers. The rate of cover for eligible earnings losses was 60.24%, up 17% on 1992.

#### Support for ACP banana producers

1.3.64. Commission financing decision.

#### **References:**

Council Regulation (EEC) No 404/93 on the common organization of the market in bananas: OJ L 47, 25.2.1993; Bull. 1/2-1993, point 1.2.174 Council Regulation (EC) No 2686/94 establishing a special system of assistance to traditional ACP suppliers of bananas: OJ L 286, 5.11.1994; Bull. 10-1994, point 1.3.55

Adopted on 16 November to release an ECU 150 000 grant for an action plan to reorganize and restructure the banana industry in St Lucia, St Vincent, Dominica and Grenada.

#### Protocols

#### Sugar

1.3.65. Agreements in the form of an exchange of letters between: (a) the European Community and Barbados, Belize, Congo, Côte d'Ivoire, Fiji, Guyana, Jamaica, Kenya, Madagascar,

Malawi, Mauritius, Suriname, St Kitts and Nevis, Swaziland, Tanzania, Trinidad and Tobago, Uganda and Zimbabwe; and (b) the European Community and India on the guaranteed prices for cane sugar for the 1993/94 delivery period.

Negotiating directives: Bull. 7/8-1993, point 1.3.54

**Proposal for a Council Decision concluding the agreements:** COM(94) 426; Bull. 10-1994, point 1.3.60

Decision concluding the agreements adopted on 14 November.

1.3.66. Draft agreement between the European Community and the ACP States referred to in Protocol No 8, annexed to the fourth ACP Convention, on the one hand, and the European Community and India, on the other, on the guaranteed prices for the 1994-95 delivery period of cane sugar originating in these countries.

Negotiating directives adopted by the Council on 14 November.

#### **Bilateral** relations

#### Angola

1.3.67. Parliament resolution on the situation in Angola.

Adopted on 17 November. Parliament called upon the Angolan Government and UNITA to declare an immediate cease-fire throughout the country and to sign the peace agreement. It asked the UN to maintain its presence and mediation effort until peace was fully restored and urged the EU and its Member States to step up their humanitarian aid to the country. It asked for an effort by the Council, Commission and Member States to send a substantial number of observers and to give technical aid for rebuilding the administrative and economic infrastructure destroyed by the war.

OJ C 341, 5.12.1994

#### Haiti

*1.3.68.* Visit to the Commission by Jean-Marie Chérestal, Minister for Planning and Cooperation, on 30 November.

**Reference:** Fourth Lomé Convention: OJ L 229, 17.8.1991; Bull. 9-1991, point 1.3.38

Mr Chérestal met Mr Marín to sign the Lomé IV national indicative programme for Haiti. The programme details the use to be made of an ECU 120 million aid package. Mr Marín reiterated Commission support for the efforts of the President, Jean-Bertrand Aristide, to rebuild Haiti's institutions, infrastructure and productive sector.

#### Kenya

1.3.69. Visit to the Commission by Daniel Arap Moi on 14 November.

Mr Arap Moi saw Mr Marín, with whom he discussed Kenya's role in the Horn of Africa and the country's relations with the EU. Mr Marín welcomed the Kenyan President's commitment to the peace process in Somalia and Sudan and his government's support for humanitarian aid operations undertaken in the two countries and in Rwanda.

Mr Arap Moi outlined the programme of economic reform under way in Kenya and said it was going well. He asked for a resumption of aid to fight poverty and cut the domestic public debt. Mr Marín stressed the need for continued reform of parastatals. He told Mr Moi that increased aid for Kenya would soon be considered and said the Commission was willing to put more emphasis on relieving the social cost of structural adjustments.

#### Rwanda

*1.3.70.* Council guidelines on a programme of immediate action to restore social and production structures in Rwanda.

#### **References:**

Humanitarian aid for Rwanda: Bull. 7/8-1994, point 1.3.120

Visit by the EU troika to Burundi, Rwanda, Tanzania and Zaire: Bull. 9-1994, point 1.3.30

Council Decision 94/697/CFSP on a common position regarding the objectives and priorities of EU action vis-à-vis Rwanda: OJ L 283, 29.10.1994; Bull. 10-1994, point 1.3.4

EU Declaration on Rwanda: point 1.3.12 of this Bulletin

Adopted on 25 November. The Council recommended an ECU 67 million EDF programme comprising the following measures:

□ ECU 5 million for a contingent of 50 human rights observers;

 $\square$  ECU 15 million for the rehabilitation of the education and health sectors;

 $\square$  ECU 20 million in Stabex support for the rehabilitation of the tea and coffee sectors;

□ ECU 2 million for the rebuilding of Kigali airport;

 $\square$  ECU 3 million for the repair of damaged roads;

 $\Box$  ECU 4 million for the environment and the protection of parks;

□ ECU 15 million for a special import programme;

 $\square$  ECU 3 million in technical assistance for implementing the programme.

The Council also reiterated the importance of respect for human rights in Rwanda and the need for efforts to achieve national reconciliation.

#### **Relations with the OCTs**

1.3.71. Proposal for a Council Decision reducing the transfers to be paid to the OCTs under the system for stabilizing export earnings set up by the Council Decision of 25 July 1991 on the association of the OCTs with the EEC.

#### **References:**

Council Decision 91/482/EEC on the association of the OCTs with the EEC: OJ L 263, 19.9.1991; Bull. 7/8-1991, point 1.3.46

Council Decision reducing the transfers to be paid to the OCTs under the system for stabilizing export earnings set up by the Council Decision of 25 July 1991 on the association of the OCTs with the EEC: Bull. 4-1994, point 1.3.59

Adopted by the Commission on 28 November in order to reduce transfers for 1993 for Falkland Islands wool by 37.58% from ECU 2 136 026 to ECU 1 200 000, thereby remaining within budget limits.

#### Financial and technical cooperation

#### 1.3.72. Project financing.

Commission Decisions to grant a total of ECU 117 787 000 from EDF resources for projects and programmes which it is running (see Table 12).

Table 12 —	Financing	of	operations	under	the	seventh	EDF
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		An	iount
Country	Project	Grant	Special loan
	Economic infrastructure		
Tanzania	Roads	1.900	
Mali	Repairs to priority roads	43.400	—
	Industrialization		
Uganda	Assistance for the Uganda Investment Authority	1.400	
	Rural production		
Ethiopia	Stock rearing	2.000	
Mali	Exploitation of surface water	4.300	_
Burkina Faso	Support for the cereals sector	6.100	_
Comoros	Plantations	1.900	_
	Social development		
Aruba	Training	1.900	_
Cape Verde	Water engineering	0.507	
	Special aid		
Malawi	Post-drought regeneration	7.000	
Botswana	AIDS	0.800	_
	Other		
Dominican Republic	General technical cooperation	0.750	
PALOP	General technical cooperation	1.000	
Nigeria	General technical cooperation	1.980	
Burkina Faso	Support for the structural adjustment programme	10.650	_
Ghana	Structural adjustment programme	32.200	
	Total	117.787	

<sup>1</sup> Angola, Cape Verde, Guinea-Bissau, Mozambique, São Tomé and Príncipe.

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# International organizations and conferences

## United Nations and specialized agencies

#### United Nations General Assembly

1.3.73. Parliament resolution on nuclear testing and the UN General Assembly's debate on disarmament.

Adopted on 17 November. Parliament reaffirmed that a comprehensive nuclear test ban was one of the international community's main objectives in the field of disarmament and non-proliferation. It called on the signatories to the Treaty on the Non-proliferation of Nuclear Weapons (NPT) to make a commitment to the 1995 NPT Conference and to the indefinite and unconditional extension of the Treaty, with a view to securing an international treaty totally banning nuclear tests and prohibiting the production of nuclear weapons, with the strictest possible international monitoring. It also called on the UN General Assembly to adopt resolutions on the elimination of weapons of mass destruction and on the negotiation of a global nuclear test ban treaty.

OJ C 341, 5.12.1994

#### **Council of Europe**

#### 1.3.74. Committee of Ministers

**Previous meeting:** Bull. 5-1994, point 1.3.65 **Reference:** Summit of Heads of State or Government of the Council of Europe: Bull. 10-1993, point 1.3.87

Meeting held in Strasbourg on 10 November. The 95th meeting of the Council of Europe's Committee of Ministers, chaired by Mr Ivan Stancioff, the Bulgarian Foreign Minister, provided an opportunity to plan the follow-up to decisions taken at the Council of Europe's summit meeting held in Vienna in October 1993. Ministers adopted a declaration on the fulfilment of undertakings given by the Council of Europe's Member States, and a framework convention on the protection of minorities to be put to the Parliamentary Assembly. They also discussed the implementation of an action plan to combat racism and xenophobia, anti-Semitism and intolerance.

#### Convention on the Law of the Sea

1.3.75. Meeting of States party to the Convention on the Law of the Sea.

#### **References:**

United Nations Convention on the Law of the Sea: Bull. 12-1982, point 2.2.50

Signing of the United Nations Convention on the Law of the Sea by the European Community: Bull. 12-1984, point 2.2.57

Meeting held in New York on 21 and 22 November. This first meeting, in which the Community took part as an observer, followed the entry into force, on 16 November, of the Convention on the Law of the Sea, signed by 68 States to date. The Community had given notice of its provisional application on that date and stated that it would be in a position to deposit an instrument of accession in 1995 once a majority of Member States had acceded to the Convention.

## **General Agreement on Tariffs and Trade (GATT)**

1.3.76. Proposal for a Council Decision concerning the conclusion of the agreements reached in the Uruguay Round multilateral trade negotiations (1986-94).

**Commission proposal:** COM(94) 143; Bull. 4-1994, point 1.3.61

Endorsed by the Economic and Social Committee on 23 November.

The Committee considered the reciprocal concessions and commitments to represent a satisfactory and balanced overall outcome. It stressed that the timetable agreed for the setting-up of the World Trade Organization (WTO) should be adhered to.

## European Bank for Reconstruction and Development

#### Financing

#### Albania

Proposal to rehabilitate Drin River Cascade

1.3.77. The Bank made a loan of DM 23.76 million (ECU 12.44 million) to the Albanian Power Corporation (KESH), which generates electricity in Albania. The loan, to be guaranteed by the Government of Albania, will enable KESH to improve the electricity supply and develop Albania's export potential through the rehabilitation and modernization of the country's main hydroelectric power plants. It will also be used to improve the company's marketing strategy and protect the environment.

#### Armenia

#### Yerevan (Zvartnots) airport terminal

*1.3.78.* The Bank granted a loan of USD 22.8 million (ECU 19 million) to the State-owned company, Zvartnots' airport. The loan, to be guaranteed by the Armenian Government, will enable the airport to improve efficiency by adopting market-oriented management practices and improve its services as regards check-in, import and export controls and treatment of goods such as petroleum and chemicals which require special handling.

#### Belarus

#### Credit line for SMEs

1.3.79. The Bank granted the Republic of Belarus a loan of USD 30 million (ECU 25.6 million) to allow it to assist the development of a number of private commercial banks and to finance small and medium-sized enterprises in the private sector. The loan will be matched by similar World Bank financing.

#### Bulgaria

#### General Insurance Company

1.3.80. The Bank took a stake equivalent to ECU 1 million in the General Insurance Company (GIC), recently established in Bulgaria. This is the product of a joint venture between Terrainvest (one of Bulgaria's leading commercial unions), First Est International Bank (a Bulgarian commercial bank), Capital Investment Group (a US-based company), Incom (a private sector construction company) and the General Leasing Company (also Bulgarian). The Bank's shareholding will enable the company to expand its 'non-life' business in Bulgaria.

#### Hungary

#### Orszagos Takarekpenztar es Kereskedelmi Bank Tr (OTP)

1.3.81. The Bank granted a USD 100 million credit line (ECU 87 million) to the OTP Bank to enable it to offer medium-term loans to the Hungarian private sector.

#### Kyrgyzstan

#### Kyrgyz Telecommunications

1.3.82. The Bank granted a loan of USD 9.4 million (ECU 8.1 million), guaranteed by the Republic of Kyrgyzstan, to Kyrgyz Telecom, a public sector company, to enable it to restructure the telecommunications sector and modernize the national network, and to help build a new satellite station giving users access to the international telecommunications networks.

#### Lithuania

#### Lithuanian Telecommunications Company

1.3.83. The Bank granted a USD 35 million loan to the Lithuanian Telecommunications Company to finance an investment programme to supply 16 000 new lines and a new exchange providing access to the international network.

#### **Regional projects**

#### First NIS Regional Fund

1.3.84. The Bank took an ECU 16.4 million stake in the First NIS Regional Fund, a risk capital investment fund with its head office in Luxembourg, which will invest in businesses in the former Soviet Union republics.

#### **Czech Republic**

#### Barum Continental

1.3.85. The Bank granted a DM 70 million loan to Barum Continental, a Czech subsidiary of the German tyre manufacturer Continental. In addition, it took a 10% stake in the Czech com-

pany equivalent to ECU 17 million. The EBRD finance will support a four-year investment plan aimed at modernizing production and expanding capacity.

#### Romania

#### Athénée Palace Hotel

1.3.86. The Bank granted a USD 14.3 million loan to the Athénée Phenix group to fund the refurbishment of the Athénée Palace Hotel, to be transformed into a high-class international hotel run by the Hilton chain.

#### Russia

#### Ural region risk capital fund

1.3.87. The Bank took a stake equivalent to ECU 26 million (USD 30 million) in the Ural region risk capital fund which seeks to secure and facilitate the modernization, expansion and restructuring of private sector businesses by contributing share capital and providing technical assistance. The fund will primarily invest in medium-sized businesses in the region around Sverdlovsk, Perm and Chelyabinsk. Initially, the Bank will be the sole investor, but Russian and international investors are expected to follow. The running costs will be met from the European Union's funds for technical assistance.

#### Far Eastern Shipping Company

1.3.88. The Bank granted a loan of USD 32.7 million (ECU 26.58 million) to the Far Eastern Shipping Company (FESCO), a private sector shipping business, to enable a Russian-based subsidiary to purchase three new freighters from a yard in Szczecin, Poland.

#### Turkmenistan

#### Credit line for exports

1.3.89. The Bank granted a line of credit worth ECU 29 million to Turkmenistan's Central Bank, enabling it to finance export projects through three specially selected banks. The loan, guaranteed by the Government of Turkmenistan, includes a substantial sum to finance technical cooperation projects.

### Common commercial policy

#### **General matters**

#### Operation of the customs union

1.3.90. Commission communication to the Council concerning the unification of rules of origin in preferential trade between the Community, the Central and Eastern European countries and the EFTA countries.

#### **References:**

Conclusions of the Copenhagen European Council: Bull. 6-1993, point I.26

Commission communication on the follow-up to the communication entitled 'The Europe Agreements and beyond: a strategy to prepare the countries of Central and Eastern Europe for accession': COM(94) 361; Bull. 7/8-1994, point 1.3.27

Adopted by the Commission on 30 November. In the communication, which was drafted in response to a request by the European Council, the Commission, on the basis of a detailed study of three sensitive sectors (consumer electronics, textiles and cars), examines the feasibility and impact of cumulation of the rules of origin for products from associated Central and East European and EFTA countries, with a view to strengthening the Europe Agreements and ensuring closer cooperation with Central and Eastern Europe.

1.3.91. Proposal for a Council Regulation opening and providing for the administration of Community tariff quotas bound in GATT for certain agricultural, industrial and fisheries products and establishing the detailed provisions for adapting these quotas.

Adopted by the Commission on 17 November. The Community has undertaken, under GATT and through bilateral agreements with non-Community countries, to open tariff quotas at a reduced or zero rate of duty for a number of products each year. It has been a practice until recently to adopt annual Council regulations on such quotas. The proposal is for a single multiannual regulation incorporating all the quotas and for the Commission to be authorized to adapt the regulation in the light of any future international commitments entered into by the Community.

COM(94) 462

#### Commercial policy instruments

#### **Council anti-dumping measures**

*1.3.92.* Council Regulation (EC) No 2818/94 extending the provisional anti-dumping duty on imports of furfuraldehyde originating in the People's Republic of China.

Commission proposal: COM(94) 449; Bull. 10-1994, point 1.3.83

Adopted by the Council on 17 November. OJ L 298, 19.11.1994

*1.3.93.* Council Regulation (EC) No 2819/94 imposing a definitive anti-dumping duty on imports of potassium permanganate originating in the People's Republic of China.

Commission proposal: COM(94) 424; Bull. 10-1994, point 1.3.86

Adopted by the Commission on 17 November. OJ L 298, 19.11.1994

1.3.94. Proposal for a Council Regulation amending Regulation (EEC) No 830/92 by repealing the anti-dumping duty on imports of certain polyester yarns originating in India.

**References:** 

Definitive duty: OJ L 88, 3.4.1992; Bull. 3-1992, point 1.3.57

Initiation of the review: OJ C 339, 22.12.1992; Bull. 12-1992, point 1.4.57

Adopted by the Commission on 16 November. COM(94) 454

#### **Individual sectors**

#### Textiles

*1.3.95.* Council Regulation (EC) No 2798/94 amending for 1994 the level of quantitative limits applicable to imports of certain textile prod-

ucts originating in the People's Republic of China as listed in Annex IV to Regulation (EC) No 517/94.

Commission proposal: COM(94) 443; Bull. 10-1994, point 1.3.95

Adopted by the Council on 14 November. OJ L 297, 18.11.1994

*1.3.96.* Council Regulation (EC) No 2797/94 establishing provisional quantitative limits on imports into the Community of certain textile products originating in the People's Republic of China, in the Republic of Indonesia and in the Republic of India.

**Commission proposal:** COM(94) 442; Bull. 10-1994, point 1.3.96

Adopted by the Council on 14 November. OJ L 297, 18.11.1994

*1.3.97.* Draft Arrangement between the Community and Turkey on trade in clothing products.

**Reference:** Conclusion of previous Arrangement: Bull. 11-1993, point 1.3.71

Recommendation for a decision adopted by the Commission on 10 November.

Negotiating directives adopted by the Council on 21 November for the renewal of the EC-Turkey Arrangement on clothing products which expired on 31 December 1994.

### Development policy

#### General

## Development cooperation policy in the run-up to 2000

#### **References:**

Declaration of the Council and of the representatives of the governments of the Member States meeting within the Council on aspects of development cooperation policy in the run-up to 2000: Bull. 11-1992, point 1.4.47 Council resolution on procedures for coordination between the Community and the Member States: Bull. 12-1993, point 1.3.59

Council conclusions on coordination in international forums: Bull. 5-1994, point 1.3.87

Council Decision on the list of countries in which Community coordination could be stepped up: Bull. 5-1994, point 1.3.88

1.3.98. Council resolution on food security.

#### **References:**

Final Act of the Uruguay Round multilateral trade negotiations: COM(94) 143; Bull. 4-1994, point 1.3.61

Commission communication to the Council on coordination between the Community and the Member States concerning food security policies and practices: COM(94) 165; Bull. 5-1994, point 1.3.97

Adopted on 25 November. The Council expressed its concern at the increase in the number of people without enough food both as a result of emergency situations in many parts of the world, in particular in sub-Saharan Africa, and of longer-term shortfalls in the food supply which continued to affect vulnerable groups in a large number of countries. Food aid had become the main answer to food insecurity although it could provide only a partial, and mainly shortterm, solution which in some cases disregarded traditional food habits and could disrupt the market. The Council also noted that the agreement which emerged from the Uruguay Round and the reform of the common agricultural policy could affect the worldwide production and movement of products which were important for food security.

The Council considered that long-term food security was an important factor in combating poverty and that a systematic examination should be made of the respective roles of men and women when programmes for ensuring food security were being drawn up. It therefore referred to the need for long-term food security policies and stronger links between development, rehabilitation, emergency aid and food aid.

It also considered that the coordination of national and international early-warning systems should be improved so that aid could be mobilized rapidly in the event of a disaster, and referred to the role which non-governmental organizations could play in this. With regard to coordination procedures between the Community and the Member States, it noted that joint initiatives should be encouraged, in particular in countries where operational coordination had been introduced on a trial basis. It also noted that regional operations could prove worthwhile in this context and coordination within the relevant international organizations was of particular importance for food security.

1.3.99. Council resolution on education and training.

**Reference:** Commission communication on coordination between the Community and the Member States on education and training schemes in developing countries: COM(94) 399; Bull. 9-1994, point 1.3.58

Adopted on 25 November. The Council recognized the considerable progress made in education in the developing countries over the last few decades, but noted that this progress was very uneven, both geographically and qualitatively. It stressed that education, in particular basic education, was a fundamental right. It played a crucial role in the affirmation of democratic values, economic growth and job creation, in reducing disparities in income and inequality and in improving standards of living and health.

The Council proposed that the appropriate level of intervention by the Community and the Member States in each country should be determined by the political will of the authorities to undertake reform. It stressed the importance of a programme-based strategy, which was tailored to the specific circumstances of the individual country, gave priority to support for basic education and improved access to education for disadvantaged groups - women in particular. Support for secondary education should concentrate on those areas and skills that were most relevant to the development needs of the developing countries, the training of teachers being an essential component of any strategy to support education; support should also be provided for developing local teaching programmes and the local production of teaching materials, in particular textbooks. The Council recognized that technical education and vocational training were fundamental to the creation of skilled manpower and stressed the importance of projects adopting alternative methods of education, such as apprenticeship schemes, which presupposed the involvement of the private sector in devising programmes. With regard to university education and other forms of higher education, the Council considered that the emphasis should be on creating adequate institutional capacity in the developing countries themselves. It was therefore essential to strengthen the institutional capacity of local administrations, helping them both to establish a comprehensive planning framework and to increase the efficiency of resources allocated to educational systems, in particular through innovation in the supply of education services.

The Council was concerned at the paucity of resources allocated to the education and training sector and requested the Community and the Member States to examine how additional funds could be made available, in particular through sectoral reallocation. With regard to coordination procedures, it stressed that the Community and the Member States must endeavour to provide coordinated support for strategies and support programmes consistent with the education systems concerned, particularly in countries in which operational coordination had already been established experimentally.

#### **Generalized preferences**

1.3.100. Proposal for a Council Regulation applying a three-year scheme of generalized tariff preferences (1995-97) in respect of certain industrial products originating in developing countries.

**Commission proposal:** OJ C 333, 29.11.1994; COM(94) 337; Bull. 9-1994, point 1.3.59 **Economic and Social Committee opinion:** Bull. 10-1994, point 1.3.97

Endorsed by Parliament on 18 November, subject to a few drafting and procedural amendments.

OJ C 341, 5.12.1994

*1.3.101.* Proposal for a Council Regulation extending into 1995 the application of Regulations (EEC) Nos 3833/90, 3835/90 and 3900/91 applying generalized tariff preferences to certain agricultural products originating in developing countries.

**Commission proposal:** OJ C 333, 29.11.1994; COM(94) 337; Bull. 9-1994, point 1.3.59 **Economic and Social Committee opinion:** Bull. 10-1994, point 1.3.97

Endorsed by Parliament on 18 November. OJ C 341, 5.12.1994

*1.3.102.* Parliament resolution on the Commission communication to the Council and Parliament on the integration of developing countries in the international trading system — Role of the GSP 1995-2004.

#### **References:**

Commission communication: COM(94) 212; Bull. 6-1994, point 1.3.91

Council Regulation (EC) No 2129/94 applying to South Africa some of the advantages granted by the Community to developing countries under the scheme of generalized tariff preferences: OJ L 225, 31.8.1994; Bull. 7/8-1994, point 1.3.112

Adopted by Parliament on 18 November. Parliament confirmed its support for a Community scheme of generalized preferences and the role which a scheme of this kind could play in development policy. It nevertheless stressed the main shortcomings of the present one, namely the insufficient take-up of the opportunities provided by the Generalized system of preferences (GSP), with a particularly low take-up by the least developed coun tries, too great an imbalance in the allocation of benefits between Asian and Latin American countries to the advantage of the former and the administrative complexity of the scheme.

It welcomed the Commission's suggestions, and particularly the idea of giving the concept of development a broad interpretation in the GSP context, so that it also covered social progress and the environment. It therefore agreed with the proposal that special incentive arrangements should be introduced in the social field and also approved the principle of suspending preferences where there was insufficient respect for social rights, or in the event of fraud or lack of administrative cooperation. It expressed its agreement with the assumption of overall neutrality in the degree of liberalization which the new scheme was to have and also with the abolition of quantitative restrictions, and supported the proposal that the scheme be applied for a minimum of three years in order to give it greater stability. It also approved the product/country graduation mechanism, insisted that countries with a per capita GNP equal to, or greater than, that of the EU Member States should not participate in the GSP and considered that violation of intellectual property rules constituted grounds for suspension and that goods carrying antidumping duties should be excluded from the GSP. Lastly, it approved the principle of the immediate inclusion of South Africa in the list of GSP beneficiaries.

OJ C 341, 5.12.1994

## Cooperation via non-governmental organizations

*1.3.103.* Commission report on cooperation with European non-governmental development organizations (NGDOs) in respect of developing countries (1993 financial year).

Adopted by the Commission on 3 November. The Commission set out in this report the use made of the appropriations allocated in 1993 for the co-financing of operations with the NGDOs and described the situation regarding cooperation in the various geographical areas and on matters such as food aid, humanitarian aid, special programmes and coordination with the NGDOs.

COM(94) 468

1.3.104. Projects in developing countries.

Commission co-financing: commitment of ECU 5 547 542 for 36 operations.

1.3.105. Campaigns to raise public awareness.

Commission contribution: ECU 1 428 152 for 14 operations.

#### **Rehabilitation aid**

1.3.106. Rehabilitation in the developing countries (see Table 13).

Table	13	—	Rehabilitation	aid	in	developing
			countries			

	(million ECU)
Purpose	Amount
Twenty-three rehabilitation and re- construction schemes for African	
countries	9.76
Eight rehabilitation schemes in	
southern Africa	3.23
Rehabilitation of roads in Nicaragua	4
Rehabilitation of bridges in Nicara-	
gua	2.6

#### Food aid

1.3.107. Financing decision.

Adopted by the Commission on 25 November. The sum of ECU 500 000 was granted to the European Association for Cooperation to ensure monitoring of Community food aid.

## Support for democratization and human rights

1.3.108. Financing for operations to support democratization and human rights (see Table 14).

### Table 14 — Operations to support<br/>democratization and human rights

	(in ECU)
Purpose	Amount
Thirteen operations to support or- ganizations working to promote human rights	958 300
Dispatch of a fact-finding mission to Rwanda	80 000

	(in ECU)			million ECU
Purpose	Amount	Country/region	Purpose	Amount
Evaluation of the European pro- gramme to support the develop-		Belarus, Russia,		
ment of civil society in Ethiopia	17240	Ukraine	Aftermath of Cherno- byl	0.8
Eight operations to promote re- spect for human rights in Latin America	1 469 94 1	Cambodia	Aid to displaced per- sons injured by anti- personnel mines	0.38
Twenty projects to assist the de- velopment of democracy in former Yugoslavia	789000	Caucasus, Kyrgyzstan, Moldova,		
Protecting the rights of street chil- dren in Sofia (Bulgaria)	150 000	Tadjikistan	Food aid	10
Two grants to organizations work-		Egypt	Floods and fires	0.5
ing to promote human rights	214380	Guatemala	Repatriation of refu- gees	0.47
Radio Libertas (Former Yugoslav Republic of Macedonia)	20 000	Haiti	Aid to victimes of hur- ricane 'Gordon'	3
		Peru	Aid to abandoned or displaced children	0.53

### Humanitarian aid

#### 1.3.109. Commission decisions: see Table 15.

Table 15 — Emergency aid

		(million ECU)
Country/region	Purpose	Amount

EDF financing (ACP countries)

Guinea- Bissau	Cholera epidemic	0.1
Liberia	Fighting	0.6

#### 1994 ECHO budget financing

Afghanistan	Fighting	3.62
Angola	Fighting	6
Algeria	Floods	0.5
Belarus	Medical aid Relaunch of a medical	1
	programme	1.1

	byl	
Cambodia	Aid to displaced per- sons injured by anti- personnel mines	0.38
Caucasus, Kyrgyzstan, Moldova,		10
Tadjikistan	Food aid	10
Egypt	Floods and fires	0.5
Guatemala	Repatriation of refu- gees	0.47
Haiti	Aid to victimes of hur- ricane 'Gordon'	3
Peru	Aid to abandoned or displaced children	0.53
Russian		
Federation	Medical/nutritional aid	2.1
Tadjikistan	ECHO coordination	0.115
Former Yugoslavia	Fighting	156
All countries	Disaster preparedness	0.645

1.3.110. Parliament resolution on the flood victims in the Sahrawi refugee camps.

Adopted on 17 November. Parliament drew the Union's attention to the scale of the disaster and urged it to consider the economic and social situation of the refugee camps. It called upon the Commission to make an immediate contribution to repairing the damage by granting emergency aid to the homeless.

#### OJ C 341, 5.12.1994

1.3.111. Parliament resolution on the disaster in Egypt.

Adopted on 17 November. Following the flooding and fires in Durunka on 2 November, Parliament called on the European Union and its Member States to supply technical and financial aid both for urgent repairs and to prevent similar disasters happening again. It considered that preservation of Egypt's major archaeological sites was as much an international as a national responsibility.

OJ C 341, 5.12.1994

### Human rights in the world

#### **International Criminal Tribunal**

1.3.112. Parliament resolution on the creation of an International Criminal Tribunal.

**Reference:** Parliament resolution on the creation of an International Criminal Tribunal: OJ C 128, 9.5.1994; Bull. 4-1994, point 1.3.104

Adopted on 17 November. Recalling that a number of governments approved the idea of a conference being organized by the 49th United Nations General Assembly with a view to examining a draft convention concerning the creation of an International Criminal Tribunal, Parliament called on the Council to take the requisite steps at an early date so that the General Assembly convenes such a conference at the highest level of participation in 1995. It also called on the EU Member States to pursue this objective jointly in the competent bodies and expected the Presidency of the Council to take appropriate measures in this respect without delay.

OJ C 341, 5.12.1994

#### China

1.3.113. Parliament resolution on eugenics in China.

Adopted on 17 November. Parliament called on the representative of the European Union to protest against the law adopted on 27 October by the Chinese Parliament which aims to 'improve the quality of the population' by reducing the birth rate of physically and mentally disabled persons, and to raise the issue at the forthcoming World Women's Conference which is to take place in Beijing next year.

OJ C 341, 5.12.1994

#### **United States**

1.3.114. Parliament resolution on the detention of Mrs Silvia Baraldini in the United States.

Adopted on 17 November. In view of the fact that Mrs Baraldini, an Italian citizen, is serving a 43-year sentence in the United States for federal crimes, although she was not personally involved in murder, and that she has already spent 12 years in the Lexington and Marianna high-security prisons, Parliament called on President Clinton and on the Attorney-General of the United States, Mrs Janet Reno, to apply the Strasbourg Convention on detention and have her transferred immediately to an Italian prison. OJ C 341, 5.12.1994

#### **El Salvador**

1.3.115. Parliament resolution on El Salvador.

Reference: Parliament resolution on El Salvador: OJ C 329, 6.12.1993; Bull. 11-1993, point 1.3.88

Adopted on 17 November. Believing that progress in establishing peace and respect for human rights in El Salvador could be put in jeopardy if the presence of international observers were prematurely reduced and the mandate of the United Nations Observer Mission in El Salvador (Unosal), which expires at the end of November, not extended, Parliament called on the Member States of the European Union to act within the United Nations to extend the Unosal mandate. In addition, it stressed the importance of ensuring that the UN independent expert, Mr Pedro Nikken, is able to carry out on-thespot human rights monitoring in El Salvador.

OJ C 341, 5.12.1994

#### East Timor

1.3.116. Parliament resolution on the situation in East Timor.

Reference: Parliament resolution on the expo-

sure of the massacre in East Timor: OJ C 91, 28.3.1994; Bull. 3-1994, point 1.3.122

Adopted on 17 November. Parliament condemned once again the behaviour of the Indonesian armed forces and security services. It expressed its support for the people of East Timor and called for the recognition of its right to self-determination and independence, as well as for the immediate release of Xanana Gusmão and all political prisoners. It urged the Member State governments to halt all military aid and arms sales to Indonesia and urged the European Union to suspend all economic cooperation measures with the Indonesian Government for as long as it persisted with its illegal occupation and repression in East Timor.

OJ C 341, 5.12.1994

### 4. Justice and home affairs cooperation

#### General

1.4.1. Council report to the European Council on the implementation of the 1993 action plan in the field of justice and home affairs.

#### **References:**

Action plan in the field of justice and home affairs: Bull. 11-1993, point 1.5.1

Conclusions of the Brussels European Council: Bull 12-1993, point I.8

Conclusions of the Corfu European Council: Bull. 6-1994, point I.24

Approved on 1 December. The report on the implementation of the action plan in the field of justice and home affairs approved by the Brussels European Council in 1993 was produced in response to the request made by the Corfu European Council. It was sent to the Essen European Council.

*1.4.2.* Interim report to the European Council on progress made in the fight against racism and xenophobia.

**Reference:** Conclusions of the Corfu European Council: Bull. 6-1994, point I.23

Presented to the Council (justice and home affairs) on 1 December. The Council took note of the report, which was produced in response to the request made by the Corfu European Council, and approved the guidelines agreed on to date. The final outcome of the work in this field and the findings of the Consultative Commission set up by the Corfu European Council are to be incorporated into the global strategy which will be presented to the European Council in June 1995.

*1.4.3.* Contribution by the Council (youth) to the interim report on the fight against racism and xenophobia for the Essen European Council ( $\rightarrow$  point 1.2.210).

1.4.4. Council conclusions on relations with non-member countries in the field of justice and home affairs.

Adopted at the meeting of 30 November and 1 December. The Council has set guidelines for

continuing and developing contacts with certain non-member countries concerning all matters covered by Title VI of the Treaty on European Union. The Council's list, which is not exhaustive, includes countries such as the United States, Canada, Switzerland and Morocco with which the Union has already established contacts through either political cooperation or the TREVI Group, the countries of Central and Eastern Europe, the prospective members of the Union and the Baltic States. The contacts cover areas which are of interest to both sides.

## Asylum, external borders and immigration

#### **References:**

Conclusions of the Maastricht European Council: Bull. 12-1991, point I.6

Action plan in the field of justice and home affairs: Bull. 11-1993, point 1.5.1

1.4.5. Council Decision on a joint action concerning travel facilities for school pupils from third countries resident in a Member State.

Adopted on 30 November. This is the first joint action adopted on the basis of Article K.3(2)(b) of the Treaty on European Union in the field of justice and home affairs. It provides that a Member State will not require a visa of schoolchildren who are nationals of non-member countries but who are resident in a Member State if they are travelling as members of a group from a general education school on a school trip and are accompanied by a teacher with a common form listing the names of the children and stating the purpose and the circumstances of the trip.

OJ L 327, 19.12.1994

*1.4.6.* Council resolution on the admission of third-country nationals to the territory of the Member States of the European Union for study purposes.

Reference: Council resolution on limitations on admission of third-country nationals to the Mem-

ber States for employment: Bull. 6-1994, point 1.4.5

Adopted on 30 November. This resolution follows on from the report adopted by the Maastricht European Council in 1991 and the action plan adopted by the Council in November 1993, both of which provide for harmonization of the rules on the admission of students from nonmember countries. The Council restates its support for international student and academic exchanges and lays down the principles and conditions governing admission to, and residence in, Member States for nationals of non-member countries for study purposes. The resolution adapts the principle of limiting admission for nationals of non-member countries, laid down by the resolution adopted in June, to the situation in the Member States. It provides that a national of a non-member country who requests admission as a student must prove to the relevant national authorities that he fulfils all the requirements applicable to foreigners as regards entry and stay in the Member State, and that he will leave on completion of the study period.

*1.4.7.* Council resolution on the admission of third-country nationals to the territory of the Member States for the purposes of pursuing activities as self-employed persons.

**Reference:** Council resolution on limitations on the admission of third-country nationals to the Member States for employment: Bull. 6-1994, point 1.4.5

Adopted on 30 November. This resolution follows on from the report adopted by the Maastricht European Council in 1991 and the action plan adopted by the Council in November 1993, both of which provide for harmonization of the rules on the admission of persons wishing to pursue a self-employed occupation in a Member State. The resolution lays down the principles and conditions governing admission to, and residence in, a Member State for nationals of nonmember countries wishing to pursue a self-employed occupation.

*1.4.8.* Council recommendation concerning a specimen bilateral readmission agreement.

Adopted at the meeting of 30 November and *l December*. The recommendation concerns the introduction of a specimen bilateral readmission agreement between a Member State of the European Union and a non-member country. The agreement should be used flexibly and may be adapted to suit the particular requirements of the contracting parties. The recommendation provides that, as from 1 January 1995, the agreement must be used as a basis for negotiation of readmission agreements with non-member countries.

1.4.9. Council conclusions on the organization and development of the Centre for Information, Discussion and Exchange on the Crossing of Frontiers and Immigration (Cirefi).

**Reference:** Six-monthly meeting of the ministers responsible for immigration: Bull. 12-1992, point 1.5.12

Adopted at the meeting of 30 November and 1 December. The Council, recalling its decision to create Cirefi in November 1992 and noting that the Centre had been called on to continue its work in November 1993, decided to assign it new tasks. The Centre will help the Member States to study in detail issues relating to legal immigration with a view to preventing illegal immigration and unlawful residence, to combat immigration crime effectively, to detect forged documents and to improve expulsion procedures. It will be responsible for collecting and analysing information, giving advice and promoting the exchange of information on expulsion. Due to start work on 1 January 1995, the Centre will take the form of a standing conference and will submit an annual report to the Council.

## Judicial, customs and police cooperation

1.4.10. World Ministerial Conference on Organized Transnational Crime.

Held in Naples from 21 to 23 November. Every Member State of the European Union was represented at this UN Conference. At the close a final document was adopted, comprising three parts: a draft resolution to be submitted to the UN General Assembly, a political declaration and a global plan highlighting the need for a common definition of what constitutes organized crime in order to enhance the effectiveness of international cooperation. The ministers expressed both concern at the rapid growth and geographical scale of all forms of organized crime and determination to join forces against it. They called on States which had not yet done so to sign the United Nations Convention against the Illicit Traffic in Narcotic Drugs and Psychotropic Substances, concluded in Vienna in 1988, and discussed the drafting of a convention against international organized crime.

Speaking on behalf of the European Union, the delegate representing the Presidency reported on the work carried out within the framework of cooperation in the field of justice and home affairs. On behalf of the Commission, Mr Flynn drew attention to the potential for combating organized crime using existing Community instruments and the Italian Government proposed that an international training centre for the legal profession be set up.

#### Fraud

*1.4.11.* Council resolution on the criminallaw protection of the Communities' financial interests.

#### **References:**

Resolution of the Council and of the representatives of the governments of the Member States concerning the protection of the financial interests of the Communities: OJ C 328, 17.12.1991; Bull. 11-1991, point 1.5.10

Conclusions of the Corfu European Council: Bull. 6-1994, point I.24

Proposal for a Council Act establishing a convention for the protection of the Communities' financial interests: COM(94) 214; Bull. 6-1994, point 1.4.8

Agreed on 1 December. Recalling the resolution it had adopted in November 1991 and the conclusions of the Corfu European Council, the Council reaffirmed the need to protect the Communities' financial interests by means of criminal-law penalties. In order to increase the compatibility of the Member States' criminal laws and enhance the deterrent effect of measures to combat fraud affecting the Communities' financial interests, the Council spelled out the guiding principles for legislation to be drawn up on the basis of the draft convention presented by the Commission in June. The principles relate to the definition of fraud, the powers of the Member States in relation to fraud, cooperation between the Member States, the imposition of penalties (criminal-law and other) proportionate to the seriousness of the fraud on natural and legal persons (e.g. extradition in serious cases) and the extension of national legislation on money-laundering to protect the Communities' financial interests.

### 5. Financing Community activities

### **Budgets**

#### General budget

#### Budgetary procedures

#### 1994 financial year

1.5.1. Supplementary and amending budget No 2 for the 1994 financial year.

Commission preliminary draft: Bull. 9-1994, point 1.5.2 Council first reading: Bull. 10-1994, point 1.5.2 Letter of amendment No 1: Bull. 10-1994, point 1.5.2

**Parliament first reading:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.5.2

Second reading by the Council on 7 November. The Council again refused to enter an item for the Portuguese textile industry. Furthermore, as it was expected that the 1994 appropriations would not be used in full, it felt that the shortfall in VAT/GNP receipts could now be completely made up. It therefore decided to enter the foreseeable surplus of ECU 1 500 million from 1994 in the budget in addition to the measures already proposed by the Commission in its letter of amendment.

Second reading by Parliament on 15 November. The main amendments retabled by Parliament at second reading were the entry of an item for the Portuguese textile industry, the increase in the item for assistance to small business to promote employment and growth and the entry of ECU 20 million for the European Union's joint action in Mostar.

OJ C 341, 5.12.1994

#### 1995 financial year

1.5.2. Draft budget for 1995.

#### **References:**

Council Decision 94/728/EC, Euratom on the system of own resources of the European Communities: OJ L 293, 12.11.1994; Bull. 10-1994, point 1.5.6

Proposal to adjust the financial perspective: COM(94) 398; Bull. 10-1994, point 1.5.1

**Commission preliminary draft:** Bull. 4-1994, point 1.5.5

Council first reading: Bull. 7/8-1994, point 1.4.2

Letter of amendment No 1: Bull. 9-1994, point 1.5.4

**Parliament first reading:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.5.3

Letter of amendment No 1 established by the Council (first reading) on 7 November.

Second reading by the Council on 16 November. As the Decision raising the own-resources ceiling had still not been ratified, the Council kept the 1995 draft budget below the current ceiling of 1.20% at second reading after Parliament had merely frozen the additional resources resulting from the new ceiling of 1.21% pending ratification. The Council also rejected most of Parliament's other proposals for modifications and amendments, in particular those relating to the classification of expenditure and the financing of the common foreign and security policy. The main amendments by Parliament accepted by the Council related to the allocation for the Thermie programme, cross-frontier cooperation and consumer policy.

The expenditure agreed by the Council at second reading totals (without letter of amendment No 1) ECU 75 929.9 million in commitment appropriations and ECU 72 000.1 million in payment appropriations (see Table 16).

#### Table 16 - 1995 budget - Council second reading

												(BCR 1000)
Hea- ding FP 95	Budget heading	Budget for 1994	Finan- cial pers- pec- tive for 1995	Preliminary draft budget for 1995	Diffe- rence (3)/(1) (%)	Parliament first reading	Diffe- rence (5)/(1) (%)	Council second reading	Diffe- rence (7)/(1) (%)	Difference Council second reading/ Council first reading	Difference Parliament first reading/ Council first reading	Difference (7)-(3)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Common agricultural policy Markets (B1-1 to B1-3) Accompanying measures (B1-4 and B1-5)	35 862 000.000 603 000 000		35 593 000.000 1 401 000.000	-0 75 132.34	35 047 000.000 1 401 500.000	-2.27 132.42	35 593 000.000 1 401 000.000	-0.75 132 34		- 546 000.000 500 000	
	Total 1 Margin	36 465 000.000	36994	36 994 000.000 0.000	1.45	36448000.000 545500.000	- 0.05	36994000.000 0.000	1.45	0.000	- 545 500.000	0.000
2	Structural operations EAGGF-Gudance (B2-10) FIFG (B2-11) ERDF (B2-12) ESF (B2-13) Community initiatives (B2-14) Transitional measures and innovation schemes (B2-18) Other structural operations (B2-2) Cohesion Fund (B2-3)	3 343 000.000 419 000.000 6 457 000.000 1 706 000.000 368 000.000 1 853 000.000		3316000.000 439000.000 10593000.000 6444000.000 2078000.000 242000.000 2152000.000	-0.81 4.77 17.31 -0.20 21.81 -34.24 16.14	3 316 000.000 439 000.000 10 593 000.000 6 444 000.000 2078 000.000 242 000.000 2 152 000.000	-0.81 4.77 17.31 -0.20 21.81 -34.24 16.14	3 316 000.000 439 000.000 10 593 000.000 6444 000.000 2078 000.000 242 000.000 2 152 000.000	-081 4.77 17.31 -0.20 21.81 -34.24 16.14			
	Structural Funds — Subtotal Cohesion Fund — Subtotal	21 323 000.000 1 853 000.000	23 112 2 152	23112000.000 2152000.000	8.39 16 14	23 112 000.000 2 152 000.000	8.39 16.14	23 112 000.000 2 152 000.000	8.39 16 14			
	Total 2	23 176 000.000	25 264	25264000.000 0.000	9 01	25 264 000.000 0.000	9.01	25 264 000.000 0.000	901			
3	Internal policies Research (B6) Other agricultural operations (B2-5) Other regional operations (B2-6) Transport (B2-7) Fisheres and the sea (B2-9) Education, vocational training, youth (B3-1) Culture and audiovisual sector (B3-2) Information and communication (B3-3) Other social operations (B3-4) Energy (B4-1)	2 622 423.000 205 825.000 31 000.000 16 000.000 25 640.000 287 500.000 151 900.000 47 500.000 156 630.000 83 000.000		2818646.000 199500000 14500.000 26000.000 323700000 12900.000 58000.000 154447.000 60000.000	7.48 -3.07 0.97 -9.38 1.40 12.59 -15.08 22.11 -1.39 -27.71	2 690 696.000 207 700.000 24 000.000 26 100.000 321 450.000 137 700.000 57 000.000 174 645.000 62 000.000	2.60 0.91 49.35 50.00 1.79 11.81 -9.35 20.00 11.50 -25.30	2 818 646.000 196 900.000 6 000.000 26 000 000 278 100 000 101 000 000 26 000 000 97 275.000 51 000.000	7.48 -4.34 -51.61 -62.50 1.40 -3.27 -33.51 -45.26 -37.90 -38.55	30 000.000	-127950.000 10 800.000 31 300.000 100.000 43 350.000 36 700.000 31 000.000 77 370.000 41 000.000	- 2 600.000 - 16 300.000 - 8 500.000 - 45 600.000 - 32 000.000 - 32 000.000 - 57 172.000 9 000.000

Budgets

(Ecu 1000)

(Ecu 1000)

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Budgets

												(Ecu 1000)
Hea- dıng FP 95	Budget heading	Budget for 1994	Finan- cial pers- pec- tive for 1995	Preliminary draft budget for 1995	Diffe- rence (3)/(1) (%)	Parliament first reading	Diffe- rence (5)/(1) (%)	Council second reading	Diffe- rence (7)/(1) (%)	Difference Council second reading/ Council first reading	Difference Parliament first reading/ Council first reading	Difference (7)-(3)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Euratom nuclear safeguards (B4-2) Environment (B4-3) Consumer protection (B5-1) Aid for reconstruction (B5-2) Internal market (B5-3) Industry (B5-4) Information market (B5-5) Statistical information (B5-6) Trans-European networks (B5-7) Cooperation in the field of justice (B5-8) Exploitation of results of research (B5-9)	19 480.000 133 450.000 9 250 000 170 800 000 38 450.000 12 000.000 30 000 000 289 800.000 2 000 000		$\begin{array}{c} 17000.000\\ 135500.000\\ 16000.000\\ 6300.000\\ 169600.000\\ 38500.000\\ 13000.000\\ 33000.000\\ 33600.000\\ 356000.000\\ 5000000\\ \end{array}$	- 12.73 1.54 0.00 - 31.89 - 0.70 0.13 8.33 10.00 22.84 150.00	18 800 000 137 000 000 20 750.000 6 300.000 152 530.000 37 700 000 13 000 000 33 000.000 351 000.000 5 000.000 p.m	-349 266 2969 -31.89 -10.70 -195 833 10.00 21.12 150.00	$\begin{array}{c} 14000000\\ 130950.000\\ 13250.000\\ 6300.000\\ 162950.000\\ 30800.000\\ 10000.000\\ 33000000\\ 299000000\\ 5000.000\\ \end{array}$	- 28.13 - 1.87 - 17.19 - 31.89 - 4.60 - 19.90 - 16 67 10 00 3 17 150 00	5050.000	4 800.000 6 050.000 12 550.000 - 10 420.000 6 900.000 3 000.000 -52 000 000	- 3 000.000 - 4 550.000 - 2 750.000 - 6 650.000 - 7 700.000 - 3 000.000
	Research — Subtotal Network — Subtotal Other policies — Subtotal	2 622 423 000 289 800 000 1 436 425 000		2818646 000 356000 000 1430 347.000	7 48 22 84 -0 42	2 690 696.000 351 000.000 1 480 975.000	2.60 21 12 3.10	2818646.000 299000.000 1203525.000	7 48 3.17 - 16.21	35 050.000	- 127 950.000 52 000.000 3 12 500.000	- 57 000 000 - 226 822 000
	Total 3 Margm	4 348 648.000	4652	4604993.000) 47007000	5.89	4 522 671.000 129 329.000	4 00	4 321 171 000 330 829.000	- 0.63	35050.000	236 550.000	- 283 822.000
4	External action EDF (B7-1) Food and humanitarian (B7-2) Cooperation — Latin American countries and Asia (B7-3) Cooperation — Mediterranean countries (B7-4) Other cooperation measures (B7-5) Cooperation — Central and Eastern Europe (B7-6) Cooperation — Other third countries (B7-7) External aspects of certain Community policies (B7-8) Common foreign and security policy (B7-0 and B8-1)	855 100.000 648 700.000 449 850.000 594 500 000 1 463 000 000 p.m. 294 190 000 1 000 000		842 900 000 670 500.000 492 000.000 601 283.000 1 597 600.000 p.m. 300 200.000 50 000 000	-1 43 3.36 9.37 1.14 9.20 2.04 4900.00	847 900 000 670 500 000 489 400.000 646 783.000 1 582 600.000 p.m. 274 200.000 60 000 000	-0.84 3 36 8 79 8 79 8 17 -6.79 5 900.00	842 900.000 665 500.000 453 000.000 469 150.000 1 582 600 000 300 200.000 80 000.000	-1.43 2.59 0 70 -21 08 8.17 2.04 7 900.00	30 000.000	5 000.000 5 000 000 36 400 000 177 633.000 - 26 000.000 10 000.000	- 5 000 000 - 39 000.000 - 132 133 000 - 15 000.000 30 000.000
	Total 4 Margin	4 306 340 000	4605	4554483.000 50517.000	5.76	4571383.000 33617.000	6.15	4 393 350.000 211 650 000	2.02	30 000 000	208 033.000	- 161 133 000

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Hea- ding FP 95	Budget heading	Budget for 1994	Finan- cial pers- pec- tive for 1995	Preliminary draft budget for 1995	Diffe- rence (3)/(1) (%)	Parliament first reading	Diffe- rence (5)/(1) (%)	Council second reading	Diffe- rence (7)/(1) (%)	Difference Council second reading/ Council first reading	Difference Parliament first reading/ Council first reading	Difference (7)-(3)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
5	Administrative expenditure of institutions Commission (Part A not including pensions) Pensions	2093 962 000 334 761.000		2 207 250.879 357 127.000	5 41 6 68	2 133 920.356 351 147.000	1.91 4.89	2 125 606.453 351 147 000	1.51 4 89	175 000	8488.903	-81644.426 -5980.000
:	Commission — Total Other institutions — Total	2428723.000 1189600.263		2 564 377.879 1 257 918.370 <sup>1</sup>	5.59 5.74	2485067.356 1337699.717	2.32 12.45	2476753.453 1334621.900	1.98 12.19	175.000 120 <i>0</i> 00.000	8488.903 123077.817	-87624.426 76703.530
:	Total 5	3618323.263	3852	3 822 296.249 29 703.751	5.64	3 822 767.073 29 232.927	5.65	3811375.353 40624.647	5.34	120 175.000	131 566.720	- 10 920.896
6	Reserves Monetary reserve (B1-6) Guarantee (B0-23) Emergency aid reserve (B7-91)	1 000 000.000 318 000.000 212 000.000		500 000.000 323 000 000 323 000.000	- 50.00 1.57 52.36	500 000.000 323 000.000 323 000.000	-50.00 1.57 52.36	500 000.000 323 000.000 323 000.000	- 50.00 1.57 52.36			
	Total 6 Margin	1 530 000.000	1 146	1 146 000.000 0.000	-25.10	1 146 000.000 0.000	-25.10	1 146 000.000 0.000	-25.10			
	Grand total — Appropriation for commitments Compulsory Non-compulsory Total compulsory + non-compulsory Margin	38910094.000 34534217.263 73444311.263	76513	38 971 209.000 37 414 563.249 76 385 772.249 127 227.751	0.16 8.34 4.01	38 376 470.000 37 398 851.073 75 775 321.073 737 678.927	1.37 8.30	38 961 970.000 36 967 926.353 75 929 896.353 583 103.647	-0.13 7.05 3.38	-185 225.000 185 225 000	- 585 500.000 616 149.720 30 649.720	- 9 239.000 - 446 636.896 - 455 875.896
	Grand total — Appropriation for payments Compulsory Non-compulsory Total compulsory + non-compulsory Margin	38 891 484.567 31 122 040.139 70 013 524.706	72924	38 943 009.000 33 464 270.249 72 407 279.249 516 720.751	0.13 7 53 3.42	38 358 270.000 32 959 910.073 71 318 180.073 1 605 819 927	- 1.37 5.91 1.86	38 936 770.000 33 063 359.353 72 000 129.353 923 870.647	0.12 6 24 2.84	44 925.000 44 925.000	- 578 500.000 - 58 524.280 - 637 024.280	-6239.000 -400910.896 -407149.896

' This amount is ECU 57918370 higher than the amount entered in the Commission's preliminary draft budget.

Letter of amendment No 2 adopted by the Commission on 29 November. The purpose of this letter of amendment is to incorporate the financial effects of enlargement in the 1995 budget. It is presented in two parts.

 $\Box$  The first part covers revenue and the expenditure which results directly from the acts of accession and can therefore already be entered in the budget. The revenue includes the updated figures for the 12 current Member States, based on the latest economic forecasts, and incorporates the revenue from the three acceding countries; the level is compatible with an ownresources ceiling limited to 1.20% of the GDP of the enlarged Union.

 $\Box$  The second part, relating to other expenditure (operating and administrative), has been drawn up as a precaution and cannot be entered in the budget until the financial perspective has been adjusted.

#### ECSC operating budget

1.5.3. Draft ECSC operating budget for 1995.Commission draft: COM(94) 291; Bull. 7/8-1994, point 1.4.4

**ECSC Consultative Committee resolution:** OJ C 308, 4.11.1994; Bull. 10-1994, point 1.5.4 **Parliament opinion:** OJ C 323, 21.11.1994; Bull. 10-1994, point 1.5.4

Approved by the Commission on 30 November. The Commission fixed the ECSC levy rate for 1995 at 0.21% and adopted the ECSC operating budget for 1995 on that basis. The budget contains ECU 291 million, including ECU 114 million for redeployment aid and ECU 60 million for social measures connected with the restructuring of the steel industry. Compared with the draft approved in July, ECU 17 million has been transferred, as requested by Parliament and the ECSC Consultative Committee, from conversion aid (reduced to ECU 30 million) to research aid (increased to ECU 52 million).

### Financial operations

#### ECSC

#### General matters

1.5.4. Draft Commission Decision amending Decision No 2-52 determining the mode of assessment and collection of the levies provided for in Articles 49 and 50 of the ECSC Treaty.

#### Commission draft: Bull. 10-1994, point 1.5.12

Assent given by the Council on 14 November.

#### Loans raised

1.5.5. In November the Commission contracted a number of private placings in German marks, Italian lire and pounds sterling on behalf of the ECSC for the equivalent of ECU 12.8 million.

#### Loans granted

*1.5.6.* Acting under Articles 54 and 56 of the ECSC Treaty, the Commission granted loans totalling ECU 8.8 million.

#### **Industrial loans**

1.5.7. No industrial loans were made.

#### **Conversion loans**

1.5.8. Conversion loans (Article 56) totalling ECU 5.2 million were made to Belgium.

#### Workers' housing

1.5.9. Loans totalling ECU 3.6 million were granted for steelworkers and mineworkers in Germany, Belgium, Spain and Italy.

#### EC

#### Loans raised

1.5.10. In November the Commission raised the following amounts for medium-term financial assistance to non-member countries:

 $\Box$  an ECU 127 million three-year bank credit at the six-month LIBOR rate + 1/32%;

 $\Box$  an ECU 70 million seven-year public issue at 8.375% with an issue price of 99.1616%; the proceeds were used for a variable-rate swap operation;

 $\Box$  an ECU 25 million seven-year public issue at 8.375% with an issue price of 99.1616%; the proceeds were used for a variable-rate swap op-

eration accompanied by a structural swap to allow part of the loan to be refinanced at the same rate for three years, taking the term to 10 years. Adopted on 17 November. There were no new lending operations under the NCI in the first half of 1994.

COM(94) 494

#### New Community Instrument (NCI)

1.5.11. Commission report on the rate of utilization of the New Community Instrument (NCI) (first half of 1994).

Previous report: Bull. 7/8-1994, point 1.4.10

### Measures to combat fraud

1.5.12. Resolution by the Council (justice and home affairs) on the criminal-law protection of the Communities' financial interests ( $\rightarrow$  point 1.4.11).

### 6. Statistical system

#### **Policy aspects**

1.6.1. Draft Council Decision amending Decision 91/115/EEC establishing a Committee on Monetary, Financial and Balance-of-Payments Statistics.

**Council Decision to be amended:** Decision 91/115/EEC: OJ L 59, 6.3.1991; Bull. 1/2-1991, point 1.6.3

Adopted by the Commission on 17 November. Purpose: to specify the arrangements for cooperation between the European Monetary Institute and the Committee on Monetary, Financial and Balance-of-Payments Statistics.

OJ C 359, 16.12.1994; COM(94) 452

*1.6.2.* Commission recommendation 94/780/ ECSC concerning statistics on steel merchants.

Adopted by the Commission on 16 November. Purpose: to provide for periodic transmission by the Member States to the Commission of statistics on receipts, deliveries, stocks and further processing of iron and steel products by stockholders.

OJ L 315, 8.12.1994

*1.6.3.* Council Decision 94/753/EC on the continued application of remote sensing to agricultural statistics during the period 1994-98.

**Reference:** Council Decision 88/503/EEC setting up a pilot project on remote sensing applied to agricultural statistics: OJ L 273, 5.10.1988; Bull. 9-1988, point 2.1.109 **Commission proposal:** OJ C 173, 25.6.1994; COM(94) 227; Bull. 6-1994, point 1.6.1 **Parliament opinion:** OJ C 305, 31.10.1994; Bull. 9-1994, point 1.6.1

Adopted by the Council on 14 November. Purpose: to continue the project launched by Decision 88/503/EEC during the period 1994-98 with the aim of facilitating the use of remote sensing by Member States and using the process to provide estimates, before harvest, of acreages and potential yields of main crops.

OJ L 299, 22.11.1994

1.6.4. Proposal for a Council Regulation on the submission of nominal catch statistics by Member States fishing in certain areas other than those of the North Atlantic.

**Commission proposal:** OJ C 329, 25.11.1994; COM(94) 376; Bull. 9-1994, point 1.6.2

Parliament opinion delivered on 1 December. Favourable.

OJ C 363, 19.12.1994

*1.6.5.* Proposal for a Council Directive on statistical returns in respect of carriage of goods and passengers by sea.

**Commission proposal:** OJ C 214, 4.8.1994; COM(94) 275; Bull. 7/8-1994, point 1.5.1

Endorsed by the Economic and Social Committee on 23 November, subject to certain observations. The Committee recommends, in particular, that the burden on data suppliers be reduced to a minimum.

#### Results

Non-nationals as a percentage of the total population in the European Economic Area

1.6.6. The population of the European Economic Area (EEA) numbers around 370 million, of whom 344 million live in the European Union (EU). On 1 January 1992, 16 million, or 4.3% of the population of the EEA, were citizens of a country other than the one in which they lived. Two thirds of these non-nationals, or 2.8% of the total population, had non-EEA citizenship.

#### **Origins of non-nationals**

1.6.7. Most of the 16 million non-nationals living in the EEA come from 15 countries, 11 of which are in Europe.

Turks form the largest group: some 2.5 million live in the EEA, 70% of them in Germany. The

second largest group consists of Italians: 1.2 million live in another EEA country, with the largest group (45%) in Germany, 20% in France and another 20% in Belgium. Next come citizens of the former Yugoslavia, who are concentrated in Germany and Austria.

Moroccans, the largest group of North African citizens, are in fourth place. They and the next two North African groups, Algerians and Tunisians, live chiefly in France.

Africa, the continent most strongly represented in the EEA after Europe, accounts for 0.8% of EEA residents, followed by Asia (0.5%) and the Americas (0.2%).

# **Relationships between EEA and non-EEA countries**

1.6.8. Historical, political and cultural links and economic situations are major factors in migration. In Portugal, for example, there are relatively large groups of Cape Verdeans and Brazilians. The geographical proximity of a country may be the reason for a concentration of its citizens in a Member State, such as Yugoslavs in Austria or citizens of the former Soviet Union in Finland.

With the exception of citizens of the former Yugoslavia in Austria (2.5%) and Turks in Liechtenstein and Germany (2.3%), no group of non-EEA citizens exceeds 2% of the total population of an EEA country.

#### The countries they live in

1.6.9. Non-nationals account for a high proportion — approximately a third — of the total populations of Luxembourg and Liechtenstein.

Non-national groups in the EEA are concentrated in a few countries. More than half of all EEA citizens living in another EEA country are in Germany or France. Belgium, the Netherlands and Luxembourg between them have as many EEA non-nationals as the United Kingdom. This phenomenon is even more pronounced in the case of non-EEA citizens living in the EEA, 41% of whom live in Germany and 22% in France.

#### The characteristics of non-nationals

*1.6.10.* Almost all EEA countries have a female-to-male ratio (number of women per 100 men) for nationals of 100 or more, life

expectancy being higher for women than for men. Only Iceland has a lower ratio (99). There are, however, more men than women in the nonnational population, because it is mainly men who emigrate for work purposes. Germany has 75 non-national women per 100 non-national men, for example.

A comparison of the age structures of non-EEA citizens living in EEA countries shows relatively high proportions of elderly people in Italy, France and Belgium. EEA citizens living in another EEA country tend to be younger than the national population.

#### The main trends

1.6.11. Because of a lack of comparable data, a comparison cannot be made of all countries over time. Migration is the main reason for increases in the non-national population of a country, since the natural growth of a nonnational population has little effect on the total population. The increase in the number of non-EEA citizens in Sweden is chiefly due to the net immigration of Asians.

Over a 12-year period (1 January 1980 to 1 January 1992), the non-national population of the EEA increased from 12.5 million to 16 million. The non-national population remained fairly stable until 1989, after which it increased steadily; 1992 is a special case, since that is when data on the new German *Länder* were included for the first time. Germany accounts for most of the growth in the populations of both other EEA and non-EEA citizens.

#### Information

#### **Publications**

*1.6.12.* New publication available from sales offices in the nine official languages of the European Union:

□ External Trade — Statistical Yearbook — Recapitulation 1958-93.

# 7. Community institutions

### Parliament

#### Strasbourg: 14 to 18 November

1.7.1. The main items on the agenda for the first November part-session were the situation in Bosnia-Herzegovina, the programme for cooperation with the Mediterranean countries, relations with the Mercosur countries and the presentation of the Court of Auditors annual report.

After heated debates on the situation in Bosnia-Herzegovina Parliament adopted a resolution calling for united action by the NATO partners and compliance with the United Nations resolutions ( $\rightarrow$  point 1.3.40). In parallel with these debates it adopted a recommendation to the Council under Article J.7 of the Treaty on European Union on the situation in Bosnia-Herzegovina ( $\rightarrow$  point 1.3.2).

The debate on the programme for cooperation with the Mediterranean countries enabled many speakers to express satisfaction following a statement by Mr Marín, Commission Vice-President, underlining the strategic importance of the eastern and southern Mediterranean regions. On cooperation with the Mercosur countries, he drew attention to the irreversible nature of the phenomenon of regional integration on which these countries had now embarked and pointed out that they had become important trading partners.

Mr Middelhoek, President of the Court of Auditors, presented the Court's annual report to the House. In the ensuing debate, which focused mainly on the content of the report, Mr Schmidhuber reported on action taken by the Commission, especially to combat fraud.

On the budget front, Parliament adopted supplementary and amending budget No 2/94 with ease ( $\rightarrow$  points 1.5.1 and 1.5.2).

In the field of human rights, Parliament adopted five resolutions on the situation in East Timor and El Salvador, the detention of Silvia Baraldini in the United States, eugenics in China and the creation of an International Criminal Tribunal ( $\rightarrow$  points 1.3.112 to 1.3.116).

On the institutional front, Parliament adopted a decision on verification of the credentials of members elected in June 1994.

In the legislative field, under the consultation procedure Parliament adopted opinions on six proposals for Regulations relating to the setting-up of a Translation Centre for bodies of the European Union, a programme providing financial support for the promotion of European energy technologies (Thermie II) ( $\rightarrow$  point 1.2.90), generalized tariff preferences ( $\rightarrow$  points 1.3.100 and 1.3.101), the scrutiny of EAGGF financing transactions ( $\rightarrow$  point 1.2.153) and the control system for certain Community aid schemes ( $\rightarrow$ point 1.2.154) and on 11 proposals for Decisions relating to specific research and technological development programmes ( $\rightarrow$  points 1.2.72 to 1.2.79), health measures applicable to the importation of animals and fresh meat ( $\rightarrow$  point 1.2.18) and free trade agreements with Lithuania, Estonia and Latvia ( $\rightarrow$  points 1.3.26 to 1.3.28).

Under the cooperation procedure Parliament adopted opinions at first reading on a proposal for a Directive on road vehicles over 3.5 tonnes  $(\rightarrow \text{ point } 1.2.101)$  and a proposal for a Decision on trans-European networks for the interchange of data between administrations ( $\rightarrow$  point 1.2.86). At second reading it approved without amendment the Council common positions on two proposals for Directives and one proposal for a Regulation on safety at sea ( $\rightarrow$  points 1.2.103 to 1.2.105) and on the proposal for a Regulation on substances that deplete the ozone layer ( $\rightarrow$  point 1.2.194). It rejected the Council common positions on the proposals for Directives on the limitation of emissions of certain pollutants into the air ( $\rightarrow$  point 1.2.186) and the incineration of hazardous waste (-> point 1.2.188) and approved, with amendments, the common positions on the proposal for a Directive on the transport of dangerous goods by road ( $\rightarrow$  point 1.2.99) and on the proposal for a Regulation on the export and import of certain dangerous chemicals ( $\rightarrow$  point 1.2.183).

And lastly, under the codecision procedure Par-, liament delivered its opinion at first reading on a proposal for a Decision on guidelines for trans-European data-communication networks between administrations ( $\rightarrow$  point 1.2.85) and formulated amendments at second reading to the Council common positions on the proposal for a Directive on food additives ( $\rightarrow$  point 1.2.15), the proposal for a Directive on noise emissions by excavators ( $\rightarrow$  point 1.2.192) and the proposal for a Decision on the 'Europe against AIDS' programme ( $\rightarrow$  point 1.2.214).

Parliament gave its assent to the adoption of a Regulation on arrangements for implementing the Agreement on the European Economic Area and to the conclusion of fisheries agreements with Denmark and Greenland ( $\rightarrow$  points 1.2.168 and 1.2.169).

Parliament also adopted resolutions on the conflict in Angola ( $\rightarrow$  point 1.3.67), the forthcoming meeting of the EU-Syria Cooperation Council ( $\rightarrow$  point 1.3.46), nuclear testing ( $\rightarrow$  point 1.3.73), the role of the GSP from 1995 to 2004  $(\rightarrow \text{ point } 1.3.102)$  and fisheries quotas for 1995 ( $\rightarrow$  point 1.2.175). Finally, in the field of disasters, it adopted seven resolutions on the floods in southern Europe ( $\rightarrow$  point 1.2.221), the landslides on the crag of Arcos de la Frontera ( $\rightarrow$ point 1.2.219), the cases of cholera in Italy  $(\rightarrow \text{ point } 1.2.217)$ , the oil spill disaster in Russia point 1.2.185), the disaster in Egypt (→  $(\rightarrow \text{ point } 1.3.111)$ , goldmining in Turkey  $(\rightarrow \text{ point } 1.2.184)$  and the flood victims in the Sahrawi refugee camps (→ point 1.3.110).

> Report of proceedings OJ Annex 4-449 Full text of opinions and resolutions OJ C 341, 5.12.1994

# Brussels: 30 November and 1 December

1.7.2. Determined to send out a clear signal to the Essen European Council, Parliament devoted most of its second November part-session to debates on employment, the information society and enlargement of the Union to include the countries of Central and Eastern Europe.

In the debate on the strategy proposed for preparing for the accession of the countries of Central and Eastern Europe, following which Parliament adopted a resolution ( $\rightarrow$  point 1.3.20), speakers laid particular stress on the need for forward planning, the budgetary implications and the need to safeguard the *acquis communautaire*, comments endorsed by Sir Leon Brittan, representing the Commission.

Speaking in the debate on employment policy, Mr W. Hoyer, Minister of State at the German Ministry of Foreign Affairs and President of the Council, and Mr Flynn, Member of the Commission, confirmed the need to give priority to combating unemployment and reaffirmed the target of creating 15 million new jobs as the policy underlying all the other policies of the Union. Mr Delors, President of the Commission, wound up the debate by setting out five broad lines of action which the Commission would be proposing to the European Council in Essen: increasing everyone's capacity to work, turning growth into jobs, reducing non-wage labour costs, adapting social policies and taking measures to assist the young. After the debate Parliament adopted a resolution on an action plan on employment policy ( $\rightarrow$  point 1.2.198).

Parliament also turned its attention to the Commission recommendation and communication on the information society, adopting a resolution after the debate ( $\rightarrow$  point 1.2.112). There was consensus support for the guidelines proposed by the Commission for the establishment of a competitive, integrated European information network qualified by the need to implement flanking measures. For the Commission, Mr Bangemann reassured the House that the group which he chaired was addressing the concerns voiced by members, with particular reference to the social and cultural fields and to pluralism.

In the legislative field, under the consultation procedure Parliament adopted opinions on a proposal for a Decision concerning the cooperation agreement with South Africa ( $\rightarrow$  point 1.3.52), two proposals for Regulations on a support system for producers of certain arable crops ( $\rightarrow$ points 1.2.136 and 1.2.137), a proposal for a Regulation on fishing in certain areas other than the North Atlantic ( $\rightarrow$  point 1.6.4) and a proposal for a Decision on the development of the Handynet system ( $\rightarrow$  point 1.2.218).

Under the cooperation procedure Parliament adopted an opinion at first reading on a proposal for a Regulation on trans-European networks ( $\rightarrow$  point 1.2.82).

Report of proceedings: OJ Annex 4-450 Full text of opinions and resolutions: OJ C 363, 19.12.1994

### Council

#### 1797th meeting

1.7.3. Economic and financial affairs (Brussels, 7 November).

Previous meeting: Bull. 10-1994, point 1.7.6

President: Mr Haller and Mr Zeitler, State Secretaries at the German Ministry of Finance.

Commission: Mr Delors, Mr Christophersen and Mrs Scrivener.

#### Main items

 $\Box$  White Paper on growth, competitiveness and employment: exchange of views.

□ Excise duties on biofuels: progress report.

□ Taxation of savings: progress report.

□ Taxation arrangements applicable to interest and royalty payments; exchange of views.

□ Relations with the associated countries of Central and Eastern Europe — preparations for the Essen European Council: exchange of views.

□ Meeting with the countries of Central and Eastern Europe and the Baltic States: preparations.

 $\square$  Financial assistance for Ukraine: exchange of views.

#### 1798th meeting

1.7.4. Industry (Brussels, 8 November).

Previous meeting: Bull. 9-1994, point 1.7.10

President: Mr Rexrodt, German Minister for Economic Affairs.

Commission: Mr Bangemann and Mr Van Miert.

#### Main items

□ Restructuring the Community steel industry: conclusions adopted ( $\rightarrow$  point 1.2.59).

□ Monitoring State aid to the steel industry — second half-yearly Commission report: conclusions adopted ( $\rightarrow$  point 1.2.40).

□ Industrial policy — strengthening the competitiveness of Community industry: resolution agreed ( $\rightarrow$  point 1.2.58).

#### Other business

□ Aid to EKO Stahl: assent given.

□ Shipbuilding: discussed.

□ Annual Commission report on competition policy: presented.

□ Pharmaceutical sector — outlines of an industrial policy: communication.

□ Mechanical engineering industry — strengthening competitiveness: communication.

#### 1799th meeting

1.7.5. Culture (Brussels, 10 November).

Previous meeting: Bull. 6-1994, point 1.7.15

President: Mrs Seiler-Albring, Minister of State at the German Foreign Office.

Commission: Mr Pinheiro.

#### Main item

 $\Box$  Community action on culture: conclusions adopted ( $\rightarrow$  point 1.2.223).

#### Other business

□ Kaleidoscope 2000, Ariane and cultural heritage: exchange of views.

□ Central and Eastern Europe — preparation for accession — cultural aspects: exchange of views.

□ Unidroit Convention on cultural goods: examined.

#### 1800th meeting

1.7.6. Agriculture (Brussels, 14 November).

Previous meeting: Bull. 10-1994, point 1.7.7

President: Mr Borchert, German Minister for Food, Agriculture and Forestry.

#### Commission: Mr Steichen.

#### Main item

 $\Box$  Yellow fats: proposal for a Regulation agreed by qualified majority; United Kingdom and Luxembourg delegations voted against ( $\rightarrow$  point 1.2.139).

#### Other business

□ Support system for producers of certain arable crops (durum wheat, oilseeds): examined.

□ Uruguay Round implementing legislation (agricultural aspects): exchange of views.

 $\Box$  Reform of the common organization of the market in wine: examined.

#### 1801st meeting

1.7.7. Budget (Brussels, 16 November).

Previous meeting: Bull. 7/8-1994, point 1.6.7

*President:* Mr Haller, State Secretary at the German Ministry of Finance.

Commission: Mr Schmidhuber.

#### Main item

 $\Box$  Continuation of the 1995 budget procedure: second reading ( $\rightarrow$  point 1.5.2).

#### Other item

□ Adjustment of the financial perspective: discussed in detail.

#### 1802nd meeting

*1.7.8.* Telecommunications (Brussels, 17 November).

Previous meeting: Bull. 9-1994, point 1.7.10

*President:* Mr Bötsch, German Minister for Post and Telecommunications, and Mr Pfeffermann, State Secretary at the German Ministry of Post and Telecommunications.

Commission: Mr Bangemann and Mr Van Miert.

#### Main items

 $\Box$  Advanced television — use of standards for the transmission of television signals: common

position on the proposal for a Directive agreed unanimously ( $\rightarrow$  point 1.2.228).

□ Space segment capacity — access and provision: resolution agreed ( $\rightarrow$  point 1.2.114).

 $\Box$  Telecommunications infrastructures: resolution agreed ( $\rightarrow$  point 1.2.113).

□ Development of integrated services digital network (ISDN) as a trans-European network: common position on the proposal for a Decision agreed; German delegation abstained ( $\rightarrow$  point 1.2.87).

#### Other business

 $\square$  Interchange of data between administrations: exchange of views.

□ Mutual recognition of licences and other national authorizations: general discussion.

□ Mobile and personal communications: Commission statement.

□ Telematics applications in European transport: communication presented.

#### 1803rd meeting

1.7.9. Transport (Brussels, 21 and 22 November).

Previous meeting: Bull. 9-1994, point 1.7.8

*President:* Mr Wissmann, German Minister for Transport.

Commission: Mr Oreja Aguirre and Mr Van Miert.

#### Main items

 $\Box$  European contribution to the development of a global satellite navigation system: resolution adopted ( $\rightarrow$  point 1.2.96).

□ Safety of roll-on roll-off passenger ferries: resolution adopted ( $\rightarrow$  point 1.2.107).

 $\Box$  Training of seafarers: Directive adopted; Italian delegation abstained ( $\rightarrow$  point 1.2.105).

□ Inspection of vessels in Community ports: common position on the proposal for a Directive agreed ( $\rightarrow$  point 1.2.106).

#### Other business

□ Trans-European transport network: general discussion.

□ Interoperability of the European high-speed train network: general discussion.

□ Officer for the prevention of the risks inherent in the carriage of dangerous goods: general discussion.

□ Air traffic management: exchange of views.

□ Relations with Switzerland: discussed.

□ Opening of negotiations with certain third countries: progress report.

□ European vessel reporting system (Eurorep): common position on the proposal for a Directive partially agreed.

□ Competition rules in the shipping sector: conclusions of the Presidency.

□ Positive measures on shipping: general discussion.

#### 1804th meeting

1.7.10. Fisheries (Brussels, 23 November).

Previous meeting: Bull. 9-1994, point 1.7.11

*President:* Mr Borchert, German Minister for Food, Agriculture and Forestry, and Mr Feiter, State Secretary at the German Ministry of Food, Agriculture and Forestry.

Commission: Mr Paleokrassas.

#### Main item

 $\Box$  Prices for the 1995 fishing year: proposals for Regulations agreed ( $\rightarrow$  point 1.2.176).

#### Other business

□ Common organization of the market in fishery products and aquaculture: exchange of views.

□ Tariff quotas and suspensions: proposal for a Regulation agreed.

□ Rules governing access to and control of Community fishing areas: discussed in detail.

 $\Box$  Authorization of fishing in the waters of a third country under a fisheries agreement: general discussion.

□ Detailed rules for the application of the trade monitoring system for certain fishery products from Norway: examined.

□ Compliance with the provisions on fishery activities laid down in the Act of Accession: proposal for a Regulation presented.  $\square$  NAFO: exchange of views.

 $\square$  Negotiations with Russia: information provided.

□ Negotiations with Morocco: examined.

□ Barents Sea: exchange of views.

□ Driftnets: progress report.

#### 1805th meeting

1.7.11. Development (Brussels, 25 November).

Previous meeting: Bull. 5-1994, point 1.6.5

President: Mr Spranger, German Minister for Economic Cooperation.

Commission: Mr Marín.

#### Main items

□ Development cooperation policy in the run-up to  $2000 - \text{food security: resolution adopted } (\rightarrow \text{point } 1.3.98).$ 

□ Development cooperation policy in the run-up to 2000 — education and training: resolution adopted (→ point 1.3.99).

 $\Box$  Tropical forests: common position on the proposal for a Regulation agreed ( $\rightarrow$  point 1.2.190).

 $\Box$  Programme of immediate action to restore social and production structures in Rwanda: guidelines adopted ( $\rightarrow$  point 1.3.70).

#### Other business

□ Development cooperation policy in the run-up to 2000 — operational coordination: implementation.

□ Complementarity between the development policies and measures of the European Union and the Member States: discussed in detail.

□ Consistency between the various Community policies: discussed in detail.

□ Lomé IV --- mid-term review: exchange of views.

□ Future relations with South Africa: Council statement.

□ Evaluation of development programmes and instruments: Council statement.

□ Humanitarian action: Council and Commission statement.

- □ Rehabilitation: progress report.
- □ Migration and development: examined.
- □ Action to combat drugs: examined.

 $\Box$  Future relations of the European Union with the countries of Asia, Latin America and the Mediterranean: exchange of views.

 $\square$  World Summit for social development: discussed.

□ Burundi: exchange of views.

□ Angola and Mozambique: examined.

#### 1806th meeting

1.7.12. General affairs (Brussels, 28 November).

Previous meeting: Bull. 10-1994, point 1.7.8

President: Mr Kinkel, German Minister for Foreign Affairs.

Commission: Mr Delors, Mr Marín, Sir Leon Brittan and Mr Van den Broek.

#### Main items

 $\Box$  Macro-financial assistance for Albania: Decision adopted ( $\rightarrow$  point 1.3.24).

 $\Box$  Negotiations with the Baltic States: negotiating directives adopted ( $\rightarrow$  point 1.3.25).

#### Other business

□ White Paper on growth, competitiveness and employment: progress report.

□ Relations with the associated countries of Central and Eastern Europe: report.

□ Mediterranean policy: report.

□ Justice and home affairs — racism and xenophobia: progress report.

□ Subsidiarity: Commission report.

□ Illicit traffic in radioactive substances and nuclear materials: report.

□ Northern Ireland: discussed.

□ Former Yugoslavia: examined.

□ Preparations for Budapest Summit: exchange of views.

□ Stability pact: discussed.

□ New agreements with Israel, Morocco and Tunisia: progress report.

□ Relations with the ACP States: position prepared.

- □ Relations with Turkey: progress report.
- □ Relations with Slovenia: progress report.
- □ Uruguay Round: exchange of views.

□ OECD — shipbuilding: progress report.

Relations with Parliament: progress report.

□ Green Paper on international trade and the environment: examined.

- $\square$  Rwanda: examined.
- $\square$  Aid to the Palestinians: exchange of views.
- □ Relations with Syria: discussed.
- □ Latin America: report.
- New Asia strategy: report.

□ Moldova: partnership and cooperation agreement signed.

#### 1807th meeting

1.7.13. Energy (Brussels, 29 November).

Previous meeting: Bull. 5-1994, point 1.6.9

President: Mr Rexrodt, German Minister for Economic Affairs.

Commission: Mr Oreja Aguirre.

#### Main items

 $\Box$  Internal market in electricity: conclusions adopted ( $\rightarrow$  point 1.2.91).

 $\Box$  Green Paper on energy policy guidelines: conclusions adopted ( $\rightarrow$  point 1.2.89).

 $\Box$  European Energy Charter: conclusions adopted ( $\rightarrow$  point 1.2.92).

#### Other business

□ Review of Community law in the energy sector: conclusions adopted.

□ Trans-European energy networks: general discussion.

□ Thermie II: general discussion.

#### 1808th meeting

1.7.14. Justice and home affairs (Brussels, 30 November and 1 December).

Previous meeting: Bull. 6-1994, point 1.7.16

*President:* Mrs Leutheusser-Schnarrengerber, German Minister for Justice, and Mr Kanther, German Minister for the Interior.

Commission: Mr Flynn.

#### Main items

 $\Box$  Travel facilities for school pupils: Decision adopted ( $\rightarrow$  point 1.4.5).

 $\square$  Relations with third countries in the justice and home affairs field: conclusions adopted ( $\rightarrow$  point 1.4.4).

 $\Box$  Fight against racism and xenophobia: interim report presented ( $\rightarrow$  point 1.4.2).

 $\Box$  Protection of the financial interests of the Communities: resolution agreed ( $\rightarrow$  point 1.4.11).

 $\Box$  1993 action plan in the field of justice and home affairs: report adopted ( $\rightarrow$  point 1.4.1).

#### Other business

□ Europol: progress report.

□ EDU/Europol management team: members appointed.

□ Admission and residence of displaced persons: progress report.

□ Asylum applications — minimum guarantees: draft resolution examined.

□ Uniform format for visas: progress report.

□ Further improvement in security at external frontiers: progress report.

 $\square$  1994 budget — measures to be taken in the justice and home affairs sector: draft Decision examined.

□ Campaign against international organized crime: general discussion.

 $\square$  Convention to improve extradition between the Member States of the European Union: examined.

□ Brussels II Convention — jurisdiction and the enforcement of judgments in matrimonial matters: general discussion.

#### 1809th meeting

1.7.15. Youth (Brussels, 30 November).

Previous meeting: Bull. 6-1994, point 1.7.8

*President:* Mrs Nolte, German Minister for Women, Youth, the Family and Senior Citizens.

Commission: Mr Ruberti.

#### Main items

□ Third phase of 'Youth for Europe' programme: progress report.

□ National consultation on youth in France: results presented.

□ Informal meeting of Ministers for Youth from the member countries of the Council of Europe: organization noted.

### Commission

### **Proposals adopted**

1.7.16. The Commission adopted two proposals for Regulations, one on changes to the agrimonetary system ( $\rightarrow$  point 1.2.135), the other on changes to the common organization of the market in sugar ( $\rightarrow$  point 1.2.138).

# Communications, green papers and reports

1.7.17. The Commission adopted communications on economic growth and the environment ( $\rightarrow$  point 1.2.180) and education and training in the face of technological, industrial and social challenges ( $\rightarrow$  point 1.2.203).

#### **Other decisions**

1.7.18. The Commission approved a recommendation on payment periods in commercial transactions ( $\rightarrow$  point 1.2.60). It also approved single programming documents (Objectives 2, 4, 5(a) and 5(b)) ( $\rightarrow$  points 1.2.120, 1.2.123, 1.2.124, 1.2.128 and 1.2.129) and a Community support framework (Objective 4) ( $\rightarrow$  point 1.2.123). Finally, it adopted a recommendation for a Decision on a Euro-Mediterranean agreement with Egypt ( $\rightarrow$  point 1.3.44).

### Community lawcourts

#### **Court of Justice**

1.7.19. Decisions given by the Courts are covered in the Bulletin for the month in which they are reported in the Official Journal. The operative part of the main decisions is reproduced; other decisions are simply listed by field and legal basis. Decisions in disputes between the Community and its staff are not reported.

#### Main decisions

#### Agriculture

Article 173 of the EC Treaty

□ 5.10.1994: Case C-280/93 Germany v Council

1. The application is dismissed.

2. The applicant is ordered to pay the costs, including those of the proceedings for interim relief.

3. The interveners are ordered to bear their own costs.

(Application for annulment of Title IV and Article 21(2) of Council Regulation (EEC) No 404/93 of 13 February 1993 on the common organization of the market in bananas.)

OJ C 316, 12.11.1994

## Free movement of persons, companies and services

Article 177 of the EC Treaty

□ 5.10.1994: Case C-23/93 TV10 v Commissariaat voor de Media

1. The concept of 'provision of services' referred to in Articles 59 and 60 of the EC Treaty covers the transmission, via cable network operators established in one Member State, of television programmes supplied by a broadcasting body established in another Member State, even if that body established itself there in order to avoid the legislation applicable in the receiving State to domestic broadcasters.

2. The provisions of the EC Treaty on freedom to provide services are to be interpreted as not precluding a Member State from treating as a domestic broadcaster a broadcasting body constituted under the law of another Member State and established in that State but whose activities are wholly or principally directed towards the territory of the first Member State, if that broadcasting body was established there in order to enable it to avoid the rules which would be applicable to it if it were established within the first State.

OJ C 331, 26.11.1994

#### Social policy and free movement of workers

Article 177 of the EC Treaty

#### □ 28.9.1994: Case C-7/93 Bestuur van het Algemeen burgerlijk pensioenfonds v Beune

1. A pension of the kind paid under the Algemene Burgerlijke Pensioenwet (ABPW) falls within the scope of Article 119 of the Treaty.

2. Article 119 precludes legislation such as the ABPW which, as regards entitlements in respect of periods of service before 1 January 1986, lays down a rule for calculating the amount of civil service pension for male married former civil servants which is different from that applicable to female married former civil servants; Article 119 may be relied on directly before the national courts; married men placed at a disadvantage by discrimination must be treated in the same way and have the same rules applied to them as married women.

3. By virtue of Protocol 2 on Article 119, the direct effect of Article 119 may be relied upon in order to require equal treatment as regards the payment of benefit under a pension scheme such as the ABPW corresponding to periods of employment falling between 8 April 1976 and 17 May 1990 only by civil servants or persons claiming under them who have initiated legal proceedings or introduced a claim before that date.

OJ C 316, 12.11.1994

#### **Institutional matters**

# Article 49 of the Statute of the EC Court of Justice

□ 5.10.1994: Case C-404/92P X v Commission

1. The judgment of the Court of First Instance of 18 September 1992 in Joined Cases T-121/89 and T-13/90 X v *Commission* is annulled to the extent to which it dismissed the applicant's claim that the Commission decision of 6 June 1989 should be annulled.

2. The Commission decision of 6 June 1989 refusing to engage Mr X as a member of the temporary staff for a period of six months on the ground of physical unfitness is annulled. 3. The appeal is dismissed as regards the claim for compensation.

4. The Commission shall pay the costs at both instances and the interveners shall bear their own costs.

OJ C 331, 26.11.1994

Other decisions

#### **Customs union**

Article 177 of the EC Treaty

 $\Box$  5.10.1994: Case C-151/93 M. Voogd Vleesimport en -export BV

OJ C 316, 12.11.1994

#### Agriculture

Article 177 of the EC Treaty

□ 5.10.1994: Joined Cases C-133/93, C-300/93 and C-362/93 Crispoltoni v Fattoria Autonoma Tobaccochi, Natale v Donatab and Pontillo v Donatab

OJ C 316, 12.11.1994

Articles 178 and 215 of the EC Treaty

 $\square$  15.9.1994: Case C-146/91 KYDEP v Council and Commission

OJ C 316, 12.11.1994

#### Social policy and free movement of workers

Article 177 of the EC Treaty

□ 21.9.1994: Case C-112/94 Richardson v Barnes

OJ C 316, 12.11.1994 □ 5.10.1994: Case C-165/91 Van Munster v Rijksdienst voor Pensioenen

OJ C 316, 12.11.1994

#### Transport

Article 177 of the EC Treaty

□ 5.10.1994: Case C-55/93 Van Schaik OJ C 316, 12.11.1994

#### Competition

Article 177 of the EC Treaty

□ 5.10.1994: Case C-323/93 Société civile agricole du Centre d'insémination de la Crespelle v Coopérative d'élevage et d'insémination artificielle du département de la Mayenne OJ C 331, 26.11.1994

#### State aid

Article 173 of the EC Treaty □ 5.10.1994: Case C-47/91 Italy v Commission OJ C 316, 12.11.1994 □ 5.10.1994: Case C-400/92 Germany v Commission OJ C 316, 12.11.1994

Article 177 of the EC Treaty

 $\square$  20.9.1994: Case C-310/88 Istituto Behring v USSL n. 34 di Chiari

OJ C 331, 26.11.1994

□ 20.9.1994: Case C-311/88 Hoechst Italia Sud v USSL n. 56 di Lodi

OJ C 331, 26.11.1994

#### **External relations**

Article 177 of the EC Treaty

□ 5.10.1994: Case C-355/93 Eroglu v Land Baden-Württemberg

OJ C 316, 12.11.1994

#### Convention on Jurisdiction and the Enforcement of Judgments in Civil and Commercial Matters

Protocol of 3 June 1971 — Convention of 27 September 1968

□ 23.9.1994: Case C-136/94 Beta-Film Vertriebsgesellschaft v Beta-Television OJ C 331, 26.11.1994

#### Infringements

Article 169 of the EC Treaty

□ 22.9.1994: Case C-76/94 Commission v France

OJ C 331, 26.11.1994

Bull. EU 11-1994

 □ 23.9.1994: Case C-168/94 Commission v France
 □ 0 C 331, 26.11.1994
 □ 23.9.1994: Case C-169/94 Commission v France
 □ 0 C 331, 26.11.1994
 □ 28.9.1994: Case C-65/94 Commission v Belgium
 □ 0 C 316, 12.11.1994
 □ 5.10.1994: Case C-255/93 Commission v France
 □ 0 C 316, 12.11.1994
 □ 5.10.1994: Case C-381/93 Commission v France
 □ 0 C 316, 12.11.1994
 □ 5.10.1994: Case C-381/93 Commission v France

#### **Court of First Instance**

Other decisions

#### ECSC

Article 39 of the ECSC Treaty

□ 25.8.1994: Case T-156/94R Siderúrgica Aristrain Madrid ∨ Commission OJ C 316, 12.11.1994

#### Environment

Articles 173 and 178/215 of the EC Treaty

 $\square$  23.9.1994: Case T-461/93 An Taisce — The National Trust for Ireland and WWF UK v Commission

OJ C 331, 26.11.1994

### Court of Auditors

1.7.20. Specific annual report on the 1993 accounts of the European Centre for the Development of Vocational Training (Berlin).

**Reference:** Council Regulation (EEC) No 1416/76 of 1 June 1976 on the financial provi-

sions applying to the European Centre for the Development of Vocational Training (OJ L 164, 24.6.1976), as last amended by Council Regulation (EEC) No 1948/93: OJ L 181, 23.7.1993

Adopted on 10 November at the Court's 487th meeting. Pursuant to Article 72 of the Regulation on the financial provisions applying to the Centre the report has been sent to the discharge authorities, the Centre and the Commission; it will be published in the Official Journal.

1.7.21. Specific annual report on the 1993 accounts and management of the European Foundation for the Improvement of Living and Working Conditions (Dublin).

**Reference:** Council Regulation (EC) No 1417/76 of 1 June 1976 on the financial provisions applying to the European Foundation for the Improvement of Living and Working Conditions (OJ L 164, 24.6.1976), as last amended by Council Regulation (EEC) No 1949/93: OJ L 181, 23.7.1993

Adopted on 24 November at the Court's 488th meeting. Pursuant to Article 72 of the Regulation on the financial provisions applying to the Centre the report has been sent to the discharge authorities, the Foundation and the Commission; it will be published in the Official Journal.

### European Investment Bank

#### Financing

1.7.22. In November the European Investment Bank, the European Union's financial institution, granted loans totalling ECU 2 753.9 million, of which ECU 73.2 million went outside the European Union.

#### European Union

#### Links with Union policies

1.7.23. Loans were made for the following measures:

□ ECU 1 691.0 million for the economic development of disadvantaged regions; □ ECU 738.2 million for the improvement of transport and telecommunications infrastructures of benefit to the Community;

 $\Box$  ECU 1 019.5 million for the protection of the environment and improvement of the quality of life;

□ ECU 493.4 million for the pursuit of Community objectives in the field of energy.

The Bank also continued its operations to support small businesses; a total of ECU 1 526.0 million has been granted in global loans since the beginning of the year.

In many cases individual loans come under several Union policies; some are therefore counted more than once in the above amounts.

#### **Geographical breakdown**

#### Denmark

1.7.24. ECU 25.2 million was granted under the Edinburgh facility for the improvement of the Aarhus-Ålborg and Vejle-Horsens motorway sections in northern Jutland and the Ringsted-Skovse section of the Copenhagen-Great Belt motorway in Zealand. ECU 67.3 million went towards rail electrification and purchases of rolling stock. ECU 37.4 million (including ECU 12.3 million under the Edinburgh facility) was provided for the extension and modernization of the natural gas supply and distribution network in central and northern Jutland. ECU 56.5 million was granted for the construction of the motorway suspension bridge on the eastern part of the Great Belt fixed link.

#### Belgium

1.7.25. ECU 50.6 million was granted for the construction of a new paint workshop in a Ghent car plant. A loan of ECU 25.3 million (including ECU 12.7 million under the Edinburgh facility) was provided for the construction of a new terminal in the port of Antwerp. ECU 55.2 million went towards the construction of two combined-cycle gas power stations at Drogenbos (Brussels Region) and Seraing (Liège Province). ECU 151.9 million (including ECU 38 million under the Edinburgh facility) went towards the construction of waste water treatment installations in Flanders. ECU 25.3 million was allocated in

the form of global loans for the financing of small and medium-scale projects in industry and tourism countrywide.

#### Greece

1.7.26. Loans of ECU 44.3 million were provided for the installation of two mobile telephone networks. ECU 10.2 million was granted to convert the Variboby–Yliki section of the Athens–Katerini–Thessaloniki road into a motorway.

#### Germany

1.7.27. ECU 25 million was granted for the construction of a high-voltage direct-current cable between Sweden and Germany. ECU 23.8 million was used for the modernization of a refinery at Gelsenkirchen-Horst for the production of light petroleum products. A loan of ECU 130.2 million was provided for the construction of a storage, logistics and distribution centre at Leipzig. ECU 260.4 million was allocated for the extension of the telecommunications network in the new Länder. ECU 15.6 million was granted for the construction of the new purification system for household waste water and industrial effluent at Lutherstadt-Wittenburg (Saxony-Anhalt), ECU 52.1 million went towards the modernization and extension of the gas distribution network in Berlin. ECU 53 million was allocated in the form of global loans for the financing of small and medium-scale projects by small business, energy and environmental projects and Community and regional infrastructures, mainly in the new Länder. ECU 50.8 million in the form of global loans went towards the financing of small and mediumscale infrastructure projects in the new Länder and loans totalling ECU 104.1 million were allocated in the form of global loans for the financing of small and medium-scale projects relating to regional infrastructures and infrastructures of Community interest, environmental protection and energy-saving.

#### France

*1.7.28.* A loan of ECU 49.6 million was provided for road improvements in the Lyon conurbation. ECU 50.3 million went towards the modernization and restructuring of the production

line for long products at a steel plant at Gondrange (Moselle) and for improvements to the rolling mill and wire mill at Longwy (Meurthe et Moselle). ECU 30.5 million was granted in the form of global loans for the financing of small and medium-scale projects in industry, tourism and ancillary services. ECU 30.5 million (including ECU 5 million under the Edinburgh facility) was also allocated in the form of global loans to finance small and medium-scale environmental projects and job-creating projects by small business. ECU 45.8 million was granted in the form of global loans to finance job-creating projects by small business in industry, tourism and services.

#### Spain

1.7.29. ECU 86 million was granted for forestry and rural infrastructures in Galicia. ECU 44 million was provided for the completion of a circle line on the Madrid underground railway. ECU 62.8 million went towards the collection and treatment of waste water in Catalonia. ECU 100.5 million was provided for road improvements in Catalonia and ECU 18.8 million (including ECU 6.3 million under the Edinburgh facility) for infrastructure improvements in the Balearics.

#### Italy

1.7.30. ECU 25.9 million went towards the modernization and development of the switching capacity of the telecommunications network. ECU 103.5 million was granted for the completion of the second gas pipeline across the Mediterranean. ECU 12.9 million went towards the construction and operation of a new natural gas combined-cycle power plant at Settimo Torinese, near Turin. ECU 7.2 million was granted for the renovation of the historic centre and other improvements to the urban fabric in Bologna, Ferrara and Macerata. ECU 51.8 million (including ECU 13 million under the Edinburgh facility) was provided for the extension and exploitation of two natural gas fields and one oilfield. ECU 12.9 million was granted for the extension and reinforcement of natural gas distribution networks and water supply systems in the provinces of Naples and Caserta. A loan of ECU 27.4 million was used to finance the modernization and rationalization of three cement works at Guidonia (Lazio), Augusta (Sicily) and Barletta (Apulia). ECU 3.4 million was provided for the construction of a natural gas combined-cycle power plant at Biella (Piedmont) and ECU 2.6 million for urban infrastructures at Belluno (Venezia). ECU 258.8 million (including ECU 155.3 million under the Edinburgh facility) was granted for installations to reduce air pollution in three thermal power plants. ECU 103.6 million went towards the modernization and expansion of telecommunications services. ECU 31 million was granted for the reconstruction and extension of natural gas distribution networks in central and north-eastern Italy. ECU 118.3 million was allocated in the form of global loans to finance small and medium-scale projects in a wide range of sectors.

#### Ireland

1.7.31. ECU 32.2 million was granted for road improvements, water supply and purification, various infrastructure projects and the improvement of tourist facilities.

#### Netherlands

1.7.32. ECU 18.6 million was granted under the Edinburgh facility for a combined heat and electricity plant at Buggenum (Limburg). ECU 46.5 million was allocated in the form of global loans to finance job-creating projects by small business countrywide.

#### Outside the Union

#### EIB lending activities in the EFTA countries

#### Sweden

1.7.33. ECU 15.3 million was granted for the construction of a high-voltage direct-current electricity cable between Sweden and Germany.

#### **Cooperation and development policy**

ACP countries

#### West Africa

1.7.34. ECU 3.8 million was granted for a guarantee fund to finance private investment in West Africa.

#### Djibouti

1.7.35. ECU 2.8 million was provided for the improvement of the telecommunications network.

#### Ethiopia

1.7.36. ECU 14 million was granted for the improvement of the telecommunications network.

#### Kenya

1.7.37. ECU 5.5 million was allocated for the repair of the Mombassa-Nairobi pipeline.

#### Madagascar

1.7.38. ECU 1 million was allocated in the form of global loans.

#### Mauritania

*1.7.39.* ECU 0.1 million was used to finance a study for a foundry.

#### Tanzania

1.7.40. ECU 23 million was provided for the construction of the Kihansi hydroelectric power plant.

#### Mediterranean countries

#### Tunisia

1.7.41. ECU 23 million was granted for road improvements in the Tunis conurbation.

### Economic and Social Committee

#### 320th plenary session

*1.7.42.* The Economic and Social Committee held its 320th plenary session on 23 and 24 November, chaired by Mr Ferrer and attended by Mr Flynn, Member of the Commission.

In his address Mr Flynn outlined the four main topics of the White Paper European social policy — A way forward for the Union: interaction between economic and social policies, priority for the fight against unemployment, development and consolidation of the legislative base through social dialogue, and stepping-up of cooperation and action to promote the economic integration of all citizens.

*1.7.43.* The Economic and Social Committee debated and adopted opinions on the following:

□ the White Paper European social policy — A way forward for the Union ( $\rightarrow$  point 1.2.195);

 $\Box$  implementation of the Protocol on social policy ( $\rightarrow$  point 1.2.196);

 $\Box$  Helios II ( $\rightarrow$  point 1.2.218);

 $\Box$  the trans-European transport network ( $\rightarrow$  point 1.2.84);

 $\Box$  the production and marketing of fresh meat ( $\rightarrow$  point 1.2.17);

 $\Box$  the importation of bovine animals ( $\rightarrow$  point 1.2.18);

 $\Box$  the Uruguay Round — agriculture ( $\rightarrow$  point 1.2.144);

 $\Box$  Community fishing resources ( $\rightarrow$  point 1.2.163);

□ the control system applicable to the common fisheries policy ( $\rightarrow$  point 1.2.163);

 $\Box$  the common organization of the market in fishery products and aquaculture ( $\rightarrow$  point 1.2.177).

1.7.44. The Economic and Social Committee adopted opinions on the following, without debate:

 $\Box$  statistical returns in respect of maritime transport ( $\rightarrow$  point 1.6.5);

 $\Box$  the interoperability of the European highspeed train network ( $\rightarrow$  point 1.2.83);

 $\Box$  minimum safety and health requirements for the use of work equipment ( $\rightarrow$  point 1.2.201);

 $\Box$  the European Year of Lifelong Learning ( $\rightarrow$  point 1.2.202);

 $\Box$  conclusion of the agreements reached in the Uruguay Round --- GATT ( $\rightarrow$  point 1.3.76).

### ECSC Consultative Committee

#### 317th meeting (extraordinary)

1.7.45. Luxembourg, 7 November.

Chairman: Mr Detaille.

#### Main items

 $\square$  Restructuring of EKO Stahl GmbH, Eisenhüttenstadt (Brandenburg): consultation ( $\rightarrow$  point 1.2.50).

□ Proposal for a Council and Commission Decision concerning a decision, relating to the implementing rules for competition, of the Association Council established by the Europe Agreement between the European Communities and their Member States, of the one part, and the Republic of Poland, of the other part: consultation.

□ Draft Commission Decision amending Decision No 1970/93/ECSC opening and providing for the administration of tariff quotas in respect of certain ECSC steel products originating in the Czech Republic and the Slovak Republic imported into the Community (1 June 1993 to 31 December 1995): consultation.

### Committee of the Regions

#### Fifth plenary session

1.7.46. The Committee of the Regions held its fifth plenary session on 15 and 16 November, chaired by Mr Blanc.

1.7.47. The Committee of the Regions adopted:

- $\Box$  a resolution on subsidiarity ( $\rightarrow$  point 1.1.2);
- opinions on:
- the White Paper European social policy A way forward for the Union (→ point 1.2.195);

- the Community action programme on health promotion, information, education and training (→ point 1.2.212);
- Community action in the field of drug dependence (→ point 1.2.216);
- European Year of Lifelong Learning (→ point 1.2.202);
- the assessment of the effects of certain public and private projects on the environment (→ point 1.2.181);
- □ own-initiative opinions on:
- the reform of the common organization of the market in wine ( $\rightarrow$  point 1.2.143);
- the effect of the use of somatotropin on milk production in the regions of the European Union (→ point 1.2.19).

# European Monetary Institute (EMI)

1.7.48. EMI Council.

**Reference:** Implementation of the Stage II of economic and monetary union: Bull. 1/2-1994, point 1.2.2

First meeting held in Frankfurt on 15 November. The meeting was attended by Mr Delors and Mr Christophersen, President and Vice-President of the Commission respectively, and by Mr Haller, State Secretary at the German Ministry of Finance and President of the Council. At the close of the meeting Mr Lamfalussy, EMI President, announced that the main preoccupation had been to put in place a very detailed agenda for preparation of the Stage III of economic and monetary union in line with the Institute's remit under the EC Treaty, which includes establishing the organizational and logistical framework for the future European Central Bank and strengthening coordination of the monetary policies of the Member States with the aim of ensuring price stability.

# PART TWO DOCUMENTATION

# 1. The ecu

November 1994 <sup>1</sup>					
BFR/ LFR	Belgian franc and Luxembourg franc	39.3855			
DKR	Danish krone	7.49232			
DM	German mark	1.91426			
DR	Greek drachma	294.888			
ESC	Portuguese escudo	195.432			
FF	French franc	6.57243			
HFL	Dutch guilder	2.14556			
IRL	Irish pound	0.794537			
LIT	Italian lira	1968.24			
РТА	Spanish peseta	159.486			
UKL	Pound sterling	0.782510			
	A ustralian dollar	1.64848			
เล่ม	Uanaoian dollar	1.69678			
FMK	Finnish markka	5.87027			
ISK	Icelandic króna	84.0136			
NKR	Norwegian krone	8.36564			
NZD	New Zealand dollar	2.00364			
OS	Austrian schilling	13.4750			
SFR	Swiss franc	1.61059			
SKR	Swedish krona	9.14306			
USD	United States dollar	1.24371			
YEN	Japanese yen	121.875			
ZAR	South African rand	4.37818			
<sup>1</sup> Average	for the month: OJ C 337, 1.12.	L .1994.			

#### Values in national currencies of ECU 1

NB: Explanatory notes on the ecu and 'green' rates can be found in Bull. 7/8-1982, points 3.1.1 to 3.1.3, and Bull. 9-1989, point 2.1.3.

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#### Representative rates ('green' rates)

Conversion rates into national currencies for the ecu used in connection with the common agricultural policy

November 1994							
National currency/sector		Value in national currency of ECU 1	National currency/sector		Value in national currency of ECU 1		
BFR/ LFR	Belgian franc and Luxembourg franc All products	49.3070	FF French franc All products	7.98191			
DKR	Danish krone All products	9.34812	HFL	Dutch guilder All products	2.65256		
	German mark All products	2.35418	IRL	Irish pound All products	0.976426		
DR	Greek drachma	2.33410	LIT	Italian lira All products	2339.97		
DK	All products	352.829 on 1.11.1994	РТА	Spanish peseta All products	192.319		
ESC	Portuguese escudo All products	239.331	UKL	Pound sterling All products	0.953575		

# 2. Council resolution on the strengthening of the competitiveness of Community industry

2.2.1. On 21 November the Council adopted the following resolution:

'The Council

#### Recalling

the Commission communication of November 1990 on industrial policy in an open and competitive environment;

the Commission's White Paper of December 1993 on growth, competitiveness and employment;

the Commission communication of July 1994 entitled 'Europe's way to the information society: an action plan';

and the Commission communication of September 1994 on an industrial competitiveness policy for the European Union,

#### Considers

that continuing high unemployment in the Community constitutes one of the gravest problems faced by the Community and its Member States,

that a competitive and innovatory industry in the Community is a prerequisite for lasting economic growth and the creation of new jobs,

that industrial production and services increasingly complement each other and that, consequently, a competitive industrial sector is indispensable in order fully to exploit the possibilities of job creation in the service sector, and vice versa,

that economic and social cohesion and the competitiveness of European industry are linked in that a competitive European industry can contribute to cohesion and cohesion can provide industry with the benefits of a wider commercial and geographic base,

that, notwithstanding the important role of public authorities, the maintenance and improvement of competitiveness is primarily the task of business and that all parties involved in industry bear a large amount of responsibility for the necessary structural adaptations,

#### Recalls that

in accordance with Article 130 of the Treaty establishing the European Community, it is for the Community and the Member States to ensure that the conditions necessary for competitiveness in industry exist, according to Article 130b of the Treaty, the Community's policies and actions shall take into account the objectives set out in Article 130a and shall contribute to their achievement,

and that, in accordance with Articles 3a and 3b of the Treaty, all economic policy measures of the Community and the Member States must also be consonant with the principle of an open market economy with free competition and the principle of subsidiarity,

Ι

1. notes that the principles embodied in the Commission communication of November 1990 on industrial policy in an open and competitive environment have held good and that important objectives set at the time, such as the virtual completion of the common market, finalization of the Uruguay Round and the adoption of the fourth R & D programme, have since been achieved,

2. would point out that these principles have been reflected in various Council resolutions and conclusions, and/or in several Commission communications concerning small and medium-sized enterprises, industry and the environment, industrial cooperation and specific sectors such as electronics and information technology, biotechnology, textiles, and the aerospace and motor industries,

3. underlines that accelerated technical progress, increasing globalization of markets, intensification of international competition and the increasing importance of environmental protection require greater efforts from all those with responsibility in the economic, political and social field in order to facilitate the necessary structural adjustment, *inter alia* to ensure sustainable development, and to create new jobs,

4. emphasizes the special structural challenges faced by Community regions whose development is lagging behind and refers in this context to the fifth periodic report on the social and economic situation and development of the regions in the Community,

5. is convinced that it is necessary to avoid distortions of competition and to promote the opening-up of markets both within and outside the Community, and that measures to preserve obsolete structures and measures not compatible with GATT principles by any of the partners concerned are inappropriate as a means of promoting the adaptation of industry to a changed world economic and technological environment, 6. would emphasize that the framework conditions for competitiveness and competition must be improved so that, in the context of the global marketplace, the European Union remains an attractive location for business leading to the creation of new firms and new jobs,

7. welcomes the rapid progress made in implementing the action plan which the European Council adopted in December 1993 on the basis of the Commission's White Paper on growth, competitiveness and employment and refers to its conclusions concerning improvement of the competitiveness of European industry adopted on 22 April 1994,

8. awaits with interest the presentation before the beginning of December of the final report of the Christophersen Group concerning trans-European transport, energy and environmental networks,

9. refers to its conclusions of 28 September 1994 with regard to Europe's way to the information society,

10. recalls its resolution of 10 October 1994 on the integrated programme in favour of SMEs submitted by the Commission.

II

1. welcomes the Commission communication on an industrial competitiveness policy for the European Union, in which the new challenges facing Community industry are analysed and objectives and possibilities for action in the second half of the 1990s are outlined, and takes note of the conclusions drawn by the Commission from its analysis,

2. considers that an industrial policy for the European Community should be market-driven and respond to the global challenges with the aim of a substantial improvement of the competitive position of the European industry in global markets,

3. considers that action by the Community and the Member States within the framework of their respective powers is particularly urgent in the following spheres:

(a) creation of stable, economically viable framework conditions especially by:

(i) consistent alignment of Member States' policy on Community convergence targets and resolute pursuit of budgetary consolidation at all State levels;

(ii) implementation of economic and monetary union in accordance with the criteria laid down in the Treaty and taking into account the results of the European Council in Edinburgh;

(iii) limiting the financial and non-financial burdens on businesses, *inter alia* to reinforce their investment capability, and with that the capability of industry and the service sector to create new jobs;

(iv) long-term reliability in all areas of government action, taking into account the need for the industrial and service sectors to improve competitiveness; (b) eliminating unnecessary bureaucratic burdens for enterprises, particularly SMEs, by:

(i) the most rapid removal possible of unnecessary provisions and instructions as well as simplification of administrative procedures;

(ii) examination of the proposals to be submitted, on the one hand, by the independent working party of experts on deregulation matters set up at the request of the European Council and, on the other hand, by the Committee set up in accordance with the Council resolution of 10 October 1994 on the integrated programme for SMEs, and consideration of appropriate actions, *inter alia* in order to achieve a better functioning of the internal market;

(iii) implementation of appropriate measures to improve the efficiency and flexibility of employment markets;

(iv) cutback of burdens still existing in connection with cross-border trade in the internal market;

(v) improved cooperation between the Commission and the administrations of the Member States;

(c) ensuring undistorted internal and external competition through:

(i) consistent and coherent application of competition rules and strict controls on aids;

(ii) improved transparency of the Commission's aid controls and continuing consideration of a horizontal approach;

(iii) strengthening and developing the open, multilateral world trade system, in particular prompt implementation of the results of the Uruguay Round so that the World Trade Organization can take up its duties on 1 January 1995;

(iv) further strengthening of the functioning and opening-up of the European internal market;

(v) systematic identification of barriers to trade and investment in third countries and a strategy for tackling them;

(vi) correct and timely implementation of harmonized rules in order to remove remaining barriers to internal trade;

(vii) abolition of existing, and prevention of potential, discrimination against European industry deriving from unilateral measures or bilateral market-access agreements between third countries;

(viii) examination of improvement of international competition rules and practices in order to preclude restrictions in international competition by collusion among firms or by State intervention;

(d) strengthening of industrial cooperation with the third countries most concerned and in particular those

with which the Community has, for historical and cultural reasons, traditionally had closer ties by:

(i) backing of efforts by partner countries to establish stable, free-enterprise framework conditions;

(ii) examination of the proposals announced by the Commission for industrial cooperation with those countries and accelerated implementation of appropriate measures;

(e) promotion of intangible competitive factors, with respect to the increasing complementarity of physical and non-physical investments by:

(i) improved efficiency of the activities provided for under the fourth framework programme on research and development activities and increasing participation of SMEs in R & D programmes and access to their results with the aim of strengthening the scientific and technological bases of Community industry;

(ii) establishing a favourable environment for cooperation between enterprises of different Member States in the industry and service sectors, in particular in research and development, and making it easier to carry out projects involving collaboration between industry-related research establishments;

(iii) taking into account economic and social cohesion;

(iv) encouraging industry to adopt quality principles;

(v) speeding-up of the standardization process;

(vi) facilitating the exchange of experience and information on vocational training with the aim of achieving the highest possible standards in vocational training throughout the Community;

(vii) taking fuller account of environmental needs without impairing the international competitiveness of European industry;

(viii) persevering with the structural adjustment of European industry to which the Structural Funds, in particular within the framework of industrial transformation, can make a positive contribution, while respecting the powers that the Regulations on the Structural Funds confer on the Member States.

III

The Council invites the Commission

1. to be guided by the principles listed above in all industrial policy initiatives and proposals,

2. to take them into account when reporting to it annually — *inter alia* on the basis of the information obtained from the *Panorama of EC industry* — on the development of the competitiveness of European industry as requested by the Council in its conclusions of 22 April 1994,

3. to take into account the growth and job potential of industry and the service sector as well as barriers to their realization and reflect these issues in the reports to be prepared for the European Council meeting in Essen,

4. to submit a report to the Council on the findings of the national contact points mentioned in the Council resolution of 10 October 1994 on the integrated programme for SMEs,

5. to examine the issue of delocalization and to report about the results to the Directors-General for Industry,

6. to take immediately the measures necessary to establish, in collaboration with industry and with national administrations, a database on the obstacles faced by European companies in third countries,

7. to report to it at its next meeting on the measures taken by the Commission to implement the resolutions and conclusions adopted by the Council on industrial policy matters since 1990,

8. to submit to it for its next meeting a schedule for the drafting of appropriate proposals formalizing the initiatives announced by the Commission in its communication on an industrial competitiveness policy for the European Union in the areas of intangible investments, industrial cooperation, competition and modernization of the role of public authorities.'

# 3. Infringement proceedings

#### **Reasoned** opinions

Failure to communicate any measures incorporating Directives into national law

2.3.1. In November the Commission delivered reasoned opinions in the following cases:

#### Agriculture

Directive 92/87/EEC (OJ L 319, 4.11.1992) Preparation of compound feedingstuffs intended for animals other than pets Belgium

Directive 92/46/EEC (OJ L 268, 14.9.1992) Production and placing on the market of raw milk, heat-treated milk and milk-based products United Kingdom

Directive 92/110/EEC (OJ L 394, 31.12.1992) Requirements for the production of, and trade in, minced meat United Kingdom

#### Internal market and financial services

Directive 91/674/EEC (OJ L 374, 31.12.1991) Annual accounts and consolidated accounts of insurance undertakings Ireland, Italy, Luxembourg

Directive 92/49/EEC (OJ L 228, 11.8.1992)

Coordination of provisions relating to direct insurance other than life assurance Greece

#### Infringements of the Treaties or of Regulations; failure properly to apply Directives in practice

2.3.2. In November the Commission delivered reasoned opinions in the following cases:

# Employment, industrial relations and social affairs

Directive 76/207/EEC (OJ L 39, 14.2.1976) and Articles 5, 9 and 234 of the EC Treaty Night working for women Belgium, France

#### Customs and indirect taxation

Directive 77/388/EEC (OJ L 145, 13.6.1977) Deduction of input VAT on vehicles used by driving schools and on helicopters France

Directive 77/388/EEC (OJ L 145, 13.6.1977) VAT on accommodation in tents, mobile homes and caravans France

Directive 77/388/EEC (OJ L 145, 13.6.1977) Taxation of travel agencies Portugal

## 4. Additional references in the Official Journal

2.4.1. This section lists the titles of legal instruments, communications and notices that have appeared recently in the Official Journal but relate to items appearing in earlier issues of the Bulletin; the references were not available when those issues went to press.

The number of the Bulletin and the point to which this additional information refers are followed by the title shown on the cover of the Official Journal, the number of the issue and the date of publication.

#### Bull. 9-1994

#### Point 1.3.59

Proposal for a Council Regulation (EC) extending into 1995 the application of Regulations (EEC) No 3833/90, (EEC) No 3835/90 and (EEC) No 3900/91 applying generalized tariff preferences in respect of certain agricultural products originating in developing countries

Proposal for a Council Regulation (EC) applying a three-year scheme of generalized tariff preferences (1995 to 1997) in respect of certain industrial products originating in developing countries OJ C 333, 29.11.1994

#### Point 1.6.2

Proposal for a Council Regulation (EC) on the submission of nominal catch statistics by Member States fishing in certain areas other than those of the North Atlantic

OJ C 329, 25.11.1994

#### Bull. 10-1994

#### Point 1.2.11

Draft notice on the application of the EC competition rules to cross-border credit transfer systems OJ C 322, 19.11.1994

#### Point 1.2.25

Commission Decision 94/770/EC of 6 October 1994 relating to a proceeding pursuant to Article 85 of the EC Treaty and Article 53 of the EEA Agreement OJ L 309, 2.12.1994

#### Point 1.2.37

Proposal for a Council Directive amending Directive 90/684/EEC on aid to shipbuilding OJ C 334, 30.11.1994

#### Point 1.7.23

Annual report concerning the ECSC (for the financial year 1993) OJ C 346, 7.12.1994

#### Point 1.7.25

Special Report No 3/94 on the implementation of the intervention measures provided for by the organization of the market in beef and veal, together with the Commission's replies OJ C 356, 14.12.1994

# 5. Index

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