

Bulletin of the European Communities

Commission



No 5 1992

Volume 25

The Bulletin of the European Communities reports on the activities of the Commission and the other Community institutions. It is edited by the Secretariat-General of the Commission (rue de la Loi 200, B-1049 Brussels) and published 10 times a year in the official Community languages.

The following reference system is used: the first digit indicates the part number, the second digit the chapter number and the subsequent digit or digits the point number. Citations should therefore read as follows: Bull. EC 1/2-1992, point 1.1.3 or 1.2.36.

Supplements to the Bulletin are published in a separate series at irregular intervals. They contain official Commission material (e.g. communications to the Council, programmes, reports and proposals).

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Printed in Belgium

Bulletin of the European Communities

Commission

ECSC — EEC — EAEC

Commission of the European Communities

Secretariat-General

Brussels

No 5 □ 1992

Volume 25

Sent to press in July 1992

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References in the text

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Standardized abbreviations for the designation of certain monetary units in the different languages of the Community:

ECU	= European currency unit
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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PART ONE

ACTIVITIES IN MAY 1992

News in brief

The single market and the Community economic and social area

Internal market

The Commission adopts communications on the abolition of border controls (→ point 1.1.7) and on adapting the profession of customs agents/officers to the advent of the single market (→ point 1.1.9).

The Council adopts conclusions on the abolition of internal border controls (→ point 1.1.8) and a common position on a proposal for a Regulation establishing a Community customs code (→ point 1.1.10).

The Commission adopts a proposal for a Directive on deposit-guarantee schemes (→ point 1.1.11).

The Council adopts a resolution on increased protection of copyright and neighbouring rights (→ point 1.1.12).

Competition

The Commission adopts a communication on guidelines on aid for small and medium-sized enterprises (→ point 1.1.33).

The Commission adopts a report on intra-Community car-price differentials (→ point 1.1.34).

Telecommunications, information services and industry

The Commission approves a Green Paper on the development of the single market for postal services (→ point 1.1.67).

The Council adopts a Decision on the introduction of a standard international telephone access code in the Community (→ point 1.1.68).

Energy

The Commission adopts a proposal for a Decision concerning the promotion of renewable energy sources (Altener programme) (→ point 1.1.78) and a proposal for a Directive aiming at limiting carbon dioxide emissions and improving energy efficiency (→ point 1.1.79).

The Council adopts a Directive on the efficiency requirements for new hot-water boilers fired with liquid or gaseous fuels (→ point 1.1.80) and a common position on a proposal for a Directive on the indication of the consumption of energy of household appliances (→ point 1.1.81).

Education, vocational training and youth

The Council adopts a common position on a proposal for a Decision concerning the adoption of an action plan for the exchange of national officials between Member State administrations (→ point 1.1.99).

Economic and social cohesion: structural measures

The Commission adopts a notice laying down guidelines for operational programmes to be established within the framework of the Retex initiative (→ point 1.1.104).

Environment

The Commission adopts a communication on a Community strategy to limit carbon-dioxide emission (→ point 1.1.113) and a proposal for a Directive introducing a tax on carbon-dioxide emissions and energy (→ point 1.1.114).

In preparation for the Rio Conference the Council and the representatives of the governments of the Member States adopt conclusions concerning the UnCED (→ point 1.1.116) and the Council adopts conclusions on the Convention on Global Climate Change (→ point 1.1.117); the Commission adopts a proposal for a Decision concerning the signature of a Convention on the Conservation of Biological Diversity (→ point 1.1.118), a communication on clean and efficient energy for development (→ point 1.1.119) and a recommendation for a Decision concerning the participation of the Community in the Global Environment Facility (→ point 1.1.120).

Agriculture

The Council agrees proposals on implementation of the reform of the common agricultural policy (→ points 1.1.138 to 1.1.144) and on agricultural prices and related measures for 1992/93 (→ point 1.1.145).

Consumer protection

The Commission adopts a proposal for a Directive on timeshare contracts (→ point 1.1.189).

A people's Europe

The Council adopts a Directive on the labelling of tobacco products (→ point 1.1.190).

Audiovisual media, information, communication and culture

The Council adopts a Directive on the adoption of standards for satellite broadcasting of television signals (→ point 1.1.201).

The Council adopts conclusions concerning the choice of European cities of culture after 1996 (→ point 1.1.202).

Role of the Community in the world

European Free Trade Association

The Agreement establishing the European Economic Area is signed (→ point 1.2.1).
Switzerland applies for accession (→ point 1.2.2).

Central and Eastern Europe and the independent States of the former Soviet Union

The conference on the coordination of assistance to the independent States of the former Soviet Union is held in Lisbon (→ point 1.2.8).

President Delors visits Moscow (→ point 1.2.9).

The Agreement establishing an International Science and Technology Centre is signed (→ point 1.2.10).

Cooperation agreements are signed with Albania and the Baltic States (→ point 1.2.11).

The Council adopts a Decision on the negotiation of Europe agreements with Bulgaria and Romania (→ point 1.2.12) and a statement on respect for democratic principles, human rights and the principles of the market economy (→ points 1.2.12 and 1.2.13).

Mediterranean and Middle East

The Commission adopts proposals on the application of economic sanctions against Serbia and Montenegro (→ point 1.2.19).

United States, Japan and other industrialized countries

The Commission adopts a communication reviewing Community relations with Japan (→ point 1.2.27).

Asia and Latin America

A ministerial conference is held between the European Community and the Rio Group (→ point 1.2.29).

ACP countries and OCTs

The Council adopts a resolution on structural adjustment in the ACP States (→ point 1.2.37) and conclusions on the report assessing programming (→ point 1.2.38).

General development cooperation

The Commission adopts a communication concerning development cooperation policy in the run-up to 2000 (→ point 1.2.41) and Parliament adopts resolutions on the new world order (→ point 1.2.42).

Commercial policy

The Commission adopts a communication on the implications of the completion of the single market for commercial policy in the textile and clothing industry (→ point 1.2.57).

1. The single market and the Community economic and social area

Economic and monetary policy

Economic situation

Multilateral surveillance exercise

1.1.1. Review of Italy's convergence programme.

- **References:**

Council Decision 90/141/EEC on the attainment of progressive convergence of economic policies and performance: OJ L 78, 24.3.1990; Bull. EC 3-1990, point 1.1.1

Maastricht European Council: Bull. EC 12-1991, points I.1 to I.16

Conclusions adopted by the Council on 19 May.

'The Council conducted a review of the progress made in implementing the Italian Programme of Economic Convergence (1992-94) that had first been examined by the Council on 11 November 1991.

On that occasion, the Council had endorsed the objectives of the programme and particularly welcomed the explicit commitment of the Italian authorities to respect the annual budget deficit targets in nominal terms, whatever the underlying economic developments, by taking the necessary corrective measures.

Six months after the presentation of the programme, the evolution of the key variables for nominal convergence is falling short of the stated targets. The budgetary situation and outlook, in particular, give cause for serious concern.

The disappointing outcome for the State Sector Borrowing Requirement in 1991 and other developments since the presentation of the programme imply that meeting the deficit target for 1992 now calls for a substantial additional adjustment package. Such a package must amount to well above LIT 30 000 billion in the second half of the year. The size of the adjustment required calls for exceptional measures going beyond the normal framework of fiscal policy as conducted so far.

In its first examination, the Council noted the need for decisive action in several structural and institutional areas, particularly as far as the national health system, the pension expenditure mechanism, State aids and reforms of the budgetary procedures are concerned. Urgent initiatives

are needed in these areas, for example applying the ceiling for pay increases in the public sector not to per capita wages but to the total wage bill.

Strong measures cannot be further postponed as the size of the emerging slippage is such as to undermine the credibility of Italian economic policy. Sustained fiscal adjustment must continue in order to put the Italian budget back on the track spelled out in the convergence programme.

In the light of the gravity of the situation, the Council emphasized that, unless immediate and effective corrective measures are undertaken to meet the nominal targets to which the Government committed itself in the convergence programme, Italy would in all likelihood fail to meet the Maastricht criteria. Given the size of the Italian economy, such an outcome would have significant adverse repercussions throughout the Community.'

Convergence programme

1.1.2. Council conclusions on the German convergence programme.

- **Reference:** Council conclusions on national medium-term adjustment strategies: Bull. EC 7/8-1991, point 1.1.2

Adopted by the Council on 19 May. The Council welcomed the decision by Germany to submit a convergence programme for examination by the Council. Given the anchor role of the German mark in the exchange-rate mechanism, this examination is of particular importance.

In its overall assessment, the Council acknowledged the ambitious nature of the targets and fully endorsed the programme's basic strategy of maintaining a tight monetary policy while undertaking fiscal consolidation principally through restraints on expenditure rather than an increase in the tax burden. It noted that, on the basis of the targets laid down, Germany expects to fulfil all the Maastricht criteria well before the move to stage three. It also noted that Germany would take additional measures, if necessary, to meet these criteria.

The Federal Government has given an undertaking to restrict nominal increases in

expenditure to no more than 2.5% annually until 1996. General government expenditure is projected to rise by a maximum of 3% in nominal terms over the same period; this amounts to a freezing of public expenditure in real terms. The general government deficit is forecast to decline from 4.1% of GDP in 1992 to 2.5% in 1994 and 1.9% in 1995. The Council stressed the important responsibilities of the *Länder* and municipalities in achieving fiscal consolidation by restraining expenditure, including subsidies, and the paramount importance of wage moderation throughout unified Germany in ensuring that wage rises do not fuel inflation, thereby overburdening monetary policy or undermining competitiveness in the Eastern *Länder*.

Statistical area

General

External trade statistics

1.1.3. Commission Regulation (EEC) No 1403/92 amending Regulation (EEC) No 3518/91 on the country nomenclature for the external trade statistics of the Community and statistics of trade between Member States.

- **Amended Regulation:** Commission Regulation (EEC) No 3518/91, OJ L 334, 5.12.1991; Bull. EC 12-1991, point 1.6.1

Adopted by the Commission on 27 May. Purpose: to adjust the external trade statistics nomenclature to take account of the recognition of the new countries formerly belonging to the USSR and Yugoslavia.

OJ L 146, 28.5.1992

Statistics relating to the trading of goods

1.1.4. Proposal for a Council Regulation on transit statistics and storage statistics relating to the trading of goods between Member States.

- **Commission proposal:** OJ C 107, 28.4.1992; COM(92) 97; Bull. EC 3-1992, point 1.2.2

Bull. EC 5-1992

Endorsed by the Economic and Social Committee on 27 May. The Committee stressed the importance it attached to maintaining reliable transit statistics.

Results

Trade between EFTA and the Community

1.1.5. The Community is EFTA's main trading partner, having supplied 61% of EFTA imports in value terms in 1990 and taken more than 58% of its exports. EFTA is also the Community's main trading partner. Its trade deficit with the Community (ECU 28 000 million in 1990) remained relatively stable over the period in question (1985-90). Trade between the two groups of countries is heavily concentrated on manufactured goods, which represent 85% of total EFTA imports and 74% of total EFTA exports. These percentages increased over the period. Trade is concentrated in a relatively small number of product divisions (the first two digits of the SITC classification), indicating a high level of intra-industry trade: products in the 10 most important divisions accounted for over 50% of both imports and exports in 1990.

The EFTA countries are typical of small, very open economies with a strong commercial tradition. In 1990, imports were equivalent to 34.5% of GDP for the EFTA countries as a whole (including intra-EFTA trade), 23.9% for the Community (including intra-Community trade), 9.2% for the United States and 8.0% for Japan.

Because its member countries are relatively small, EFTA's total trade in 1990 (exports plus imports) accounted for only 6.6% of the world total, compared with 40.5% for the Community, 12.8% for the United States and 7.5% for Japan.

Exchanges with the Community predominate in the geographical breakdown of EFTA's trade.

In 1990, imports in value terms from the Community accounted for 61% of total

EFTA imports, while imports from the United States and Japan amounted to 6.6 and 4.8% respectively. Austria and Switzerland are the EFTA countries with the highest proportions of imports from the Community (69 and 72% respectively), while Finland and Norway have the lowest (43 and 47%). Of EFTA imports from the Community, 37% go to Switzerland.

By comparison, some 23% of Community imports in value terms (extra-Community trade only) came from EFTA countries in 1990, 18% from the United States and 11% from Japan. Denmark (50%) and Germany (30%) are the Member States obtaining the highest proportions of their imports from EFTA; Ireland takes least, at 13% of its total imports. Germany is the Community's largest importer of EFTA products, accounting for almost a third of all Community imports from these countries.

Although the geographical distribution of EFTA imports was relatively stable during the 1980s, imports from the Community increased their share from 56 to 61%, encroaching on the shares of a wide range of other EFTA trading partners.

The Community is by far the largest export market for EFTA, having accounted for 58% of its exports in 1990, compared

with only 6.8 and 2.6% respectively for the United States and Japan. Austria, Norway and Iceland were the EFTA countries with the highest percentages of exports to the Community (some 65%). Finland exported less to the Community (46%) because of its high level of exports to the former USSR. Switzerland and Sweden are the Community's largest suppliers among the EFTA countries.

The geographical structure of EFTA's exports was likewise relatively stable during the 1980s.

Intra-EFTA trade accounted for some 13% of total EFTA trade in 1990. There is a high degree of regionalization between the Scandinavian countries on the one hand and Alpine countries on the other, with intra trade strongly concentrated inside the two groups.

The EFTA market takes 26.5% by value of the exports from the Community to other countries; the United States takes roughly 18% and Japan 5%. Of the Community Member States, Denmark and Portugal export the highest percentages to EFTA (51 and 40% respectively), while Spain exports least (12%). Germany accounts for 46% of total Community exports to EFTA, followed by Italy (12%).

Table 1 — *EFTA exports by main partners, 1990*

Importers	Exporters (%)						
	EFTA	Austria	Switzerland	Finland	Norway	Sweden	Iceland
EC	58.0	65.2	58.1	45.6	64.9	54.2	67.8
United States	6.8	3.2	8.0	5.8	6.5	8.6	9.9
Japan	2.6	1.6	4.8	1.4	1.7	2.1	6.0
Others	19.2	19.9	22.5	27.3	11.2	16.1	7.7
Intra-EFTA	13.4	10.1	6.6	19.9	15.7	19.0	8.6
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: EFTA Secretariat, Geneva.

Table 2 — Origin of EFTA imports by main partners

Importers	Exporters						
	EFTA	Austria	Switzerland	Finland	Norway	Sweden	Iceland
EC	61.0	68.6	71.1	43.3	46.6	55.2	49.9
United States	6.6	3.6	6.1	6.4	8.1	8.7	14.4
Japan	4.8	4.5	4.4	2.0	4.4	5.1	5.6
Others	14.6	16.2	10.6	28.3	19.4	12.8	13.8
Intra-EFTA	13.0	7.1	7.2	20.0	21.5	18.2	16.3
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: EFTA Secretariat, Geneva.

Table 3 — EFTA imports from the Community for the 10 most important product groups

SITC code	Product	1990 (ECU million)	% of total exports	Cumulative % of total	Specialization indicator ¹
78	Road vehicles	11 426.8	10.6	10.6	1.1
89	Miscellaneous manufactured articles	7 550.0	7.0	17.6	1.1
74	Industrial machinery	7 011.5	6.5	24.1	1.3
77	Electrical machinery	6 290.2	5.8	29.9	1.1
72	Machinery for particular industries	4 942.6	4.6	34.5	1.2
69	Metal manufactures	4 273.2	4.0	38.4	1.2
67	Iron and steel	3 812.2	3.5	42.0	1.2
75	Office machines	3 671.9	3.4	45.4	0.8
65	Textile products	3 418.3	3.2	48.5	1.2
33	Petroleum and petroleum products	3 093.8	2.9	51.4	0.6

¹ EFTA share of Community imports of the product concerned divided by the EFTA share of Community imports of all products. A specialization indicator of 1 shows that the share of Community imports from EFTA for a particular product is identical to the share of Community imports from EFTA for all products. The same applies to EFTA imports.

Source: Eurostat.

Table 4 — *EFTA exports to the Community for the 10 most important product groups*

SITC code	Product	1990 (ECU million)	% of total exports	Cumulative % of total	Specialization indicator ¹
64	Paper and paperboard	10 862.6	10.1	10.1	3.6
33	Petroleum and petroleum products	7 891.3	7.3	17.4	0.6
74	Industrial machinery	5 173.9	4.8	22.2	1.8
72	Machinery for particular industries	4 995.9	4.6	26.8	2.0
78	Road vehicles	4 921.5	4.6	31.3	1.1
77	Electrical machinery	4 592.9	4.3	35.6	0.8
67	Iron and steel	4 589.3	4.3	39.8	2.2
89	Miscellaneous manufactured articles	4 297.3	4.0	43.8	1.0
68	Non-ferrous metals	4 127.0	3.8	47.6	1.3
24	Cork and wood	3 056.5	2.8	50.5	1.7

¹ EFTA share of Community imports of the product concerned divided by the EFTA share of Community imports of all products. A specialization indicator of 1 shows that the share of Community imports from EFTA for a particular product is identical to the share of Community imports from EFTA for all products. The same applies to EFTA imports.

Source: Eurostat.

Information

Publications

1.1.6. New publications available from sales offices:

NUTS: nomenclature of territorial units for statistics;

Population and social conditions: the population on 1 January 1992;

External trade and balance of payments: monthly statistics: trade between EFTA and the Community;

CD-ROM — *Monthly EEC external trade (CN)*.

Internal market

I

Abolition of border controls

1.1.7. Commission communication on the abolition of border controls.

References:

Draft Convention on the crossing of external borders of the Member States of the Community: Bull. EC 6-1990, point 2.2.1

Communication on the abolition of frontier controls: COM(91) 549; Bull. EC 12-1991, point 1.2.5

Adopted by the Commission on 6 May. This communication sets out the Commission's interpretation of Article 8a of the Treaty, which requires the Community to adopt measures with the aim of progressively establishing the internal market — defined as 'an area without internal frontiers in which the free movement of goods, persons, services and capital is ensured in accordance with the provisions of this Treaty' — over a period expiring on 31 December 1992. The Council, Parliament and the Member States are urged to ensure that all appropriate measures are adopted by the deadlines set.

The Commission takes the view that Article 8a imposes on the Community and on the Member States an obligation in terms of results which can be met only if all controls at internal frontiers (covering individ-

uals, goods, services and capital) are abolished on 31 December 1992 and which leaves no margin for discretion.

It points out that, while the abolition of internal border controls does not deprive Member States of their power to act on their territory and up to the frontier of that territory, the crossing of a border may no longer give rise to controls; any action taken must form part of monitoring arrangements covering the whole of the territory in question.

With regard to the free movement of goods, the Commission notes that its interpretation of Article 8a would not appear to pose any political problem of principle and that the difficulties that remain stem mainly from the technical and administrative complexity of the measures still to be taken. Responsibilities are shared between all the Community institutions and the Member States: the Community institutions have still to adopt certain back-up measures as indicated in the work programme annexed to the December 1991 communication on the abolition of frontier controls, while the Member States have to speed up further the rate at which legislation adopted is transposed into national law and controls are abolished.

In the case of the free movement of individuals, the Commission notes that Member States still put differing interpretations on the scope of Article 8a and that the results of the work undertaken in this field in an intergovernmental context fail to meet the obligations arising from the Treaty. It argues in particular that the draft convention on the external borders permits the continued existence of an ambiguity regarding the deadline for abolishing controls on persons travelling by aeroplane between two Member States.

The Commission therefore calls on the European Council to make a political declaration to the effect that Member States will take the measures necessary to abolish controls on individuals at internal frontiers by 31 December 1992 and to impart the necessary momentum to ensure that the frontier-free area operates satisfactorily on

the basis of common management of the external frontier.

SEC(92) 877

1.1.8. Council conclusions on the abolition of internal border controls.

Adopted by the Council on 14 May. The Council reaffirms its commitment to adopt the necessary measures to complete the internal market by 31 December 1992 and takes note of the Commission's communication on this subject. It notes, in relation to goods, that the abolition of controls at internal frontiers raises particularly difficult problems in the veterinary, plant health and agricultural spheres and in connection with drug precursors, dangerous waste, dual-use goods and other controls related to public security.

It also considers that measures need to be taken to ensure uniform application of controls at external frontiers in order to prevent dangerous products from third countries from being put into free circulation in the internal market.

It gives the highest priority to the adoption of the required Community legislation and calls on the Member States to amend their national legislation and to sign and ratify the conventions concluded at intergovernmental level, and on the Commission to present the necessary proposals and to establish a framework for permanent cooperation with the Member States in order to ensure that the area without internal frontiers functions smoothly.

Customs agents and officers

1.1.9. Commission communication on customs agents: adapting the profession to the advent of the single market.

- **References:**

Council Regulation (EEC) No 2052/88 on the tasks of the structural Funds and their effectiveness and on coordination of their activities: OJ L 185, 15.7.1988; Bull. EC 6-1988, point 2.1.159

Interreg Community initiative: Bull. EC 3-1990, point 1.1.58

Adopted by the Commission on 6 May. The abolition of tax frontiers on 1 January 1993 will put an end to those activities of customs agents and officers that are linked to intra-Community trade. The Commission sets out in this communication its contribution to the efforts being made by Member States, the regions and the profession to make it easier for the latter to adjust to the consequences of this situation (more than ECU 5 billion of turnover and 25% of jobs expected to be lost).

The Commission considers it necessary to implement, in addition to the economic and social measures that Member States have to adopt, a programme of Community back-up measures extending over 1992 and 1993.

This programme is in three parts:

(i) the European Social Fund (ESF): vocational training will be provided from 1992 for individuals threatened with unemployment in the regions eligible for assistance under Objectives 1, 2 and 5b of the structural Funds. In addition, customs agents and officers who lose their jobs on 1 January 1993 will be treated as long-term unemployed, which will mean that all the Community regions affected will be eligible for ESF assistance;

(ii) the Interreg special initiative aimed at assisting frontier regions and consisting of restructuring of the firms concerned, training of staff, conversion and the creation of replacement jobs;

(iii) specific measures unrelated to the structural Funds and designed to help employees and businesses, particularly SMEs, located in the regions most affected by the abolition of intra-Community borders. The Commission is proposing that ECU 30 million should be allocated to these measures.

SEC(92) 887

Community customs code

1.1.10. Proposal for a Council Regulation establishing the Community customs code.

- **Commission proposal:** OJ C 128, 23.5.1990; COM(90) 71; Bull. EC 1/2-1990, point 1.1.5
- **Economic and Social Committee opinion:** OJ C 60, 8.3.1991; Bull. EC 12-1990, point 1.3.14
- **Parliament opinion (first reading):** OJ C 72, 18.3.1991; Bull. EC 1/2-1991, point 1.2.15
- **Amended Commission proposal:** OJ C 97, 13.4.1991; COM(91) 98, Bull. EC 3-1991, point 1.2.13

Common position adopted by the Council on 14 May. This proposal sets out to assemble, in a single and coherent text, the general rules and all the arrangements and procedures applicable to goods traded between the Community and third countries. As a means of consolidating Community customs legislation and making it transparent, the Community customs code is designed to replace and supplement all the legislation which the Council has adopted in this field since the Common Customs Tariff was introduced in 1968 and which is currently in force.

It will come into effect on 1 January 1994. This code will also serve as a model for the consolidation of Community law. It therefore has particular importance for the completion of the internal market.

Bank-deposit guarantees

1.1.11. Proposal for a Council Directive on deposit-guarantee schemes.

Adopted by the Commission on 6 May. This proposal aims to guarantee to each depositor (including legal persons) that deposits will be refunded up to an amount of ECU 15 000 if the financial situation of the credit institution holding them, or of one of its branches in one of the Member States, is such that those deposits are unavailable for 10 consecutive days. It gives the Member States the option of extending the guarantee to depositors of branches of institutions having their head office outside the Community, of limiting the guarantee to depositors with no financial experience and of restricting repayment to a percentage of the deposits in question.

The figure of ECU 15 000 will cover most deposits (their average size being about ECU 2 500). It is the median of the existing levels of maximum cover in the Member States. Under the proposal, guarantees in excess of ECU 15 000 may be retained in six Member States.

The proposal adds to the safety net established for credit institutions by the prudential directives already adopted in anticipation of the introduction in 1993 of a single licence and solvency monitoring by the authorities in the Member State of the head office.

COM(92) 188

Copyright and neighbouring rights

1.1.12. Council Resolution on increased protection for copyright and neighbouring rights.

- **Reference:** Proposal for a Council Decision concerning the accession of the Member States to the Berne and Rome Conventions: OJ C 57, 4.3.1992; COM(92) 10; Bull. EC 1/2-1992, point 1.3.51

Adopted by the Council on 14 May. This Resolution, the operative part of which is set out below, is designed to increase protection for Community holders of copyright and neighbouring rights in third countries:

'The Council notes that the Member States of the Community, in so far as they have not already done so, undertake, subject to their constitutional provisions, to become by 1 January 1995 parties to the Paris Act of the Berne Convention and the Rome Convention, and to introduce national legislation to ensure effective compliance therewith.

The Council considers that it is in the interests of Community copyright-holders and holders of neighbouring rights in the Community that third countries should ratify the Paris Act of the Berne Convention and the Rome Convention or accede thereto. It accordingly invites the Commission, when negotiating agreements between the Community and third countries, to pay particular attention, within the terms of the mandates given to them for the purpose, to the ratification of these instruments by the third countries concerned, or to the accession of the latter thereto, and to the

effective compliance of such countries with these instruments.'

OJ C 138, 28.5.1992

II

Removal of technical frontiers

Free movement of goods

Industrial products

1.1.13. Proposal for a Council Directive on the approximation of the laws, regulations and administrative provisions of the Member States relating to the labelling of the materials used in the main components of footwear for sale to the final consumer.

- **Commission proposal:** OJ C 74, 25.3.1992; COM(91) 529; Bull. EC 3-1992, point 1.2.15

Endorsed by Parliament (first reading) on 13 May.

OJ C 150, 15.6.1992

1.1.14. Proposal for a Council Directive amending Directive 89/392/EEC on the approximation of the laws of the Member States relating to machinery.

- **Commission proposal:** OJ C 25, 1.2.1992; COM(91) 547; Bull. EC 1/2-1992, point 1.3.18

Endorsed by the Economic and Social Committee on 26 May, subject to various comments concerning in particular the degree of risk of falls.

Motor vehicles

1.1.15. Proposal for a Council Directive on the approximation of the laws of the Member States relating to the burning behaviour of materials used in interior construction of certain categories of motor vehicle.

- **Basic Directive:** Council Directive 70/156/EEC on the approximation of the laws of the Member States relating to the type-approval of motor vehicles and their trailers: OJ L 42,

23.2.1970, as last amended by Council Directive 87/403/EEC: OJ L 220, 8.8.1987; Bull. EC 6-1987, point 2.1.12

Adopted by the Commission on 14 May. Provides for the harmonization at Community level of the rules relating to the burning behaviour of materials used in the interior construction of buses and coaches.

OJ C 154, 19.6.1992; COM(92) 201

Dangerous substances

1.1.16. Proposal for a Council Directive amending for the 13th time Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations.

- **Directive to be amended:** Council Directive 76/769/EEC: OJ L 262, 27.9.1976, as last amended by Council Directive 91/339/EEC: OJ L 186, 12.7.1991; Bull. EC 6-1991, point 1.2.21

Adopted by the Commission on 13 May. Extends the scope of Directive 76/769/EEC to cover three new categories of substances (creosote, chlorinated solvents, and carcinogenic, mutagenic and teratogenic substances).

COM(92) 195

Pharmaceutical products

1.1.17. Proposal for a Council Directive concerning medical devices.

- **Commission proposal:** OJ C 237, 12.9.1991; COM(91) 287; Bull. EC 7/8-1991, point 1.2.7
- **Economic and Social Committee opinion:** OJ C 79, 30.3.1992; Bull. EC 1/2-1992, point 1.3.39

Endorsed by Parliament (first reading) on 13 May, subject to various technical amendments.

OJ C 150, 15.6.1992

Narcotic drugs

1.1.18. Proposal for a Council Directive on the manufacture and the placing on the market of certain substances used in the

illicit manufacture of narcotic drugs and psychotropic substances.

- **Commission proposal:** OJ C 21, 29.1.1991; COM(90) 597; Bull. EC 12-1990, point 1.3.8
- **Economic and Social Committee opinion:** OJ C 159, 17.6.1991; Bull. EC 4-1991, point 1.2.5
- **Parliament opinion (first reading):** OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.18

Amended proposal adopted by the Commission on 25 May.

COM(92) 218

Foodstuffs

1.1.19. Proposal for a Council Directive on sweeteners for use in foodstuffs.

- **Commission proposal:** OJ C 242, 27.9.1990; COM(90) 381; Bull. EC 7/8-1990, point 1.3.27
- **Economic and Social Committee opinion:** OJ C 120, 6.5.1991; Bull. EC 3-1991, point 1.2.26
- **Parliament opinion (first reading):** OJ C 129, 20.5.1991; Bull. EC 4-1991, point 1.2.7
- **Amended Commission proposal:** OJ C 175, 6.7.1991; COM(91) 195; Bull. EC 6-1991, point 1.2.30
- **Council agreement on a common position:** Bull. EC 11-1991, point 1.2.4
- **Common position formally adopted by the Council:** Bull. EC 12-1991, point 1.2.30

Opinion delivered by Parliament (second reading) on 13 May. Parliament rejected the common position.

OJ C 150, 15.6.1992

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

- **Commission proposal:** OJ C 11, 17.1.1992; COM(91) 502; Bull. EC 12-1991, point 1.2.31
- **Parliament opinion (first reading):** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.26

Endorsed by the Economic and Social Committee on 26 May, subject to comments of a technical nature.

1.1.21. Proposal for a Council Directive on the hygiene of foodstuffs.

- **Commission proposal:** OJ C 24, 31.1.1992; COM(91) 525; Bull. EC 1/2-1992, point 1.3.41

Endorsed by the Economic and Social Committee on 26 May, subject to the argument that all foodstuffs, including those covered by specific Directives, should be included in the scope of the proposal; attention was also drawn to the need for health and safety in the workplace.

1.1.22. Proposal for a Council Regulation laying down Community procedures for contaminants in food.

- **Commission proposal:** OJ C 57, 4.3.1992; COM(91) 523; Bull. EC 1/2-1992, point 1.3.43
- **Parliament opinion:** OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.21

Endorsed by the Economic and Social Committee on 26 May, subject to comments of a technical nature.

1.1.23. Proposal for a Council Directive on infant formulae and follow-on formulae intended for export to third countries, accompanied by a proposal for a Council resolution on the marketing practices for breast-milk substitutes in third countries by Community-based manufacturers.

- **Commission proposal:** OJ C 124, 16.5.1992; COM(91) 441; Bull. EC 11-1991, point 1.2.11
- **Economic and Social Committee opinion:** Bull. EC 3-1992, point 1.2.27
- **Parliament opinion:** OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.20

Amended proposal adopted by the Commission on 25 May.

OJ C 155, 20.6.1992; COM(92) 210

1.1.24. Proposal for a Council Directive concerning fruit juices and certain similar products.

- **Directive to be consolidated:** Council Directive 75/726/EEC, OJ L 311, 1.12.1975, as last amended by Directive 89/394/EEC: OJ L 186, 30.6.1989

Adopted by the Commission on 18 May. Provides for the legislative consolidation of Directive 75/726/EEC on the approximation of the laws of the Member States

concerning fruit juices and certain similar products.

Cultural objects

1.1.25. Proposal for a Council Directive on the return of cultural objects unlawfully removed from the territory of a Member State — proposal for a Council Regulation on the export of cultural goods.

- **Commission proposals:** OJ C 53, 28.2.1992; COM(91) 447; Bull. EC 1/2-1992, point 1.3.12

Endorsed by the Economic and Social Committee on 26 May, subject to various comments. The Committee suggested in particular that the Commission should clarify its interpretation of Article 36 of the Treaty.

Public procurement

1.1.26. Proposal for a Council Directive relating to the coordination of procedures for the award of public service contracts.

- **Commission proposal:** OJ C 23, 31.1.1991; COM(90) 372; Bull. EC 9-1990, point 1.2.7
- **Parliament opinion (first reading):** OJ C 158, 17.6.1991; Bull. EC 5-1991, point 1.2.13
- **Economic and Social Committee opinion:** OJ C 191, 22.7.1991; Bull. EC 5-1991, point 1.2.13
- **Amended Commission proposal:** OJ C 250, 25.9.1991; COM(91) 322; Bull. EC 7/8-1991, point 1.2.29
- **Council agreement on a common position:** Bull. EC 12-1991, point 1.2.34
- **Common position formally adopted by the Council:** Bull. EC 1/2-1992, point 1.3.45

Endorsed by parliament (second reading) on 13 May, subject to an amendment designed to reincorporate a clause (included in the initial proposal but deleted from the common position) concerning the treatment of Community undertakings in connection with the award of public contracts in third countries and the procedure to be followed by Community institutions in the event of difficulties over this point.

OJ C 150, 15.6.1992

Re-examined proposal adopted by the Commission on 27 May. The amendment made to the common position is of a techni-

cal nature; Parliament's amendment concerning third countries was not adopted.

COM(92) 232

Creation of a financial area

1.1.27. Proposal for a Council Directive on monitoring and controlling large exposures of credit institutions.

- **Commission proposal:** OJ C 123, 9.5.1991; COM(91) 68; Bull. EC 3-1991, point 1.2.6
- **Economic and Social Committee opinion:** OJ C 339, 31.12.1991; Bull. EC 9-1991, point 1.2.11

Endorsed by Parliament (first reading) on 13 May, subject to various amendments, including in particular provision for a 10-year transitional period during which the restrictions on risk would be less tight.

OJ C 150, 15.6.1992

1.1.28. Proposal for a third Council Directive on the coordination of laws, regulations and administrative provisions relating to direct life assurance and amending Directives 79/267/EEC and 90/619/EEC.

- **Directives to be amended:**
First Council Directive 79/267/EEC: OJ L 63, 13.3.1979; Bull. EC 3-1979, point 2.1.34
Second Council Directive 90/619/EEC: OJ L 330, 29.11.1990; Bull. EC 11-1990, point 1.3.4
- **Commission proposal:** OJ C 99, 16.4.1991; COM(91) 57; Bull. EC 1/2-1991, point 1.2.6
- **Economic and Social Committee opinion:** OJ C 14, 20.1.1992; Bull. EC 10-1991, point 1.2.20

Endorsed by the Council on 14 May. This proposal is designed to supplement the two Directives already adopted on life assurance. It provides for the coordination of basic rules for prudential supervision, mutual recognition of authorization for insurance undertakings and of prudential supervision systems in the various Member States, the granting of a single authorization valid throughout the Community, and supervision of an undertaking's entire business by the home Member State.

1.1.29. Proposal for a third Council Directive on the coordination of laws, regulations and administrative provisions relating to

direct insurance other than life assurance and amending Directives 73/239/EEC and 88/357/EEC.

- **Commission proposal:** OJ C 244, 28.9.1990; COM(90) 348; Bull. EC 7/8-1990, point 1.3.4
- **Economic and Social Committee opinion:** OJ C 102, 18.4.1991; Bull. EC 1/2-1991, point 1.2.36
- **Council endorsement:** Bull. EC 12-1991, point 1.2.36
- **Parliament opinion (first reading):** OJ C 67, 16.3.1992; Bull. EC 1/2-1992, point 1.3.8
- **Amended Commission proposal:** OJ C 93, 13.4.1992; COM(92) 63; Bull. EC 1/2-1992, point 1.3.8
- **Council common position:** Bull. EC 1/2-1992, point 1.3.8

Endorsed by Parliament (second reading) on 13 May, subject to a technical amendment.

OJ C 150, 15.6.1992

Intellectual property

1.1.30. Proposal for a Council Regulation concerning the creation of a supplementary protection certificate for medicinal products.

- **Commission proposal:** OJ C 114, 8.5.1990; COM(90) 101; Bull. EC 3-1990, point 1.1.95
- **Parliament opinion (first reading):** OJ C 19, 28.1.1991; Bull. EC 12-1990, point 1.3.174
- **Economic and Social Committee opinion:** OJ C 69, 18.3.1991; Bull. EC 1/2-1991, point 1.2.72
- **Council agreement on a common position:** Bull. EC 12-1991, point 1.2.74
- **Common position formally adopted by the Council:** Bull. EC 1/2-1992, point 1.3.53

Endorsed by Parliament (second reading) on 13 May.

OJ C 150, 15.6.1992

Company law

1.1.31. Proposal for a Council Directive amending Directive 77/91/EEC on the formation of public limited liability companies and the maintenance and alteration of their capital.

- **Directive to be amended:** Council Directive 77/91/EEC: OJ L 26, 31.1.1977, Bull. EC 12-1976, point 2119

- **Commission proposal:** OJ C 8, 12.1.1991; COM(90) 631; Bull. EC 12-1990, point 1.3.172
- **Economic and Social Committee opinion:** OJ C 269, 14.10.1991; Bull. EC 7/8-1991, point 1.2.77
- **Parliament opinion (first reading):** OJ C 240, 16.9.1991; Bull. EC 7/8-1991, point 1.2.77
- **Amended Commission proposal:** OJ C 317, 7.12.1991; COM(91) 363

Agreement in principle reached by the Council on a common position on 14 May. This proposal is designed to prevent a company from using a subsidiary to purchase its own shares and so circumventing the provisions of Directive 77/91/EEC.

Removal of tax frontiers

Excise duties and other indirect taxes

1.1.32. Proposal for a Council Directive on the rate of excise duty for motor fuels from agricultural sources.

- **Commission proposal:** OJ C 73, 24.3.1992; COM(92) 36; Bull. EC 1/2-1992, point 1.3.10

Endorsed by the Economic and Social Committee on 26 May. The Committee suggests that the tax provisions be supplemented by accompanying measures, and in particular by the launching of research projects.

Competition

I

Guidelines on aid for small and medium-sized enterprises

1.1.33. Commission communication on guidelines on aid for small and medium-sized enterprises (SMEs).

- **References:**
Commission communication of 22 November 1990 entitled 'Enterprise policy: a new dimension for small and medium-sized

enterprises': OJ C 13, 19.1.1991; COM(90) 528, Bull. EC 11-1990, point 1.3.104

Council Decision 91/319/EEC revising the programme for the improvement of the business environment and the promotion of the development of enterprises: OJ L 175, 4.7.1991; Bull. EC 6-1991, point 1.2.63

Adopted by the Commission on 20 May 1992. The main rules laid down in the new guidelines are as follows:

(i) small and medium-sized enterprises (SMEs) are defined as independent businesses with fewer than 250 employees and with either a turnover not exceeding ECU 20 million or a balance-sheet total not exceeding ECU 10 million. Businesses are deemed to be independent if they are less than 25% owned by companies not satisfying the above conditions. This definition covers 90% of businesses in the Community;

(ii) the intensity of the aid permitted is intended to make SME policy consistent with the principle of economic and social cohesion. Thus, in the regions not eligible for regional aid, the intensity of investment aid will be limited to 7.5%. However, for small firms (defined as those with up to 50 employees and either a turnover of less than ECU 5 million or a balance-sheet total of less than ECU 2 million), the intensity may be as high as 15%. In regions which are eligible for regional aid, the ceiling on regional aid may be increased by 10 or 15% depending on the seriousness of the problems facing the areas concerned. Approved schemes in regions covered by Objectives 2 and 5b of the structural Funds will not be altered before the end of 1993;

(iii) aid for advisory services, training, technology transfer, etc. will continue to be authorized in all types of area. The intensity of such aid may be as high as 50%. This particular rule is consistent with the Commission's communication of November 1990 on enterprise policy and with Council Decision 91/319/EEC revising the programme for the improvement of the business environment and the promotion of the development of enterprises, and in particular small and medium-sized enterprises;

(iv) aid schemes under which not more than ECU 50 000 may be granted over a three-year period to a particular firm will no longer need to be notified to the Commission. This procedural change, requested by the Member States, is based on the fact that such aid is not likely to affect competition and intra-Community trade.

SEC(92) 993

Differences in car prices

1.1.34. Report on intra-Community car-price differentials.

- **Reference:** Commission Regulation (EEC) No 123/85 on the application of Article 85(3) of the Treaty to certain categories of motor vehicle distribution and servicing agreements: OJ L 15, 18.1.1985; Bull. EC 12-1984, point 2.1.50

Adopted by the Commission on 6 May. The study conducted on behalf of the Commission showed that there were very large price differentials for certain car models at certain times over the period investigated. The Commission concluded, however, that the study was not an appropriate basis for withdrawing or amending Regulation (EEC) No 123/85, which exempts the selective distribution of cars from the normal competition rules. Nevertheless, the persistence of price differentials over time suggests, in the Commission's view, that the selective distribution system as it currently operates may be a factor in sustaining such differentials.

The Commission will therefore be calling upon manufacturers to price cars in the context of the single market as a whole, as required by Regulation (EEC) No 123/85, and to take certain measures to increase public confidence in this respect.

II

Application of the competition rules to businesses

Prohibited horizontal agreements

Commission decision under Article 85 of the EEC Treaty

Sofacar

1.1.35. *Adopted on 25 May.* The decision rejects the complaint from Sofacar, a company established on the island of Guadeloupe, against France and several importers of various Japanese makes of car. The complainant alleged that the latter were acting in concert with the French authorities to reserve a certain volume of imports entirely for themselves. The Commission found that the importers whose behaviour was challenged did not have any room for manoeuvre in this case and that, therefore, Article 85 did not apply.

Admissible forms of cooperation

DSB-SFL and DSB-SJ

1.1.36. Commission decision pursuant to Article 85(3) of the EEC Treaty under the opposition procedure provided for in Article 12 of Regulation (EEC) No 4056/86.

- **Reference:** Council Regulation (EEC) No 4056/86 laying down detailed rules for the application of Articles 85 and 86 of the Treaty to maritime transport: OJ L 378, 31.12.1986

Adopted by the Commission on 15 May. It was decided not to oppose the agreements to operate joint ferry services between the Danish port of Helsingor and the Swedish port of Helsingborg concluded by Danske Statsbaner (DSB) with Statens Järnvägar (SJ) and Scandinavian Ferry Lines (SFL).

The Commission considered that although the joint operation of the ferry service under the agreements imposes restrictions of com-

petition on the parties it will help to improve the services provided and to promote technical and economic progress while allowing consumers a fair share of the resulting benefit. An individual exemption was therefore granted to the joint operation, valid for six years from 14 February 1992, but the Commission reserved the right to review the situation after two years and to require the parties to submit their price-list for the link every year so that the effect of the agreements on those prices can be monitored.

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. EC 12-1989, point 2.1.78; Supplement 2/90 — Bull. EC

Mondi and Frantschach

1.1.37. *Adopted on 12 May.* The Commission decided not to oppose the acquisition, in the paper and pulp sector, by the South African company, Mondi, of 50% of the Austrian group, Frantschach. The operation does not create a Community competition problem since the two companies do most of their business outside the Community.

Eucom and Digital

1.1.38. *Adopted on 18 May.* The Commission decided not to oppose a merger operation in the case of Euro-Log, a company being set up under the joint control of France Télécom, Deutsche Bundespost Telekom and the Digital Equipment Corporation. The company will provide value-added services for the management of transport and supplies.

Since the merger concerns the supply of a new type of remote data-processing service

to any interested firm and does not involve restrictions as regards the use of data-processing and telecommunications equipment already installed by potential customers, the Commission has concluded that it does not create or strengthen a dominant position.

Volvo and Lex

1.1.39. *Adopted on 21 May.* The decision approves the purchase by the Volvo Car Corporation of the operating assets of the exclusive importer and distributor of Volvo cars in the United Kingdom, Volvo Concessionnaires Ltd, which is part of the Lex Services plc group. The Commission found that the activities of the two companies did not overlap and concluded that the concentration would not create any new barriers to entry onto the car distribution market.

Hong Kong and Shanghai Bank and Midland Bank

1.1.40. *Adopted on 21 May.* The decision authorizes the possible acquisition of Midland Bank by the Hong Kong and Shanghai Bank. The two banks' activities are, to a large extent, complementary in geographical terms and their merger would not have a significant effect on banking markets either in the United Kingdom or elsewhere in the Community.

The acquisition of Midland by the other potential buyer, Lloyds Bank, would not conflict with the Community's competition rules to any greater extent.

ABB and Brel

1.1.41. *Adopted on 26 May.* The decision approves the purchase by Asea Brown Boveri Ltd (ABB) from Trafalgar House of 40% of Brel Group Ltd (Brel), a company in which ABB already has a 40% holding. Having exercised joint control with Trafalgar House, ABB will now have exclusive control. ABB is the holding company for the United Kingdom interests of the Swedish group Asea Brown Boveri, whose activities cover a range of electrical engineering sectors, including railway rolling stock. There

is no overlapping of the two companies' activities in the United Kingdom, and the link-up does not threaten to create or strengthen a dominant position in the common market.

Decisions under Article 66(2) of the ECSC Treaty

Krupp and Hoesch

1.1.42. *Adopted on 15 May.* The decision authorizes the acquisition by Fried. Krupp AG in the Federal Republic of Germany of a majority shareholding in Hoesch AG. The operation will create a large steel-producing and distribution undertaking covering a wide range of ECSC products, which will nevertheless be considerably smaller than the four large steel producers in the Community. The proposed operation will considerably reduce costs and, hence, improve the competitiveness of Krupp-Hoesch.

Riva and Stahl- und Walzwerk Brandenburg

1.1.43. *Adopted on 27 May.* The decision authorizes the acquisition by the Riva group, a major steel producer manufacturing billets, concrete reinforcing bars, wire rod and merchant bars, of Stahl- und Walzwerk Brandenburg GmbH, a steel company in the former German Democratic Republic. Examination revealed that the proposed operation would not seriously affect competition in the Community.

Riva and Hennigsdorfer Stahl GmbH

1.1.44. *Adopted on 27 May.* This decision authorizes the acquisition by the Riva group of Hennigsdorfer Stahl GmbH, a steel company in the former German Democratic Republic. It was found, on examination, that the proposed operation would not seriously affect competition in the Community.

Application of the competition rules to government intervention

Shipbuilding aid

Derogation from the seventh Directive

- **Reference:** Seventh Council Directive 90/684/EEC on aid to shipbuilding: OJ L 380, 31.12.1990; Bull. EC 12-1990, point 1.3.64; as last amended, Bull. EC 12-1991, point 1.2.60

Germany

1.1.45. Proposal for a derogation from the seventh Council Directive 90/684/EEC on aid to shipbuilding.

Adopted by the Commission on 20 May. The purpose of the proposal is to authorize the temporary payment of a higher level of production aid than that currently possible under the Directive to a number of yards in the former GDR. The proposed ceiling is 36% of the cost, whereas the current Directive authorizes only 9% for the construction of large vessels and 4.5% for the construction of smaller vessels and for ship conversion. The grant of the aid will be subject to a 40% capacity reduction between now and the end of 1995. All aid payments will have to be completed by the end of 1993. New yards opened after 3 October 1990 will not be eligible for the higher ceilings. The Commission's proposal was prompted in particular by the heavy dependence of Mecklenburg-Vorpommern — where the yards concerned are concentrated — on shipbuilding, which accounts for 40% of the region's industrial employment.

OJ C 155, 20.6.1992; SEC(92) 991

Steel aid code

1.1.46. Draft Commission decision amending Decision No 3855/91/ECSC on the Community rules for aid to the steel industry applicable from 1 January 1992.

- **References:**

Proposal for a Council Directive introducing a tax on carbon dioxide emissions and energy: point 1.1.114 of this Bulletin

Commission Decision No 322/89/ECSC establishing Community rules for aid to the steel industry: OJ L 38, 10.2.1989; Bull. EC 2-1989, point 2.1.70

- **Amended decision:** Commission Decision No 3855/91/ECSC on Community rules for aid to the steel industry applicable from 1 January 1992: OJ L 362, 31.12.1991; Bull. EC 11-1991, point 1.2.26

Adopted on 20 May. The draft amendment to the steel aid code which the Commission has transmitted to the Council for assent is to enable the steel industry to receive, under the same conditions as the other major energy-consuming industries, aid aimed at reducing the tax burden resulting from the introduction at national level of an additional specific tax on CO₂ emissions designed to stabilize such emissions and to limit energy consumption.

Denmark and the Netherlands have already decided to introduce such a tax, accompanied by relief measures to limit the increase in the tax burden on the energy-intensive sectors of the economy. Without such relief, the firms concerned would be placed at a disadvantage in relation to most of their competitors located in countries where such a tax does not exist.

The Commission considers that, far from jeopardizing the positive environmental protection effect of introducing an additional CO₂/energy tax, the relief will make it easier for other Member States to adopt such a tax.

Without this amendment to the aid code, the steel industry could not benefit from the relief in question.

SEC(92) 992

State aid

Decisions to raise no objection

Germany

1.1.47. Commission decision concerning the contract between the city of Wiesbaden and Apura.

Adopted on 6 May. Over a five-year period, Apura will qualify for a reduction of the waste-collection tax paid to the city of Wiesbaden in return for its commitment to purchase from the city, at current market prices, all waste paper collected. The Commission regards the reduced tax as an aid, which is nevertheless compatible with the common market given the commitments made by Apura to the city of Wiesbaden.

1.1.48. Commission decision on the guidelines concerning ERP (European Recovery Programme) loans to assist investment by SMEs in the assisted areas of western Germany.

Adopted on 6 May. Recipient firms must have a turnover of less than DM 50 million. The net grant equivalent of the aid must not exceed 2.6%.

Italy

1.1.49. Commission decision on aid to cover the operating losses of mines.

Adopted on 6 May. The aid is granted pursuant to Law No 221 of 30 July 1990, approved by the Commission. In its assessment, the Commission considered that the closure and restructuring plans seemed viable and were based on realistic assumptions. A further positive point was that the planned aid is degressive and that it will be granted in socially and economically depressed areas of Italy.

1.1.50. Commission decision on the injection of fresh capital into Sicilian banks.

- **Reference:** Commission communication on the application of Articles 92 and 93 of the EEC Treaty to public authorities' holdings in company capital: Bull. EC 9-1984, points 2.1.30 and 3.5.1

Adopted on 20 May. The Commission took the view that the injection of fresh capital into the Banco di Sicilia and the Centrale di Risparmio (Sicilcassa) does not constitute aid within the meaning of Article 92(1) of the Treaty, since these banks have never been in difficulty. One main purpose was

to enable them to operate under ordinary law.

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

Germany

1.1.51. Commission decision on the sale of part of the capital of Krupp Atlas Elektronik (KAE).

Adopted on 6 May. Together with Krupp AG, Hibeg, a company owned by the Land of Bremen, has set up a new firm, GBR. Krupp AG and Hibeg have exchanged their investments so that Hibeg receives shares in Bremer Vulkan AG, which bought 74.9% of KAE from Krupp AG, and Krupp AG receives DM 350 million in shares provided by Bremer Vulkan AG. The difference of DM 126 million between the current stock market value of the Bremer Vulkan shares and the capital of DM 350 million is covered by a guarantee given by the Land of Bremen; it is this aspect, and the role played by Hibeg in the operation, which the Commission proposes to investigate.

1.1.52. Commission decision on the guidelines concerning ERP (European Recovery Programme) loans to assist investment in the new *Länder* and West Berlin.

• **References:**

Commission communication on the Community and German unification: Bull. EC 6-1990, point 1.2.2; COM(90) 400; Bull. EC 7/8-1990, points 1.2.1 to 1.2.3

Judgment by the Court of Justice dated 14 February 1990 in Case C-301/87 *Boussac*: Bull. EC 1/2-1990, point 1.6.28

Adopted on 20 May. The Commission's initial reaction is that, following unification, there is no reason for the new scheme to apply in West Berlin. By contrast, there is no objection, so far as the former GDR is concerned, to the loans reserved for firms with a turnover of less than DM 50 million and with a maximum intensity of 8.5% net grant equivalent. Since the scheme was applied before it had approved it, the Commission drew attention to the powers

it has following the judgment by the Court of Justice in Case C-301/87 *Boussac*.

Italy

1.1.53. Commission decision on aid to SNIA-Fibres.

- **Reference:** Commission notice on aid to the synthetic fibres industry: OJ C 186, 18.7.1991

Adopted on 6 May. The aid to the synthetic fibres industry, worth ECU 80 million, was to be granted assuming that a significant number of new jobs would be created in the Mezzogiorno and the firm's production capacity reduced by 5% through site closures in northern Italy and France. The Commission's initial reaction is that such a reduction is inadequate since the said capacity is clearly under-utilized at the moment. The Commission raised no objection, however, to the grant of ECU 300 million in aid to the same firm, but in other sectors (chemicals, biotechnology, new materials).

1.1.54. Commission decision on the agreement between Valle d'Aosta and Società di Servizi (SDS).

- **Reference:** Judgment by the Court of Justice dated 14 February 1990 in Case C-301/87 *Boussac*: Bull. EC 1/2-1990, point 1.6.28

Adopted on 20 May. The agreement provides for various public contributions to SDS which, as things stand at present, constitute aid since they do not seem to meet the tests of any of the derogations provided for by the Treaty. As the agreement was signed on 4 March 1992 without first being notified, the Commission drew attention to the powers which it has following the judgment of the Court of Justice in Case C-301/87 *Boussac*.

1.1.55. Commission decision on various measures to assist the regions of Calabria, Apulia, Basilicata, Campania and Belice.

- **Reference:** Judgment by the Court of Justice dated 14 February 1990 in Case C-301/87 *Boussac*: Bull. EC 1/2-1990, point 1.6.28

Adopted on 20 May. The Commission's initial reaction is that the aid measures provided for by Article 2 of Law No 32 of 23 January 1992 and Article 9 of Decree-Law No 14 of 21 January 1992 to assist firms in areas affected by the earthquakes of 1968, 1980, 1981 and 1982 in the said regions no longer meet the requirements for waiving the ban on aid for repairing the damage caused by natural disasters. As the aid measures were applied before it had approved them, the Commission drew attention to the powers it has following the judgment of the Court of Justice in Case C-301/87 *Boussac*.

Decisions to terminate proceedings under Article 93(2) of the EEC Treaty

Italy

1.1.56. Commission decision on interest rebates for SMEs and miscellaneous assistance schemes.

Adopted on 20 May. The scrutiny carried out by the Commission showed that several arrangements were no longer in force, certain measures were not aids, some aids had already been approved by the Commission and that several schemes of lesser importance were eligible for the derogations provided for in the Treaty. The Commission nevertheless reserved its decision on the measures to help the unemployed — currently being reviewed in the case of all Member States — and on a number of provisions aimed at firms in special receivership, on which a detailed report has been requested.

1.1.57. Commission decision on an amendment to the scheme of aid for the electronic consumer goods industry (REL).

Adopted by the Commission on 20 May. The investigations carried out by the Commission showed that the temporary maintenance of certain shareholdings and the additional measures adopted supplemented the restructuring plan approved in 1984 and 1985 and entailed no increase in the budget.

The Commission no longer has any objections, therefore.

Appropriate measures (Article 93(1) of the EEC Treaty)

Italy

1.1.58. Commission decision on the free zone in Gorizia.

Adopted on 20 May. The Commission considers that the various customs and tax exemptions for firms in Gorizia and Trieste, originally introduced in 1948, can no longer qualify for the derogations provided for in the Treaty. It is proposing that the Italian Government should repeal them.

Enterprise policy, industrial policy and services

Enterprise policy

The cooperative, mutual and non-profit sector

1.1.59. Proposals for Council Regulations on the statute for a European cooperative society, on the statute for a European mutual society and on the statute for a European association; proposals for Council Directives supplementing these statutes with regard to the involvement of employees.

- Commission proposal: OJ C 99, 21.4.1992; COM(91) 273; Bull. EC 12-1991, point 1.2.73

Endorsed by the Economic and Social Committee on 26 May, subject to a number of comments, in particular on the distribution of the net assets of European associations, cooperative societies and mutual societies, on the possibility for natural persons to set up European cooperative societies and mutual societies and on remuneration of administrators of European mutual societies. The Committee takes the view that the

six proposals should be adopted simultaneously by the Council.

Industrial policy

General matters

1.1.60. Council Decision 92/278/EEC confirming the consolidation of the EC-Japan Centre for Industrial Cooperation.

- **Commission proposal:** OJ C 173, 4.7.1991; COM(91) 193; Bull. EC 5-1991, point 1.2.48
- **Parliament opinion:** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.56

Adopted by the Council on 18 May. The Decision confirms the consolidation of the EC-Japan Centre for Industrial Cooperation and its establishment as a common venture between the Community and Japan. The centre, which is located in Tokyo, is to contribute to industrial cooperation between the Community and Japan, in particular by organizing management training programmes for European business managers, by providing information on the Japanese business environment and its opportunities and by offering programmes for European specialists in alternative energy. It is jointly financed by Japan, the Community and private sponsors.

OJ L 144, 26.5.1992

Sectoral strategies

1.1.61. Commission communication on new challenges for maritime industries.

- **Commission communication:** COM(91) 335; Bull. EC 9-1991, point 1.2.31

Economic and Social Committee opinion delivered on 26 May. The Committee draws attention to the interdependence between maritime transport, shipyards and component suppliers and to the need for measures specifically tailored to help all maritime industries.

It also stresses the importance for these industries of the social dimension, compliance with environmental and on-board

safety standards, and development of research.

Services

Tourism

1.1.62. Commission communications on Community resources available for tourism and Community policies and measures affecting tourism.

- **Reference:** amended proposal for a Council Decision on a Community action plan to assist tourism: OJ C 120, 12.5.1992; COM(92) 130; Bull. EC 4-1992, point 1.3.59

Adopted by the Commission on 27 May. The first of these communications sets out to provide a clear picture of all Community actions affecting tourism and the second highlights the many areas linked to this industry and the need to take tourism into account when devising Community policies. The communications supplement the Community action plan to assist tourism.

Research and technology

Promotion, accompanying and support measures and other activities

Steel research

1.1.63 Draft Commission decision on the granting of financial aid for technical steel research projects and steel pilot/demonstration projects.

- **Commission draft:** Bull. EC 3-1992, point 1.2.62
- **ECSC Consultative Committee opinion:** Bull. EC 4-1992, point 1.3.68

Assent given by the Council on 18 May.

International cooperation

1.1.64. Council Decision authorizing the Commission to negotiate an Agreement on Scientific and Technical Cooperation between the Community and Australia.

- **Commission recommendation:** Bull. EC 5-1989, point 2.2.14

Adopted by the Council on 21 May.

1.1.65. Commission communication on cooperation in the field of science and technology between the European Community and the countries of Central and Eastern Europe.

- **Reference:** Commission communication on scientific and technological cooperation with the countries of Central and Eastern Europe: COM(90) 257; Bull. EC 6-1990, point 1.3.93

Adopted by the Commission on 6 May. Subject: practical arrangements for preparatory and pilot projects to lay the foundations for future cooperation in the field of science and technology with the countries of Central and Eastern Europe. An allocation of ECU 55 million is available in 1992; the main schemes proposed include fellowships for scientists from Central and Eastern Europe, joint research projects, and the participation of scientists from Central and Eastern Europe in Community research programmes.

1.1.66. Eureka Ministerial Conference.

- **Reference:** Hanover Declaration of Principles relating to Eureka: Bull. EC 11-1985, point 2.1.182

Tenth meeting in Tampere (Finland) on 22 May. This Conference, which was chaired by Mr. K. Juhantalo, Finnish Minister of Trade and Industry, and at which the Commission was represented by Vice-President Pandolfi, saw the accession of Hungary as a member of Eureka. The discussions focused on the increasingly positive interaction between Eureka and the Community research and development programmes. A medium-term plan for 1992-96 and a revised Memorandum of Understanding concerning the Eureka Secretariat were adopted.

Telecommunications, information services and industry

I

Single market for postal services

1.1.67. Green Paper on the development of the single market for postal services.

Adopted by the Commission on 13 May. The purpose of the Green Paper is to stimulate discussion on the Community postal sector in order to canvass the opinions of all operators concerned before formal proposals are drawn up. In this document the Commission analyses the current postal services in the Member States and identifies a number of problems calling for action at Community level: the lack of harmonization and its implications for the internal market (distortion of competition), the variable performances of cross-border services, the disparities between regions and countries and the commercial distortions in the postal sector itself. It then sets out the key principles behind Community action: first, a guaranteed universal service at affordable prices, of reasonable quality and accessible to all; secondly, as far as possible, a service open to competition from the rest of the sector.

The Commission feels that complete liberalization of the sector, complete harmonization and maintenance of the status quo are three options which are not commensurate with these principles. It favours a more balanced approach based on the maintenance of a range of services rendered exclusively by the public post offices (chiefly private and business correspondence), helping to ensure that the universal service network they provide remains financially viable, combined with progressive opening up of the market in other postal services, for example express mail, the distribution of publications, cross-border mail and direct mail advertising. It also draws attention to the need for harmonization of the generic services of the Member States, which cur-

rently show wide variations in operation and performance.

COM(91) 476

Access to the international telephone network

1.1.68. Council Decision 92/264/EEC on the introduction of a standard international telephone access code in the Community.

- **Commission proposal:** OJ C 157, 15.6.1991; COM(91) 165; Bull. EC 5-1991, point 1.2.63
- **Economic and Social Committee opinion:** OJ C 269, 14.10.1991; Bull. EC 7/8-1991, point 1.2.100
- **Parliament opinion (first reading):** OJ C 326, 16.12.1991; Bull. EC 11-1991, point 1.2.61
- **Council common position:** Bull. EC 12-1991, point 1.2.87
- **Parliament opinion (second reading):** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.70

Adopted by the Council on 11 May. This Decision introduces 00 as the standard international telephone access code in the whole of the Community.

OJ L 137, 20.5.1992

II

Telecommunications policy

1.1.69. Council Directive 92/38/EEC on the adoption of standards for satellite broadcasting of television signals (→ point 1.1.201).

1.1.70. Proposal for a Council Directive on the application of open-network provision to leased lines.

- **Commission proposal:** OJ C 58, 7.3.1991; COM(91) 30; Bull. EC 1/2-1991, point 1.2.92
- **Economic and Social Committee opinion:** OJ C 269, 14.10.1991; Bull. EC 7/8-1991, point 1.2.99
- **Parliament opinion (first reading):** OJ C 305, 25.11.1991; Bull. EC 10-1991, point 1.2.52
- **Council agreement on a common position:** Bull. EC 11-1991, point 1.2.59
- **Formal adoption by the Council of a common position:** Bull. EC 12-1991, point 1.2.90

Endorsed by parliament (second reading) on 13 May, subject to technical amendments.

OJ C 150, 15.6.1992

Dissemination and exploitation of R&TD results

1.1.71. Proposal for a Joint Declaration of the Council and the Commission in respect of negotiations concerning the IPR aspects of agreements for scientific and technological cooperation between the European Community and third countries.

Adopted by the Commission on 11 May, the purpose being to create a framework for discussing questions of intellectual property in scientific and technological cooperation agreements negotiated by the Commission with non-member countries. The point of a joint declaration is the formal involvement of the Council in defining this framework.

COM(92) 202

Transport

General strategy

Transport and the environment

1.1.72. Proposal for a Council Directive on the appointment of an officer for the prevention of the risks inherent in the carriage of dangerous goods in undertakings which transport such goods and in the vocational qualifications of such officers.

- **Commission proposal:** OJ C 185, 17.7.1991; COM(91) 4; Bull. EC 6-1991, point 1.2.86
- **Economic and Social Committee opinion:** OJ C 40, 17.2.1992; Bull. EC 11-1991, point 1.2.68

Endorsed by Parliament on 15 May subject to amendments mainly concerning the details of the training of these officers and the possibility of setting up an office to coordinate the work where there is more than one officer.

Parliament also proposed to extend the scope of the Directive to companies whose activities include the loading, unloading, storage and disposal of dangerous goods.

OJ C 150, 15.6.1992

Inland transport

Rail transport

1.1.73. Proposal for a Council Decision concerning the establishing of a European network of high-speed trains.

- **Commission proposal:** Bull. EC 12-1990, point 1.3.271

Endorsed by Parliament on 15 May subject to amendments concerning the details of the high-speed train network and the priorities to be observed in planning and developing the network, i.e. quality of service to the public and conservation of the environment.

Parliament also specified some destinations to be given priority, notably in Central and Eastern Europe. It also asked for a European standard of comfort to be worked out at European level, with provision for space for baggage and bicycles, adequate comfort for families with children and access for the disabled.

OJ C 150, 15.6.1992

Road transport

1.1.74. Proposal for a Council Regulation laying down the definitive system under which non-resident carriers may operate domestic road haulage services within a Member State.

- **Commission proposal:** OJ C 317, 7.12.1991; COM(91) 377; Bull. EC 10-1991, point 1.2.54
- **Economic and Social Committee opinion:** Bull. EC 4-1992, point 1.3.74

Endorsed by Parliament on 15 May subject to amendments relating to the Community cabotage quota, the granting of cabotage authorizations and the adoption of safeguard measures in the event of a crisis in

the market for the carriage of goods by road.

OJ C 150, 15.6.1992

1.1.75. Proposal for a Council Directive amending Directive 77/143/EEC on the approximation of the laws of the Member States relating to roadworthiness tests for motor vehicles and their trailers (exhaust emissions).

- **Commission proposal:** OJ C 189, 20.7.1991; COM(91) 244; Bull. EC 7/8-1991, point 1.2.110
- **Economic and Social Committee opinion:** OJ C 49, 24.2.1992; Bull. EC 12-1991, point 1.2.105

Endorsed by Parliament on 14 May, subject to a number of amendments on technical points, aimed in particular at extending the scope of the proposal to private cars.

OJ C 150, 15.6.1992

1.1.76. Proposal for a Council Directive on the charging of transport infrastructure costs to heavy goods vehicles.

- **Commission proposal:** OJ C 79, 26.3.1988; COM(87) 716; Bull. EC 12-1987, point 2.1.275
- **Initial Economic and Social Committee opinion:** OJ C 208, 8.8.1988; Bull. EC 6-1988, point 2.4.52
- **Initial Parliament opinion:** OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.214
- **Amended Commission proposal:** OJ C 75, 20.3.1991; COM(90) 540; Bull. EC 11-1990, point 1.3.182
- **Second Economic and Social Committee opinion:** OJ C 159, 17.6.1991; Bull. EC 4-1991, point 1.2.52

Endorsed by Parliament on 15 May, subject to amendments aimed at authorizing Member States to levy not only tolls but season ticket charges giving access to all or part of the motorway and expressway network for a given period, and at requiring the Commission to draw up a model for the assessment and charging to heavy goods vehicles of transport infrastructure costs and to launch a research programme to design and perfect a device capable of providing reliable information on the annual distance travelled by each heavy goods vehicle on the Community road network.

OJ C 150, 15.6.1992

International cooperation

1.1.77. Bilateral agreements between the Community and Switzerland and the Community and Austria concerning through traffic (→ point 1.2.1).

Energy

I

Energy efficiency

1.1.78. Proposal for a Council Decision concerning the promotion of renewable energy sources in the Community: Altener programme.

- **Reference:** Commission communication on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency: point 1.1.113 of this Bulletin

Adopted by the Commission on 13 May. The Community's Altener action programme, which is part of the Community strategy to limit carbon-dioxide emissions and to improve energy efficiency is intended to promote renewable energy sources and increase trade in this connection within the Community and with non-member countries.

For the first time quantified objectives are set concerning renewable energy sources, the aim being to achieve a 180 million tonne reduction in carbon-dioxide emissions in 2005. The individual objectives are as follows:

- to increase renewable energy sources' contribution to the coverage of total energy demand from 4% in 1991 to 8% in 2005;
- to treble the production of electricity from renewable energy sources (excluding large hydroelectric power stations);
- to secure for biofuels a market share of 5% of total fuel consumption by motor vehicles.

The programme will contribute towards better utilization of local energy resources, efficient allocation of public funds, protection of the environment by limiting emissions of greenhouse gases and other pollutants, and a reduction in the Community's dependence on imported energy.

The Altener programme will comprise:

- measures to promote the market for renewable energy sources and their integration into the internal energy market;
- financial measures;
- training, information and outreach activities;
- cooperation with non-member countries.

In the case of the first type of measure, the Community's efforts will focus on the harmonization of legislation and on standardization. Under the heading of financial measures, the Community would earmark budgetary resources for the development of the biomass market, and the carrying out of feasibility studies and local plans for the development of renewable energy sources.

The Altener programme would last five years, and would have a budget of ECU 40 million.

COM(92) 180

1.1.79. Proposal for a Council Directive aiming at limiting carbon dioxide emissions and improving energy efficiency.

- **Reference:** Council Decision 92/565/EEC concerning the promotion of energy efficiency in the Community (SAVE programme): OJ L 307, 8.11.1991; Bull. EC 10-1991, point 1.2.62

Adopted by the Commission on 13 May. This proposal for a framework Directive, which is part of the Community strategy to limit carbon-dioxide emissions and to improve energy efficiency, sets out energy objectives to be achieved by the Member States under the SAVE programme.

The measures in question, which would apply to buildings, transport and industry, are designed to:

provide consumers with information:

(i) through the energy certification of buildings to inform prospective buyers, and subsequently respective tenants, about the energy efficiency of the buildings in question;

(ii) through energy audits in businesses to identify the improvements that can be made to energy installations and energy management;

encourage consumers to behave more responsibly:

(i) through the billing of heating, air-conditioning and hot-water costs on the basis of actual consumption rather than on a flat-rate basis (according to surface area or a share of the property);

(ii) through regular inspections of equipment which has a significant impact on the energy balance, namely boilers and vehicles;

(iii) by streamlining authorization procedures for investments which can be financed by the energy savings they generate.

If correctly applied, these measures should encourage behaviour and generate investments in such a way as to reduce CO₂ emissions by some 60 million tonnes a year.

COM(92) 182

1.1.80. Council Directive 92/42/EEC on the efficiency requirements for new hot-water boilers fired with liquid or gaseous fuels.

- **Commission proposal:** OJ C 292, 22.11.1990; COM(90) 368; Bull. EC 10-1990, point 1.3.203
- **Economic and Social Committee opinion:** OJ C 102, 18.4.1991, Bull. EC 1/2-1991, point 1.2.107
- **Parliament opinion (first reading):** OJ C 129, 20.5.1991; Bull. EC 4-1991, point 1.2.60
- **Council common position:** Bull. EC 12-1991, point 1.2.120
- **Parliament opinion (second reading):** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.86

Adopted on 21 May. The Directive, which is a measure under the SAVE programme,

seeks to contribute towards establishing the internal energy market by ensuring common energy efficiency standards for each type of apparatus.

The Directive has two aims: to save energy (the domestic and tertiary sector accounts for a substantial and increasing proportion of final energy consumption in the Community), and hence to protect the environment.

Provision is made for granting the CE mark and awarding quality labels under specific conditions.

OJ L 167, 22.6.1992

1.1.81. Proposal for a Directive on the indication by labelling and standard product information of the consumption of energy and other resources of household appliances.

- **Commission proposal:** OJ C 235, 10.9.1991; COM(91) 285; Bull. EC 7/8-1991, point 1.2.121
- **Economic and Social Committee opinion:** OJ C 49, 24.2.1992; Bull. EC 12-1991, point 1.2.121
- **Parliament opinion:** OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.81

Common position adopted by the Council on 21 May. The proposal is intended to enable consumers to choose the most energy-efficient appliances.

II

Community energy strategy

Regional energy planning

1.1.82. Council conclusions on energy planning in the European Community at regional level.

- **References:**
 Commission communication on energy planning in the European Community at regional level: COM(91) 53; Bull. EC 5-1991, point 1.2.73
 Council Decision 91/565/EEC concerning the promotion of energy efficiency in the Com-

munity (SAVE programme): OJ L 307, 8.11.1991; Bull. EC 10-1991, point 1.2.62

Regulation (EEC) No 2008/90 concerning the Thermie programme for the promotion of energy technology: OJ C 185, 17.7.1990; Bull. EC 6-1990, point 1.3.256

Adopted by the Council on 21 May. The Council endorsed the guidelines and priorities indicated by the Commission and emphasized the need to strengthen coordination with existing programmes (SAVE and Thermie), with measures under the structural Funds and, in line with the principle of subsidiarity, with the Member States' own measures.

Internal energy market

Infrastructures

1.1.83. Council conclusions on electricity and natural gas transmission infrastructures in the Community.

- **Reference:** Commission communication to the Council on electricity and natural gas transmission infrastructure in the Community: Bull. EC 3-1992, point 1.2.85

Adopted by the Council on 21 May. The Council reaffirmed that the development of trans-European energy networks is aimed at increasing security of supplies in the Community, permitting balanced operation of the internal market, and strengthening economic and social cohesion. It called upon the Commission to continue its work in close conjunction with the Member States.

Individual sectors

Oil and petroleum products

1.1.84. Proposal for a Council Directive on the conditions for granting and using authorizations for oil and gas prospecting, exploration and extraction.

- **Commission proposal:** Bull. EC 3-1992, point 1.2.84

Formally adopted by the Commission on 11 May.

OJ C 139, 2.6.1992; COM(92) 110

Solid fuels

1.1.85. Draft Commission decision concerning the granting of financial aid to 130 technical coal research projects in 1992.

- **Commission draft:** Bull. EC 3-1992, point 1.2.90
- **ECSC Consultative Committee opinion:** Bull. EC 4-1992, point 1.3.83

Assent given by the Council on 26 May.

Relations with energy-producing or energy-importing non-member countries

1.1.86. Proposal for a Council Decision approving the conclusion of a Safeguards Agreement between the European Atomic Energy Community and the United Kingdom and the International Atomic Energy Agency (IAEA) pursuant to Additional Protocol No 1 to the Treaty of Tlatelolco.

- **Commission recommendation on the negotiating directives:** Bull. EC 11-1989, point 2.1.193
- **Negotiating directives:** Bull. EC 1/2-1990, point 1.1.269

Adopted by the Commission on 12 May. Purpose: conclusion of a Safeguards Agreement pursuant to Additional Protocol No 1 to the Treaty of Tlatelolco establishing a nuclear-weapon-free zone in Latin America.
COM(92) 197

Social dimension

Employment

Dialogue with the two sides of industry

1.1.87. 43rd meeting of the Standing Committee on Employment.

- **Previous meeting:** Bull. EC 11-1991, point 1.2.87

Chairman's conclusions delivered on 14 May. The Committee pointed out that the position of immigrants on the labour market was continuing to cause many problems which made it difficult to secure the desired aim of integration. It advocated an approach designed to integrate immigrants fully by improving their access to training and employment.

Both sides of industry also wished to see the removal of certain obstacles to free movement, in particular those relating to access to employment in another Member State for third-country nationals permanently resident in one Member State, and the full use of mobility opportunities by third-country nationals in situations where an undertaking in one Member State exercises its freedom to provide services in another Member State.

Equitable wage

1.1.88. Draft Commission opinion on an equitable wage.

- **Draft Commission opinion:** Bull. EC 12-1991, point 1.2.135

Endorsed by the Economic and Social Committee on 26 May. However, the Committee wanted to see further studies and the harmonization of data collection systems to address the wider issue of convergence of equitable wage policies within the Community and devise clear-cut solutions. It stressed the need for a pragmatic approach and examined various aspects of such an approach.

European Social Fund and other structural measures

1.1.89. Structural measures are now dealt with under the heading 'Economic and social cohesion'.

Social security

Convergence of social protection objectives and policies

1.1.90. Proposal for a Council recommendation on common criteria concerning sufficient resources and social assistance in the social protection systems.

- **Commission proposal:** OJ C 163, 22.6.1991; COM(91) 161; Bull. EC 5-1991, point 1.2.75
- **Economic and Social Committee opinion:** OJ C 14, 20.1.1992, Bull. EC 10-1991, point 1.2.80

Endorsed by Parliament on 14 May, subject to certain amendments laying down the eligibility criteria for guaranteed benefits and resources. Parliament proposed that efforts be made to promote gradual integration into working life without the immediate loss of social assistance.

OJ C 150, 15.6.1992

1.1.91. Commission communication to the Council on supplementary social security schemes: the role of occupational pension schemes in the social protection of workers and their implications for freedom of movement.

- **Commission communication:** Bull. EC 7/8-1991, point 1.2.138

Endorsed by the Economic and Social Committee on 27 May. The Committee underlined the difficulties and obstacles arising from the widely differing national social security and tax regimes in the various Member States in relation to the taxing of income used for pension fund contributions and of income earned by occupational pension funds. The Committee considered that there was a case for an EC coordination framework in respect of occupational pension schemes analogous to that already in existence for statutory schemes.

Working conditions

Industrial relations

1.1.92. Proposal for a Council recommendation concerning the promotion of

employee participation in profits and enterprise results (including equity participation).

- **Commission proposal:** OJ C 245, 20.9.1991; COM(91) 259; Bull. EC 7/8-1991, point 1.2.127
- **Economic and Social Committee opinion:** Bull. EC 1/2-1992, point 1.3.126
- **Parliament opinion:** OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.90

Amended proposal adopted by the Commission on 4 May.

OJ C 140, 3.6.1992; COM(92) 183

Health and safety at work

1.1.93. Proposal for a Council Directive concerning minimum requirements for improving the safety and health protection of workers in the extractive industries for the exploration and exploitation of minerals in mines and quarries.

- **Commission proposal:** OJ C 58, 5.3.1992; COM(92) 14; Bull. EC 1/2-1992, point 1.3.128
- **Economic and Social Committee opinion:** Bull. EC 4-1992, point 1.3.93

Endorsed by Parliament (first reading) on 12 May, subject to certain amendments centring on the role of the safety supervisor, the kind of training to be given to workers on health and safety matters, and miners' working time.

OJ C 150, 15.6.1992

1.1.94. Proposal for a Council Directive concerning the minimum requirements for the provision of safety and/or health signs at work (10th individual Directive under Directive 89/391/EEC).

- **Commission proposal:** OJ C 53, 28.2.1991; COM(90) 664; Bull. EC 12-1990, point 1.3.102
- **Economic and Social Committee opinion:** OJ C 159, 17.6.1991; Bull. EC 4-1991, point 1.2.68
- **Parliament opinion (first reading):** OJ C 240, 16.9.1991; Bull. EC 7/8-1991, point 1.2.139
- **Amended Commission proposal:** OJ C 279, 26.10.1991; COM(91) 383; Bull. EC 10-1991, point 1.2.81
- **Council agreement:** Bull. EC 12-1991, point 1.2.142
- **Council common position:** Bull. EC 1/2-1992, point 1.3.127

Endorsed by Parliament (second reading) on 13 May, subject to certain amendments of a technical nature.

OJ C 150, 15.6.1992

1.1.95. Proposal for a Council Directive on the implementation of minimum safety and health requirements at temporary or mobile worksites (eighth individual Directive within the meaning of Article 16 of Directive 89/391/EEC).

- **Commission proposal:** OJ C 213, 28.8.1990; COM(91) 275; Bull. EC 7/8-1990, point 1.3.80
- **Parliament opinion (first reading):** OJ C 72, 18.3.1991; Bull. EC 1/2-1991, point 1.2.119
- **Economic and Social Committee opinion:** OJ C 120, 6.5.1991; Bull. EC 3-1991, point 1.2.80
- **Amended Commission proposal:** OJ C 112, 27.4.1991; COM(91) 117; Bull. EC 4-1991, point 1.2.70
- **Council agreement:** Bull. EC 10-1991, point 1.2.82
- **Council common position:** Bull. EC 12-1991, point 1.2.143

Endorsed by Parliament (second reading) on 13 May, subject to certain amendments centring on the site's safety and health plan, the duties of the coordinator, and the right of workers and/or their representatives to form a health and safety committee.

OJ C 150, 15.6.1992

1.1.96. Proposal for a Council Directive concerning measures to encourage improvements in the safety and health of pregnant workers, women workers who have recently given birth and women who are breast-feeding.

- **Commission proposal:** OJ C 281, 9.11.1990; COM(90) 406; Bull. EC 9-1990, point 1.2.53
- **Economic and Social Committee opinion:** OJ C 41, 18.2.1991; Bull. EC 11-1991, point 1.3.54
- **Parliament opinion (first reading):** OJ C 19, 28.1.1991; Bull. EC 12-1990, point 1.3.99
- **Amended Commission proposal:** OJ C 25, 1.2.1991; COM(90) 692; Bull. EC 1/2-1991, point 1.2.117
- **Council agreement:** Bull. EC 11-1991, point 1.2.90
- **Council common position:** Bull. EC 12-1991, point 1.2.144

Endorsed by Parliament (second reading) on 13 May, subject to amendments concerning leave or interruption of work arrangements

for pregnant workers undergoing a difficult pregnancy or for workers who are breast-feeding, laying down the period within which workers covered by the Directive are released from night-time working, and providing for a guaranteed income at least equivalent to 80% of salary.

Parliament also called for the burden of proof to be reversed where a worker believes she has been improperly treated.

OJ 150, 15.6.1992

International cooperation

1.1.97. Recommendation for a Council Decision concerning negotiations on a convention and a recommendation on the prevention of industrial disasters (→ point 1.1.126).

1.1.98. Recommendation for a Council Decision authorizing the Commission to negotiate a protocol to the Torremolinos International Convention for the Safety of Fishing Vessels, 1977.

- **Reference:** Proposal for a Council Decision on the ratification of the Torremolinos International Convention: COM(84) 340; Bull. EC 6-1984, point 2.1.59

Adopted by the Commission on 25 May.

Education, vocational training and youth

I

Exchanges of national officials

1.1.99. Proposal for a Council Decision concerning the adoption of an action plan for the exchange of national officials between Member State administrations who are engaged in the enforcement of Community legislation required to build the single market.

- **Reference:** Council Decision 91/341/EEC on the adoption of a programme of Community action on the subject of the vocational training

of customs officials (the Matthaues programme): OJ L 187, 13.7.1991; Bull. EC 6-1991, point 1.2.14

- **Commission proposal:** OJ C 299, 20.11.1991; COM(91) 408; Bull. EC 10-1991, point 1.2.6
- **Economic and Social Committee opinion:** Bull. EC 1/2-1992, point 1.3.136
- **Parliament opinion:** OJ C 94, 13.4.1992, Bull. EC 3-1992, point 1.2.100
- **Amended Commission proposal:** OJ C 92, 11.4.1992, COM(92) 113; Bull. EC 3-1992, point 1.2.100

Common position adopted by the Council on 14 May. The action plan is modelled on the Matthaues programme, extending it to all national civil servants. The aim is to enable a more homogeneous approach to be taken to the implementation of Community legislation, in particular by making national civil servants more aware of the European dimension of their work and by fostering mutual trust between the administrations of the various Member States. The length of an official's stay on an exchange visit in the administration of another Member State is normally set at a minimum of two months.

The action plan covers a period of five years. The estimated amount of financial backing required to implement it is ECU 17.3 million for a total of 1 900 participants. The financing of the programme will be shared between the Community and its Member States.

EC-US cooperation

1.1.100. Commission communication to the Council and Parliament on EC-US cooperation in education and training.

- **Reference.** Joint Declaration by the EEC and the United States on cooperation in the field of higher education and continuing training: Bull. EC 11-1990, point 1.3.199

Adopted by the Commission on 27 May. The proposals are based on the joint declaration between the Community and the United States of America, which makes provision for strengthening cooperation by way of exchange schemes and joint projects in education and training.

Cooperation in vocational training would include the comparative analysis of skill needs and qualifications of the workforce of the future and the identification of the appropriate education and training responses. Exchanging experiences in this field of study would enable both sides to tackle the growing problems of skill shortages resulting from changing technology and demographic patterns which are in turn affecting competitiveness.

In higher education, the exchange of experience and knowledge of current developments could form the basis for a pilot project for academic cooperation, enabling European students and lecturers to benefit from such areas of US academic specialization as economics, business studies and technology. American students and lecturers might benefit from studies of the Community institutions, medicine and European languages.

The Commission estimates an initial budget requirement of ECU 3 million for 1993, with parallel funding provided by the United States.

II

Cooperation in the field of education

1.1.101. Parliament resolution on education and training policy in the run-up to 1993.

Adopted by Parliament on 15 May. Parliament welcomed the fact that education was now a sphere of Community action.

It called on the Commission to set up initiatives in education and vocational training to meet the challenge of the single market, concentrating on the prevention and eradication of illiteracy, the retraining of workers whose jobs would disappear after completion of the single market, knowledge of foreign languages, training for highly qualified workers, the promotion of professions

linked to the protection of public welfare, the integration of migrants and equality of access to education and training.

Parliament stressed the need for initiatives which would develop the idea of European citizenship and a better understanding of European culture.

Parliament also called on the Commission to put forward a proposal for extending the scope of the Tempus programme to include other educational fields and greater cultural interaction with third countries.

OJ C 150, 15.6.1992

1.1.102. Commission communication to the Council on the application of the Council Resolution of 23 November 1988 on health education in schools.

- **Reference:** Council Resolution on health education: Bull. EC 11-1988, point 2.1.124

Adopted by the Commission on 11 May. The Commission takes stock in its communication of progress made in implementing health education measures and policies in schools, at both Member State and Community level.

Continuing training

1.1.103. Proposal for a Directive on a second general system for the recognition of professional education and training which complements Directive 89/48/EEC.

- **Commission proposal:** OJ C 263, 16.10.1989; COM(89) 372; Bull. EC 7/8-1989, point 2.1.3
- **Economic and Social Committee opinion:** OJ C 75, 26.3.1990; Bull. EC 1/2-1990, point 1.1.95
- **Parliament opinion (first reading):** OJ C 149, 18.6.1990; Bull. EC 5-1990, point 1.2.66
- **Amended Commission proposal:** OJ C 217, 1.9.1990; COM(90) 389; Bull. EC 7/8-1990, point 1.3.89
- **Council agreement:** Bull. EC 12-1991, point 1.2.168
- **Council common position:** Bull. EC 1/2-1992, point 1.3.135

Endorsed by Parliament (second reading) on 13 May.

OJ C 150, 15.6.1992

Economic and social cohesion: structural measures

I

Community initiative for regions heavily dependent on the textiles and clothing sector (Retex)

1.1.104. Commission notice to the Member States laying down guidelines for operational programmes which Member States are invited to establish within the framework of a Community initiative for regions heavily dependent on the textiles and clothing sector (Retex).

- **References:**

Commission notice to the Member States laying down guidelines for operational programmes which Member States are invited to establish within the framework of a Community initiative for regions heavily dependent on the textiles and clothing sector (Retex): COM(91) 550; Bull. EC 12-1991, point 1.2.183

Parliament resolution on a Community initiative for regions heavily dependent on the textiles and clothing sector (Retex): OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.107

Own-initiative Economic and Social Committee opinion on a draft notice from the Commission to the Member States laying down the guidelines for operational programmes which Member States are invited to establish within the framework of the Community initiative for regions heavily dependent on the textiles and clothing sector: Bull. EC 4-1992, point 1.3.108

Adopted on 13 May. The notice, which replaces the one issued in December 1991, incorporates the most recent suggestions made by Parliament, the Economic and Social Committee, and the Member States through the Committee on the Development and Conversion of Regions. Eligible measures may include improving know-how and qualifications. Essentially, they must be directed towards helping businesses modernize on a sound basis, taking account of developments in technological organization methods and international market trends.

The new notice adds a provision that only firms which respect national legislation concerning working conditions may benefit from Retex.

The Commission proposes that 80% of the appropriations available under Retex should be allocated to the Objective 1 regions (regions whose development is lagging behind) and 20% to the Objective 2 and 5b areas (areas in industrial decline and disadvantaged rural areas).

The notice also states that from 1 January 1994 onwards, zones heavily dependent on the textile and clothing sectors within the five *Länder* in eastern Germany can become eligible under Retex. The Commission reserves the right to review the amount of the Community contribution to Retex if additional areas become eligible after 1 January 1994.

In accordance with the wishes of Parliament and the Economic and Social Committee, the guidelines include provision for participation by the social partners and regional authorities.

The Commission also agreed that, if funds permitted, the launch of Retex would be preceded by pilot projects which would be monitored and assessed.

OJ C 142, 4.6.1992

Financial assistance

Declining industrial areas

1.1.105. Parliament resolution on the regional and social redevelopment plan and the Community support framework for the areas of the United Kingdom included in Objective 2.

Adopted on 15 May. Parliament drew attention to the inadequate level of research in established industries, which seriously undermined the prospects for recovery.

However, it welcomed the steps being taken by the United Kingdom to promote

vocational subjects within its educational system.

It asked the UK Government to respect fully the principle of additionality and the Commission to ensure that this principle, and those of subsidiarity and partnership, are correctly applied.

OJ C 150, 15.6.1992

1.1.106. Commission decisions: see Table 5.

Table 5 — *Financing under Objective 2*

<i>(ECU million)</i>		
Country/region	Fund	Total assistance
<i>Germany</i>		
Bremen	ERDF/ESF	27.8
Berlin	ERDF/ESF	70.1
North Rhine-Westphalia	ERDF/ESF	170.8
Saarland	ERDF/ESF	19
<i>France</i>		
Upper Normandy	ERDF/ESF	40.6
Figeac	ERDF/ESF	2.1
Albi-Carmaux	ERDF/ESF	7.7
Provence-Alpes-Côte d'Azur	ERDF/ESF	15.7
Languedoc-Roussillon	ERDF/ESF	10.25
Lorraine	ERDF/ESF	28.9
Lower Normandy	ERDF/ESF	10.67
<i>United Kingdom</i>		
Tawsen ¹	ERDF/ESF	84.83
Black Country	ERDF	56.9
Coventry-Warwickshire	ERDF	22
Shropshire-Staffordshire	ERDF	16.7
Durham and Cleveland	ERDF/ESF	73
Birmingham	ERDF/ESF	42.8
Tayside	ERDF	11.27
South Wales	ERDF/ESF	106.4
Clwyd	ERDF/ESF	31.2
<i>Netherlands</i>		
South Limburg	ERDF/ESF	28.2
Twente	ERDF/ESF	28.2
Groningen-South-east-Drenthe	ERDF/ESF	42

Table 5 — *(Continued)*

<i>(ECU million)</i>		
Country/region	Fund	Total assistance
<i>Denmark</i>		
West Lolland	ERDF/ESF	1.5
<i>Belgium</i>		
Limburg	ERDF/ESF	28
Turnhout	ERDF/ESF	14.4
¹ Tyne and Wear, south-east Northumberland.		

Combating long-term unemployment

1.1.107. Commission communication on customs agents: adapting the profession to the advent of the single market (→ point 1.1.9).

Development of rural areas

1.1.108. Commission decision: see Table 6.

Table 6 — *Financing under Objective 5b*

<i>(ECU million)</i>		
Country/region	Fund	Total assistance
<i>United Kingdom</i>		
Dyfed, Gwynedd, Powys	ERDF/ESF	36.9

Community initiatives

Financing

1.1.109. Commission decisions: see Table 7.

Table 7 — *Financing of Community initiatives**(ECU million)*

Community initiative	Country/region	Fund	Total assistance
Interreg	France, Italy and Germany (North Alsace, South Palatinate, Mid-Upper Rhine)	ERDF	3.84
	France and the United Kingdom	ERDF/ESF	22
	Italy and France	ERDF/ESF	21.6
Regen	Italy and Greece (connection of electricity grids)	ERDF	35
Prisma	France		
	Corsica Réunion	ERDF ERDF	0.1 1
Télématique	France		
	Corsica Réunion	ERDF ERDF	1.4 2.5
	Greece	ERDF	34.6
Leader	Belgium	ERDF/EAGGF/ ESF	2.2
	Denmark	ERDF/EAGGF/ ESF	2.2
	Greece	ERDF/EAGGF/ ESF	52.0
	Spain	ERDF/EAGGF/ ESF	36.9
	France	ERDF/EAGGF/ ESF	40.5
	Ireland	ERDF/EAGGF/ ESF	13.7
	Italy	ERDF/EAGGF/ ESF	39.1
	Portugal	ERDF/EAGGF/ ESF	14.3

Other financial assistance

1.1.110. Commission decisions: see Table 8.

Table 8 — *Other financial assistance*

			<i>(ECU million)</i>
Type	Country/purpose	Fund	Total assistance
Pilot project	Germany (Bremen)	ERDF	3.2
	Italy (Genoa)	ERDF	7
	France (Albi-Carmaux)	ERDF	5.5
	Netherlands (Groningen)	ERDF	3.18
	United Kingdom (Paisley)	ERDF	3.90
Study	Spain: exchange of data between national administrations and the Commission	ERDF	7.73
Conference	Spain: Annual Circom conference and 2nd local development fair	ERDF	0.02
		ERDF	0.03
	Italy: Seminar on urban regeneration and industrial change	ERDF	0.02
	Community regions and Central and Eastern Europe	ERDF	0.02

Measures for the most remote regions

Implementation of the Poseican and Poseima programmes

1.1.111. Proposal for a Council Regulation introducing specific measures for the Azores and Madeira concerning certain agricultural products; proposal for a Council Regulation introducing specific measures for the Canary Islands concerning certain agricultural products.

- Commission proposal: OJ C 145, 6.6.1992; Bull. EC 4-1992, point 1.3.111

Endorsed by the Economic and Social Committee on 27 May.

1.1.112. Proposal for a Council Regulation authorizing an enhanced aid system as established in Regulation (EEC) No 3687/91 for the formation of producers' organizations in the French overseas departments, in the Canary Islands, in Madeira and in the Azores.

- Commission proposal: OJ C 100, 22.4.1992; COM(92) 103; Bull. EC 3-1992, point 1.2.111

Endorsed by the Economic and Social Committee on 27 May. The Committee stressed the importance of this proposal, which would improve future management of supply and help producers to adapt to market requirements.

Environment

I

Community strategy to limit carbon-dioxide emissions

1.1.113. Commission communication on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency.

- **References:**

Commission communication to the Council on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency: COM(91) 249; Bull. EC 10-1991, point 1.2.194

Council conclusions on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency: Bull. EC 12-1991, point 1.2.291

Council Regulation (EEC) No 2008/90 concerning the promotion of energy technology in Europe (Thermie programme): OJ L 185, 17.7.1990; Bull. EC 6-1990, point 1.3.256

Council Decision 91/565/EEC concerning the promotion of energy efficiency in the Community (SAVE programme): OJ L 307, 8.11.1991; Bull. EC 10-1991, point 1.2.62

Council conclusions on climate protection policy: Bull. EC 10-1990, point 1.3.77

Council Decision 89/236/EEC on a specific research and technological development programme in the field of energy (Joule): OJ L 98, 11.4.1989; Bull. EC 3-1989, point 2.1.48

Green Paper on the impact of transport on the environment: COM(92) 46; Bull. EC 1/2-1992, point 1.3.111

Approved on 13 May. In this communication the Commission sets out the general strategy to be pursued in the Community to combat the serious risks constituted by greenhouse gases, 60% of which are accounted for by carbon dioxide, for the entire human race.

In October 1990 the Community undertook to stabilize CO₂ emissions in the year 2000 at their 1990 levels.

To achieve this result, the only course of action is to reduce energy demand by increasing energy efficiency and by promot-

ing fuel-switching. This is therefore an objective which involves every household and every company and can only be achieved effectively by developing energy technologies and infrastructures and by changing behavioural patterns. Consequently, the strategy proposed comprises both energy and tax measures as means of achieving the desired result.

Where technology and infrastructures are concerned, a range of initiatives (in particular the Joule, Thermie, SAVE and Altener programmes and the Green Paper on the impact of transport on the environment) seek to promote the development of non-polluting alternative energy sources, improve energy efficiency in households and in industry, promote environment-friendly transport infrastructures and optimize energy-conservation techniques. In particular, the Commission has submitted a proposal for a Directive under the SAVE programme in order to ensure that steps are taken to promote energy efficiency in buildings, transport and industry (→ point 1.1.79). It has also put forward a proposal concerning the Altener programme to promote renewable energy sources (→ point 1.1.78).

When it comes to changing behaviour, instruments based on market mechanisms are the most cost-effective. The Commission has therefore submitted a proposal for a Directive on the introduction of an energy/CO₂ tax, while emphasizing the importance of tax neutrality (→ point 1.1.114).

Lastly, the Commission has adopted a proposal for a Decision concerning the monitoring of the national programmes setting out strategies and objectives to limit emissions of carbon dioxide and other greenhouse gases (→ point 1.1.115).

These proposals, which are submitted in response to a request made at the Council meeting of 13 December 1991 which asked the Commission to put forward proposals for concrete measures arising from the Community strategy, will have an impact on the environment, energy, the economy and household purchasing power.

Where the environment is concerned, if they are implemented under optimum conditions, the non-tax measures could help reduce the forecast increase in CO₂ emissions from 12 to 6.5% between 1990 and 2000. The tax measures would help to eliminate the remaining 6.5%.

Where energy is concerned, the reduction in demand and the improvement in energy efficiency could make a contribution of about 85% to the overall stabilization effort.

The measures proposed will entail major benefits for the Community economy. However, in the short term, the rationalization process will entail adjustment costs. Tax neutrality will enable the macro-economic impact to be kept to a minimum. In addition, the economic impact of the adjustment process should be shared in a fairly balanced fashion among the Member States.

The real costs of the adjustment process for each individual country would be regularly evaluated by the Commission on the basis of a general monitoring mechanism and a specific monitoring mechanism for the energy/CO₂ tax. If these evaluations were to indicate costs that were too high given the economic situation of a Member State, it would be possible to allow the tax to be suspended or the rate of the tax to be altered, or, at the request of the Member State concerned, to provide financial support from the various Community Funds or financial instruments (structural Funds, Cohesion Fund).

Household purchasing power will be directly affected by the tax increase on private purchases of household fuels and motor fuels, and indirectly affected by the impact of the tax on the prices of industrial products. While it may be expected that this effect of the energy/CO₂ tax will be very limited, it should be stressed that its real impact on the various categories of households will depend on the tax-neutralization arrangements adopted by the Member States, and the benefits resulting from improved energy efficiency and the favour-

able impact that this will have on the environment.

Where non-member countries are concerned, all the industrialized countries now seem ready to stabilize their CO₂ emissions at their 1990 levels, although they have different views about the means of achieving this objective. Most of the EFTA countries are already applying or are considering applying tax measures. The Community will continue to make every effort to ensure that other industrialized countries follow a similar path.

Given the need to safeguard the competitiveness of European firms, the Commission considers that the Community should not embark on a course of action the effects of which would be rendered null and void because of a lack of international cooperation from its main industrial competitors.

Consequently, the introduction of the tax will be made subject to the adoption of similar measures, entailing an equivalent financial burden, by the Community's main trading partners.

Furthermore, it is essential that the industrialized countries set an example for the developing countries if they want them to take part in the formulation of a global strategy. The industrialized countries should also make a contribution towards the stabilization efforts of the economically weaker countries, especially as the reduction of CO₂ emissions in those countries is often effective and inexpensive.

1.1.114. Proposal for a Council Directive introducing a tax on carbon-dioxide emissions and energy.

- **Reference:** Commission communication on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency: point 1.1.113 of this Bulletin

Adopted by the Commission on 27 May. The proposal is part of the general strategy to be pursued in the Community to combat the major risks constituted by greenhouse gases for the entire human race. In order to stabilize carbon-dioxide emissions in the

Community at their 1990 levels in the year 2000, it is necessary to alter the behaviour of all energy users.

The Commission is therefore proposing to introduce a carbon-dioxide/energy tax and establish tax incentives for investment in energy conservation or carbon-dioxide abatement.

The tax would be determined and established at Community level, but the arrangements for charging and collecting it would be left to the Member States, with the revenue from the tax accruing to them.

They would also be required to apply the principle of tax neutrality, i.e. ensure that there is no increase in the overall tax burden. Consequently, the revenue accruing to Member States from the tax would have to be offset by a reduction in other taxes or social security contributions or by tax incentives.

The tax would apply to all fossil fuels (gas, oil, coal and derivatives) and electricity. Renewables (solar energy, wind power, biomass, biofuels, etc.), feedstocks for industry, and electricity generated by hydroelectric plants with a capacity below 10 megawatts would not be taxed.

The tax would be phased in gradually, starting at a minimum of USD 3 a barrel of oil equivalent from 1 January 1993 (ECU 17.70 per tonne of oil equivalent) and rising by USD 1 a barrel each year to a minimum of USD 10 a barrel of oil equivalent in the year 2000. Member States would of course be free to adopt higher rates.

The tax would be based half on carbon-dioxide emissions (expressed in tonnes) and half on the calorific value of the fuel (expressed in gigajoules), with renewable energy sources being exempted.

For fossil fuels the basic rate would be ECU 2.81 per tonne of carbon dioxide emitted and ECU 0.21 per gigajoule of energy produced, with rates set in advance for the main petroleum products.

In the case of hydroelectricity generated by plants of over 10 megawatts the tax would

be levied at the rate of ECU 0.76 per megawatt/hour.

In the case of electricity generated from other primary energy sources, the basic rate would be applied for carbon-dioxide emissions and a rate of ECU 2.1 per megawatt/hour would be applied for the other half of the tax.

Provision is made for the possibility of suspending application of the tax in exceptional cases in order to take account of special situations in Member States.

In addition, to maintain the international competitiveness of Community industry, application of the tax would be conditional on the introduction by other OECD member countries of a similar tax or measures having an equivalent financial effect (conditionality principle).

In the event of application of the tax, provision is made for other arrangements for mitigating its impact on the competitiveness of Community industry compared with industry in non-OECD countries:

(i) a graduated tax reduction would be granted to firms whose energy costs, expressed as a percentage of the value added to the products obtained using the energy concerned, amount to at least 8%;

(ii) Member States would also be able to exempt firms fully, but temporarily, from paying the tax due, provided that they have embarked upon substantial energy-conservation or CO₂-abatement measures.

Lastly, provision is made for tax incentives in order to increase the effectiveness of the carbon/energy tax by encouraging all firms to invest in energy conservation or CO₂ abatement. A firm would be able to deduct the amount of new expenditure on such investment from its tax bill. Where that amount exceeds the carbon/energy tax payable, a tax credit would be granted.

COM(92) 226

1.1.115. Proposal for a Council Decision on a monitoring mechanism for carbon-dioxide and other greenhouse-gas emissions.

- **Reference:** Council conclusions on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency: Bull. EC 12-1991, point 1.2.291
- **Commission approval:** Bull. EC 4-1992, point 1.3.119

Formally adopted by the Commission on 22 May.

COM(92) 181

Preparation of the United Nations Conference on Environment and Development (Unced)

- **References:** Council conclusions on a common platform for the Unced: Bull. EC 12-1991, point 1.2.315
Convention on Global Climate Change: point 1.1.117 of this Bulletin
Proposal for a Council Decision concerning the signature of a Convention of the Conservation of Biological Diversity: point 1.1.118 of this Bulletin

1.1.116. Conclusions of the Council and the representatives of the governments of the Member States meeting within the Council concerning the Unced.

Adopted on 5 May. In their conclusions, which set out the Community position for the Unced in Rio de Janeiro, the Community and its Member States considered that the Agenda 21 action programme would be one of the major achievements of the Rio Conference, reflecting a global consensus, backed by the highest political commitment, on the measures needed at local, regional, national and international level in order to ensure global sustainable development into the next century.

The Rio Conference should also reach a consensus on financial resources. The European Community and its Member States believe that additional funding, to be provided in particular by the developed countries, is needed in order to help the developing countries to implement Agenda 21 and the new Conventions due to be concluded at the Rio Conference.

It will also be necessary to make use of additional funding, provided in particular

by the multilateral development banks and funds, the specialized agencies and the technical cooperation institutions, which should effectively complement the recipient countries' efforts to make domestic financial resources available (e.g. by reassessing their public expenditure priorities).

The developing countries also need new resources to participate in the protection of the global environment. In this context, the Global Environment Facility (GEF), which is intended to finance activities which benefit the global environment, must be transparent and accountable, in particular as the funding mechanism for agreed global environmental Conventions.

Furthermore, the Community and its Member States undertook to develop environmentally sound technologies and enable the developing countries to have access to such technologies and to the corresponding know-how.

They also emphasized the importance of the Climate Convention due to be adopted at Rio. In this context, they fully approved of the Commission's intention to submit proposals concerning climate protection, including any necessary Community-wide taxation measures.

Similarly, the Biodiversity Convention, also due to be concluded in Rio, represented an international commitment of fundamental importance providing the basis for proper protection of global biological diversity.

They drew attention to the need for a global consensus on the management, conservation and sustainable development of all types of forest, subsequently resulting in the signature of a legally binding Convention on forests.

Lastly, they emphasized the need to find solutions regarding desertification and biotechnology.

1.1.117. Convention on Global Climate Change.

- **Commission recommendation on the negotiating directives:** Bull. EC 1/2-1991, point 1.2.223

- **Commission proposal:** COM(92) 76; Bull. EC 3-1992, point 1.2.139

Decision concerning the signature of the Convention adopted by the Council on 26 May.

Conclusions adopted by the Council on 26 May. The Community and its Member States saw the Convention as a significant first step in the process of preparing a global response to the problems of climate change. They urged all countries to translate the clear commitments laid down in the Convention into their national policies, and urged the other industrialized countries to take steps similar to those adopted or envisaged by the Community and its Member States.

1.1.118. Proposal for a Council Decision concerning the signature of a Convention on the Conservation of Biological Diversity.

- **Recommendation for a Decision on the negotiating directives:** Bull. EC 5-1991, point 1.2.153
- **Negotiating directives:** Bull. EC 7/8-1991, point 1.2.272

Adopted by the Commission on 26 May. Purpose: to authorize the signature of the Convention at the UnCED.

COM(92) 186

1.1.119. Commission communication to the Council on clean and efficient energy for development.

Adopted by the Commission on 26 May. The Commission defined a second area for priority action (tropical forests have already been defined as a priority area) to assist developing countries in implementing Agenda 21. It examined the Community's existing energy cooperation instruments as well as energy policy instruments with an external component, and suggested how their overall impact and efficiency might be improved.

Objectives are set which take account of the environment and the increase in financial resources allocated to those instruments. The geographical scope of some of them

should also be broadened, and an information collection and dissemination network is also proposed in order to promote awareness in non-member countries concerning sound energy technologies developed in the Community. The Commission also suggested that a Task Force should be established to maximize efficiency, make the best use of the available financial resources and coordinate the relevant activities of the Community and the Member States more effectively.

1.1.120. Recommendation for a Council Decision concerning the participation of the European Community in the Global Environment Facility (GEF).

Adopted by the Commission on 5 May. Following on from the Council conclusions of December 1991 in which the GEF was regarded as the most appropriate international instrument for dealing with global environmental problems, the recommendation calls for the Community to participate in this body, which was set up in 1990 by 14 industrialized countries and seven developing countries. The GEF, which is administered by the World Bank in conjunction with the United Nations Development Programme and the United Nations Environment Programme, has the objective of allocating donations and low-interest-rate loans to developing countries to help them implement global environmental protection programmes in four areas: reduction of global warming, protection of biological diversity, international waters and the ozone layer.

1.1.121. Parliament resolution on the UnCED.

- **References:**

Commission communication on a Community strategy to limit carbon-dioxide emissions and to improve energy efficiency: point 1.1.113 of this Bulletin

Proposal for a Council Decision concerning the promotion of renewable energy sources in the Community: Altener programme: COM(92) 182; point 1.1.78 of this Bulletin

Adopted on 15 May. Parliament regretted that the Commission did not submit the

measures to reduce carbon-dioxide emissions until just two weeks before the Unced, and called upon it to submit the Altener programme for supporting renewable-energy demonstration projects as soon as possible.

OJ C 150, 15.6.1992

II

General

Fifth environment programme

1.1.122. Council conclusions on the fifth environmental action programme.

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

Adopted on 26 May. The Council welcomed the presentation by the Commission of the new environmental action programme, and undertook to accord the highest priority to considering it. The Council noted that the programme suggests that traditional legislative measures need to be supplemented by a range of innovative means of action, including economic instruments.

Financial instruments

LIFE

1.1.123. Council Regulation establishing a financial instrument for the environment (LIFE).

- **Commission proposal:** OJ C 44, 20.2.1991; COM(91) 28; Bull. EC 1/2-1991, point 1.2.220
- **Economic and Social Committee opinion:** OJ C 191, 22.7.1991; Bull. EC 5-1991, point 1.2.163
- **Parliament opinion:** OJ C 267, 14.10.1991; Bull. EC 9-1991, point 1.2.124
- **Amended Commission proposal:** OJ C 277, 24.10.1991; COM(91) 362; Bull. EC 10-1991, point 1.2.191

- **Council agreement:** Bull. EC 12-1991, point 1.2.296

Formally adopted by the Council on 18 May. LIFE is intended to finance priority measures in order to contribute to the development and implementation of Community environment policy and legislation and provide technical assistance for non-member countries.

Acnat

1.1.124. Commission Decision on the granting of financial support in the field of nature conservation. Purpose: see Table 9.

Table 9 — *Financing*

<i>(million ECU)</i>		
Programme	Purpose	Amount
Acnat	12 projects (Mediterranean region and new Länder)	11

Industry and environment, civil protection

Waste management policy

1.1.125. Proposal for a Council Directive on procedures for harmonizing the programmes for the reduction and eventual elimination of pollution caused by waste from the titanium dioxide industry.

- **Reference:** Court of Justice judgment of 11 June 1991 in Case C-300/89, Commission v Council: OJ C 180, 11.7.1991; Bull. EC 7/8-1991, point 1.7.12
- **Commission proposal:** OJ C 317, 7.12.1991; (91) 358; Bull. EC 10-1991, point 1.2.185
- **Economic and Social Committee opinion:** Bull. EC 1/2-1992, point 1.3.159
- **Parliament opinion:** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.127
- **Council agreement on a common position:** Bull. EC 3-1992, point 1.2.127

Common position formally adopted by the Council on 26 May.

Civil protection

1.1.126. Recommendation for a Council Decision on negotiations on a Convention and recommendation on the prevention of industrial disasters.

- **References:**

Council Directive 82/501/EEC on the major-accident hazards of certain industrial activities: OJ L 230, 5.8.1982; Bull. EC 6-1982, point 2.1.92

Council Directive 89/391/EEC on the introduction of measures to encourage improvements in the safety and health of workers at work: OJ L 183, 29.6.1989; Bull. EC 6-1989, point 2.1.105

Adopted by the Commission on 12 May.

The purpose of the proposal is to enable the Community to participate in the negotiations to be held in Geneva in the context of the International Labour Conference. Prevention of industrial disasters is regulated at Community level by Directives 82/501/EEC and 89/391/EEC. The International Labour Office based its draft on those directives.

Environmental quality and natural resources

Protection of water, coastal zones, environment and tourism

1.1.127. Council Decision on the signature of the Agreement for the Conservation of Small Cetaceans of the Baltic and North Seas.

- **Commission recommendation on the negotiating directives:** Bull. EC 5-1991, point 1.2.155
- **Negotiating directives:** Bull. EC 7/8-1991, point 1.2.273
- **Commission proposal concerning signature:** Bull. EC 4-1992, point 1.3.116

Adopted by the Council on 18 May.

1.1.128. Convention on the Protection of the Marine Environment of the Baltic Sea

Area (Helsinki Convention, as revised in 1992).

- **Commission recommendation on the negotiating directives:** Bull. EC 3-1992, point 1.2.132
- **Negotiating directives:** Bull. EC 4-1992, point 1.3.117
- **Proposal for a Commission Decision concerning signature:** Bull. EC 3-1992, point 1.2.132

Decision concerning signature adopted by the Council on 18 May.

1.1.129. Proposal for a Council Decision concerning the signature of a Protocol for the Protection of the Mediterranean Sea against Pollution resulting from exploration and exploitation of the Continental Shelf and the sea-bed and its subsoil (Barcelona Convention).

- **Reference:** Council Decision 77/585/EEC concluding the Convention for the Protection of the Mediterranean Sea against Pollution (Barcelona Convention) and the Protocol for the Prevention of the Pollution of the Mediterranean Sea by Dumping from Ships and Aircraft: OJ L 240, 19.9.1977
- **Commission recommendation on the negotiating directives:** Bull. EC 6-1989, point 2.1.116
- **Negotiating directives:** Bull. EC 1/2-1991, point 1.2.221

Adopted by the Commission on 6 May.

COM(92) 169

1.1.130. Proposal for a Council Decision concerning the approval of the Additional Protocol to the Convention on the International Commission for the Protection of the Elbe.

- **Reference:** Convention on the International Commission for the Protection of the Elbe: OJ L 321, 23.11.1991; Bull. EC 11-1991, point 1.2.186

Adopted by the Commission on 21 May.

COM(92) 212

1.1.131. Commission Decision on the signature of the Memorandum concerning the immediate action programme (Elbe Convention).

- **Reference:** Convention on the International Commission for the Protection of the Elbe:

OJ L 321, 23.11.1991; Bull. EC 11-1991, point 1.2.186

Adopted by the Commission on 27 May. Purpose: signature of a Memorandum on an immediate action programme to protect the Elbe and its drainage area.

Protection of nature, environment and agriculture

1.1.132. Council Directive on the conservation of natural and semi-natural habitats and of wild fauna and flora.

- **Commission proposal:** OJ C 247, 21.9.1988; COM(88) 381; Bull. EC 7/8-1988, point 2.1.120
- **First amended Commission proposal:** OJ C 195, 3.8.1990; COM(90) 59; Bull. EC 3-1990, point 1.1.87
- **Economic and Social Committee opinion:** OJ C 31, 6.2.1991; Bull. EC 10-1990, point 1.3.87
- **Parliament opinion:** OJ C 324, 24.12.1990; Bull. EC 11-1990, point 1.3.96
- **Second amended Commission proposal:** OJ C 75, 20.3.1991; COM(91) 27; Bull. EC 1/2-1991, point 1.2.234
- **Council agreement:** Bull. EC 12-1991, point 1.2.295

Formally adopted by the Council on 18 May. The aim of the Directive is to help maintain biodiversity through the conservation of natural habitats and wild flora and fauna in the European territory of the Member States.

1.1.133. Proposal for a Council Directive amending Directive 79/409/EEC on the conservation of wild birds.

- **Commission proposal:** OJ L 115, 8.5.1991; COM(91) 42; Bull. EC 3-1991, point 1.2.168
- **Economic and Social Committee opinion:** OJ C 191, 22.7.1991; Bull. EC 5-1991, point 1.2.154

Endorsed by Parliament on 13 May, subject to amendments concerning the species listed in Annex II.

OJ C 150, 15.6.1992

1.1.134. Proposal for a Council Regulation laying down provisions with regard to possession of, and trade in, specimens of

species of wild fauna and flora (implementation of the Cites Convention).

- **Commission proposal:** OJ C 26, 3.2.1992; COM(91) 448; Bull. EC 11-1991, point 1.2.179

Endorsed by the Economic and Social Committee on 27 May. However, the Committee urged the Commission to ensure that the future Regulation functions both as an instrument to monitor and facilitate legitimate trade and as a deterrent to illegal trade in other species.

Urban environment, air quality, transport and noise

1.1.135. Proposal for a Council Directive on air pollution by ozone.

- **Commission proposal:** OJ C 192, 23.7.1991; COM(91) 220; Bull. EC 6-1991, point 1.2.207
- **Economic and Social Committee opinion:** OJ C 49, 24.2.1991; Bull. EC 12-1991, point 1.2.301

Endorsed by Parliament on 14 May, subject to amendments concerning the criteria for stations for measuring ozone in the atmosphere, the respective roles of the Commission and the European Environment Agency, and the measures to be taken by the Member States to limit ozone precursors and volatile organic compounds and in the event of the threshold values being exceeded.

OJ C 150, 15.6.1992

Amended proposal adopted by the Commission on 25 May.

COM(92) 236

Agreed by the Council on 26 May. The purpose of the Directive is initially to establish a harmonized procedure for monitoring, for the exchanging of information, and for informing and warning the public about air pollution by ozone. It also calls for a regular evaluation of the data collected and the coordination of Community and national measures to combat photochemical pollution.

1.1.136. Proposal for a Council Decision on accession by the European Economic Community to the Protocol to the Geneva Convention on Long-range Transboundary Air Pollution concerning the control of emissions of nitrogen oxides or their transboundary fluxes.

- **Commission proposal:** OJ C 230, 4.9.1991; COM(91) 268; Bull. EC 7/8-1991, point 1.2.262
- **Economic and Social Committee opinion:** OJ C 40, 17.2.1992; Bull. EC 11-1991, point 1.2.180

Endorsed by parliament on 14 May, subject to amendments such as the adoption by the Commission of a global strategy and regulatory, economic and social measures aimed at reducing air pollution, and in particular emissions of nitrogenous pollutants.

OJ C 150, 15.6.1992

Global environment: climate change, geosphere and biosphere

1.1.137. Proposal for a Council Regulation amending Regulation (EEC) No 594/91 in order to speed up the phasing-out of substances that deplete the ozone layer.

- **Commission proposal:** OJ C 90, 10.4.1992; Bull. EC 3-1992, point 1.2.117

Endorsed by the Economic and Social Committee on 27 May. However, the Committee stressed the impact that a rapid reduction in the substances in question might have on firms and employment. It also emphasized that very tough penalties should be imposed in the event of illegal imports from non-member countries.

Agriculture

I

Development and future of the CAP

1.1.138. The Council reached agreement on the reform proposals adopted by the

Commission in October 1991 which relate to arable crops (→ point 1.1.139), tobacco (→ point 1.1.140), milk (→ point 1.1.141), beef and veal (→ point 1.1.142) and sheepmeat (→ point 1.1.143) and also include accompanying measures (environmental protection, forestry measures and early retirement) (→ point 1.1.144). The Council accepted the Commission's three main proposals.

(i) a substantial reduction in the price of agricultural products with a view to increasing their competitiveness on internal and external markets;

(ii) granting of compensation not directly linked to the quantities produced;

(iii) measures to limit use of the means of production, such as the set-aside of arable land, limits on the number of animals per hectare and quotas.

The new provisions are to be implemented in the 1993/94, 1994/95 and 1995/96 marketing years and will involve most of the common organizations of agricultural markets.

Arable crops

1.1.139. Proposal for a Council Regulation establishing a support system for producers of certain arable crops; proposal for a Council Regulation on the common organization of the market in cereals; proposal for a Council Regulation amending Regulation (EEC) No 2727/75 on the common organization of the market in cereals.

- **Reference:** Council Regulation (EEC) No 3766/91 establishing a support system for producers of soya beans, rape seed and colza seed and sunflower seed: OJ L 356, 24.12.1991; Bull. EC 12-1991, point 1.2.194
- **Commission proposals:** OJ C 303, 22.11.1991; COM(91) 379; Bull. EC 10-1991, point 1.2.99
- **Economic and Social Committee opinion:** OJ C 98, 21.4.1992; Bull. EC 1/2-1992, point 1.3.167
- **Parliament opinion:** OJ C 125, 18.5.1992; Bull. EC 4-1992, point 1.3.122

Agreed on 21 May. The target price for cereals will be reduced to ECU 110 per

tonne in three stages beginning in the 1993/94 marketing year. This represents a reduction of approximately 29%. The difference between the target price and the threshold price will be ECU 45 and the co-responsibility levies and the two alternative aid systems for small producers, linked to the levies, will be abolished as of the 1992/93 marketing year.

The drop in prices will be accompanied by a compensatory payment per hectare calculated by multiplying a basic amount (ECU 25, 35 and 45 for the 1993/94, 1994/95 and 1995/96 marketing years respectively) by a regional yield established on the basis of regionalization plans drawn up by the Member States.

The market regulations for oilseeds were amended in December 1991 and the new system will come into force in 1992/93. It will be integrated in subsequent marketing years into the common system for arable crops but with one significant difference: oilseeds will no longer benefit from guaranteed prices but only from aid per hectare fixed at Community level and subject to regionalization on the basis of average yields. Aid of ECU 359 per hectare, which may be adjusted in line with the trend in world market prices, has been introduced. As regards the regionalization calculated on the basis of this average aid figure, Member States can choose to operate it either on the basis of average regional cereal yields or average oilseed yields.

Starting in the 1993/94 marketing year, the system applicable to protein crops will be replaced for peas, field beans and sweet lupins by compensatory aid granted per hectare and based on regional cereal yields. For the other protein crops (lentils, chick peas and vetches) the aid scheme will be extended to 1995/96.

Compensation may be granted to all producers, but those whose average production exceeds the equivalent of 92 tonnes of cereals must set aside part of their land in order to be eligible.

The percentage of land to be set aside will be determined by the Council; it will be set

at 15% for 1993/94. Two set-aside systems may be used:

- (i) rotational set-aside;
- (ii) non-rotational set-aside, which will involve a higher, but as yet undetermined, percentage.

The base areas, on which the compensatory payment is calculated, are equal to the average of cultivated areas given over to cereals, oilseeds, protein crops and cereals ensilaged as fodder in 1989, 1990 and 1991.

Tobacco

1.1.140. Proposal for a Council Regulation on the common organization of the market in raw tobacco; proposal for a Council Regulation fixing the premiums for leaf tobacco by group of tobacco varieties and the processing quotas allocated by group of varieties and by Member State; proposal for a Council Regulation concerning inter-branch organizations and agreements in the tobacco sector.

- **Commission proposal:** OJ C 295, 14.11.1991; COM(91) 339; Bull. EC 10-1991, point 1.2.100
- **Economic and Social Committee opinion:** Bull. EC 1/2-1992, points 1.3.168 and 1.3.169
- **Parliament opinion:** OJ C 194, 13.4.1992; Bull. EC 3-1992, points 1.2.145 and 1.2.146

Agreed on 21 May. A single premium is set for each variety group. The premium is increased by 10% in the case of contracts signed with producers' associations. This system will enter into force in 1993.

The quotas laid down by variety group are allocated to the Member States. For the 1993 and 1994 harvests, each Member State will distribute its allocation among the first processors on the basis of established references.

The quotas, fixed at 370 000 tonnes for the 1993 marketing year, will be reduced to 350 000 from 1994 onwards.

The other measures provide in particular for:

- (i) the abolition of intervention and export refunds;

- (ii) the creation of a Community fund for tobacco research and information financed from the proceeds of a deduction not exceeding 1% of the premiums paid out;
- (iii) the establishment of agencies to monitor the implementation of the Community arrangements for tobacco;
- (iv) the implementation of a programme for the conversion of certain varieties (Mavra, Tsebelia, Forchheimer Havanna and Geudertheimer hybrids).

Milk

1.1.141. Proposal for a Council Regulation amending Regulation (EEC) No 804/68 on the common organization of the market in milk and milk products; proposal for a Council Regulation establishing an additional levy in the milk and milk products sector; proposal for a Council Regulation setting compensation for reduction of individual milk reference quantities and for definitive discontinuation of milk production; proposal for a Council Regulation fixing the target price for milk and the intervention prices for butter, skimmed-milk powder and Grana Padano and Parmigiano Reggiano cheeses for three annual periods from 1 July 1993 to 30 June 1996; proposal for a Council Regulation instituting a dairy cow premium scheme; proposal for a Council Regulation on promoting consumption in the Community and expanding the markets for milk and milk products.

- **Commission proposal:** OJ C 337, 31.12.1991; COM(91) 409; Bull. EC 10-1991, point 1.2.101
- **Economic and Social Committee opinion:** OJ C 98, 21.4.1992; Bull. EC 1/2-1992, point 1.3.170
- **Parliament opinion:** OJ C 94, 13.4.1992 and C 125, 18.5.1992; Bull. EC 3-1992, point 1.2.147, and Bull. EC 4-1992, point 1.3.123

Agreed on 21 May. The quota system will remain the main element of the milk policy. There will be no reduction in quotas in the 1992/93 marketing year. The additional levy arrangements will be extended for a further period of seven years from 1993/94. On the basis of proposals from the Commission,

the Council will adopt, before the end of 1992, the necessary provisions for the consolidation and simplification of these arrangements, including provisions relating to land affected by environmental constraints. The Council will also make an additional 2% reduction in the reference quantities for all Member States, in two stages and at a rate of 1% in both 1993/94 and 1994/95, without prejudice to the adjustment in the reference quantities for Greece and Spain from 1993/94 onwards if satisfactory proof is received that the quota system was effectively applied in 1992/93. As regards prices, only a reduction in the price of butter was adopted. This will amount to 2.5% in both 1993/94 and 1994/95.

Beef and veal

1.1.142. Proposal for a Council Regulation amending Regulation (EEC) No 805/68 on the common organization of the market in beef and veal and repealing Regulation (EEC) No 468/87 laying down general rules applying to the special premium for beef producers and Regulation (EEC) No 1357/80 introducing a system of premiums for maintaining suckler cows; proposal for a Council Regulation fixing, for the period between 1 July 1993 and 30 June 1996, the intervention prices for adult bovine animals; proposal for a Council Regulation on measures to promote and market quality beef and veal.

- **Commission proposals:** OJ C 303, 22.11.1991; COM(91) 379; Bull. EC 10-1991, point 1.2.102
- **Economic and Social Committee opinion:** OJ C 98, 21.4.1992; Bull. EC 1/2-1992, point 1.3.171
- **Parliament opinion:** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.148

Agreed on 21 May. The reform concerns both premium and intervention arrangements and takes account of environmental concerns. To avoid excessive concentration, the Council has introduced a maximum livestock density factor per hectare. Producers will be eligible for premiums per livestock unit (LU) up to a limit of 3.5 LU per hectare

of fodder in 1993, 3 LU in 1994, 2.5 LU in 1995 and 2 LU from 1996 onwards. It will not apply to small holdings of less than 15 LU.

Producers of beef and veal may be eligible for different premiums for male bovine animals, suckler cows, extensification and calf conversion. For male bovine animals the premium already established has been retained. It is fixed at ECU 90 per head, payable, at most, twice in the life of the animal, at 10 and 22 months. A regional reference herd will be established and, where the number of premium applications exceeds that limit, the number of eligible animals per producer will be reduced proportionately. The premium for suckler cows is also maintained. The amount of the premium is increased to ECU 120; limits are placed on each producer and a national reserve and the possibility of transferring the premium right will be established. These two premiums can be increased by ECU 30 where producers have less than 1.4 LU per hectare (extensification premium). The Member States, in the light of their production structures, may also introduce either a calf conversion premium of ECU 100 per male dairy-breed calf withdrawn from production before it is 10 days old, or intervention arrangements for lightweight animals, i.e. those of between 150 and 200 kg carcass weight.

The intervention arrangements will also be amended particularly as regards:

- (i) fixing a ceiling on intervention purchases, which will be reduced in stages from 750 000 tonnes in 1993 to 350 000 tonnes in 1997;
- (ii) introducing a safety net in Member States where the market price is less than 60% of the intervention price during a reference period;
- (iii) restricting intervention to quality meat.

Sheepmeat

1.1.143. Proposal for a Council Regulation amending Regulation (EEC) No 3013/89 on the common organization

of the market in sheepmeat and goatmeat; proposal for a Council Regulation amending Regulation (EEC) No 3493/90 laying down general rules for the grant of premiums to sheepmeat and goatmeat producers.

- **Commission proposal:** OJ C 303, 22.11.1991; COM(91) 379; Bull. EC 10-1991, point 1.2.103
- **Economic and Social Committee opinion:** OJ C 98, 21.4.1992; Bull. EC 1/2-1992, point 1.3.171
- **Parliament opinion:** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.148

Agreed on 21 May. The existing premium arrangements are maintained. Individual limits per producer are set at 1 000 head in the less-favoured regions, and at 500 head in the other regions. The premiums granted are reduced by 50% beyond these limits. Premiums for lightweight animals are increased from 70 to 80% of the normal premium. Premiums will be granted on the basis of a reference year of the Member State's choosing (1989, 1990 or 1991). An additional reserve will be created, equal to 1% of the sum of the individual limits on producers in the less-favoured regions of each Member State. The reserve is to be allocated exclusively to these regions in accordance with criteria to be defined by the Member States. The option of transferring premium rights between producers is also established, in which case a proportion of the rights must be surrendered without payment to the national reserve for allocation free to new entrants or other priority producers. The Member States must also ensure that the rights are not transferred outside sensitive areas or regions where sheep production is especially important for the local economy.

Accompanying measures

1.1.144. Proposal for a Council Regulation on agricultural production methods compatible with the requirements of the protection of the environment and the maintenance of the countryside; proposal for a Council Regulation instituting a Community aid scheme for forestry measures in

agriculture; proposal for a Council Regulation instituting a Community aid scheme for early retirement from farming.

- **Commission proposal:** OJ C 300, 21.11.1991; COM(91) 415; Bull. EC 10-1991, point 1.2.104
- **Economic and Social Committee opinion:** Bull. EC 1/2-1992, point 1.3.172
- **Parliament opinion:** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.149

Agreed on 21 May. The accompanying measures supplement the measures relating to markets and have three aims in view:

- (i) to encourage the establishment of early-retirement schemes for farmers and farm workers;
- (ii) to promote the use of land for forestry, ecological or recreational purposes;
- (iii) to grant aid for the protection of the environment, the countryside and natural resources.

The early-retirement scheme gives Member States the option of granting aid to farmers or farm workers who are at least 55 years of age and who wish to leave farming before the normal retirement age.

The aid may take the form of:

- (i) retirement grants;
- (ii) an annual compensation not dependent on the area of land;
- (iii) an annual premium per hectare;
- (iv) a retirement pension supplement when the amount of the retirement pension is too low to induce farmers to stop farming.

Land released by the farmer may either be farmed by new people with due regard to the requirements of environmental protection and in accordance with criteria to be laid down by the Member States, or may be used for non-agricultural purposes in a manner compatible with the environment.

Aid for afforestation aims to offer an alternative use for agricultural land through the development of forestry activities on farms.

The aid may comprise:

- (i) aid to cover afforestation costs;
- (ii) a premium per hectare afforested to cover maintenance in the first five years;

(iii) an annual allowance per hectare to compensate for income losses resulting from the cessation of farming;

(iv) investment aid to improve existing woodland.

The Community scheme for agri-environmental aid is intended to:

- (a) promote less polluting production methods;
- (b) promote extensification of crop and animal production;
- (c) promote ways of using agricultural land which are compatible with the protection and improvement of the environment, the countryside, the landscape and the soil and the preservation of local breeds in danger of extinction;
- (d) encourage the upkeep of abandoned farmland and woodland;
- (e) encourage the long-term set-aside of agricultural land for environmental reasons;
- (f) promote the education and training of farmers in production methods compatible with the requirements of environmental protection and upkeep of the countryside.

Farmers who agree to abide by the conditions laid down for at least five years will receive an annual premium per hectare of farmland or per livestock unit concerned; the undertaking is increased to 20 years in the case of set-aside.

These arrangements are intended primarily to finance measures with a favourable effect on the environment, but may also be used for measures to encourage the use of land for leisure activities and to promote public access to the land.

Agricultural prices for 1992/93

1.1.145. Proposals for Council Regulations on the prices for agricultural products and on related measures (1992/93).

- **Commission proposal:** OJ C 119, 11.5.1992; COM(92) 94; Bull. EC 3-1992, point 1.2.141
- **Economic and Social Committee opinion:** Bull. EC 4-1992, point 1.3.133

Endorsed by Parliament on 14 May, subject to certain amendments. In the cereals sector, Parliament called, in particular, for the co-responsibility levy to be fixed at a lower level than that proposed by the Commission, for measures to be taken to encourage the use for non-food purposes of land set-aside and for the quality premiums for wheat and rye of bread-making quality to be maintained at their existing level. In the beef and veal sector, Parliament considered that the suckler cow premium should be ECU 50 per cow instead of 40 and, in the milk sector, that the linear co-responsibility levy should be abolished. The other amendments relate, in particular, to the olive-oil, cotton, fruit and vegetables and tobacco sectors.

OJ C 150, 15.6.1992

Agreed by the Council on 21 May. The agreement is closely linked to the agreement on the reform of the common agricultural policy (CAP) (→ point 1.1.138). It generally reflects the Commission proposals by providing for a freeze on prices for most products at 1991/92 levels and by maintaining the other existing provisions. For Spain and Portugal the prices of products subject to a transitional period are aligned in accordance with the Act of Accession.

The prices adopted are set out in detail in Tables 10 to 13. The main changes in relation to the Commission's proposals are as follows:

(i) for cereals, the institutional prices applied in 1991/92 are maintained. However, because of the size of the previous harvest, the automatic application of stabilizers will mean a reduction of 3% in the intervention prices, target prices and special premiums for common wheat and rye. The co-responsibility levies are abolished, as are the two alternative aid schemes for small producers which are linked to the levies;

(ii) the target price for olive oil will remain unchanged. In relation to the Commission's proposals, the amount of production aid for the Community of Ten will be increased by ECU 1.5 per 100 kg (ECU 13.5 instead of the ECU 12 per 100 kg proposed), the inter-

vention and representative market prices being reduced by the same amount;

(iii) the Commission's proposal on agri-monetary measures will remain unchanged for all the Member States, except for certain amendments to the monetary gaps for Spain and Portugal.

Regulations (EEC) Nos 1373/92 to 1379/92 formally adopted on 21 May and Regulation (EEC) No 1380/92 on 26 May. These eight Regulations are only part of the price package; the other Regulations in the package will be formally adopted at a later date.

OJ L 147, 29.5.1992

II

Agricultural structure and rural development

1.1.146. Structural assistance is now dealt with under the heading 'Economic and social cohesion'.

1.1.147. Parliament resolution on the problems and requirements of bee-keeping in the European Community.

Adopted on 15 May. Parliament drew attention to the importance of the environmental role of bee-keeping and to the problems facing bee-keeping in the Community. It called on the Commission to adopt measures to support European bee-keeping, including, in particular, an annual pollination bonus, a specific premium, a plan to eradicate Varroa-mite disease and a programme to promote quality honey in the Community.

OJ C 150, 15.6.1992

Legislation

General aspects

1.1.148. Proposal for a Council Regulation amending Regulation (EEC) No 2092/91 on organic production of agri-

Table 10 — Price decisions in ecus for individual agricultural products

Product and type of price or amount (period of application)	Decisions 1991/92		Decisions 1992/93		Spain			Portugal		
	Amounts (ECU/t)	Percentage change ¹	Amounts (ECU/t)	Percentage change	Amounts in ECU/t		Percentage change	Amounts in ECU/t		Percentage change
					1991/92	1992/93		1991/92	1992/93	
1	2	3	4	5	6	7	8	9 ²	10 ²	11
Common wheat 1.7.1992-30.6.1993										
Target price	233.26	- 0.41	232.76	- 0.21	233.26	232.76	- 0.21	233.26	232.76	- 0.21
Intervention price: bread-making wheat ³	168.55	0.00	168.55	0.00	168.55	168.55	0.00	210.80	168.55	- 20.04
Intervention price: feed wheat	160.13	0.00	160.13	0.00	160.13	160.13	0.00	200.26	160.13	- 20.04
Barley 1.7.1992-30.6.1993										
Target price	212.33	- 0.45	211.83	- 0.24	212.33	211.83	- 0.24	212.33	211.83	- 0.24
Intervention price	160.13	0.00	160.13	0.00	160.13	160.13	0.00	160.13	160.13	0.00
Maize 1.7.1992-30.6.1993										
Target price	212.33	- 0.45	211.83	- 0.24	212.33	211.83	- 0.24	212.33	211.83	- 0.24
Intervention price	168.55	0.00	168.55	0.00	168.55	168.55	0.00	168.55	168.55	0.00
Sorghum 1.7.1992-30.6.1993										
Target price	212.33	- 0.45	211.83	- 0.24	212.33	211.83	- 0.24	212.33	211.83	- 0.24
Intervention price	160.13	0.00	160.13	0.00	160.13	160.13	0.00	160.13	160.13	0.00
Rye 1.7.1992-30.6.1993										
Target price	212.33	- 0.45	211.83	- 0.24	212.33	211.83	- 0.24	212.33	211.83	- 0.24
Intervention price ⁴	160.13	0.00	160.13	0.00	160.13	160.13	0.00	160.13	160.13	0.00
Durum wheat 1.7.1992-30.6.1993										
Target price	277.21	- 3.54	276.71	- 0.18	277.21	276.71	- 0.18	277.21	276.71	- 0.18
Intervention price	227.70	- 3.50	227.70	0.00	216.48	227.70	+ 5.18	227.70	227.70	0.00
Aid (ECU/ha)	181.88	+ 6.28	181.88	0.00	146.34	181.88	+ 24.29	181.88	181.88	0.00
Rice 1.9.1992-31.8.1993										
Target price: husked rice	546.13	0.00	545.52	- 0.11	546.13	545.52	- 0.11	546.13	545.52	- 0.11
Intervention price: paddy rice	313.65	0.00	313.65	0.00	313.65	313.65	0.00	338.39	332.21	- 1.83

Table 10 (continued)

Product and type of price or amount (period of application)	Decisions 1991/92		Decisions 1992/93		Spain			Portugal		
	Amounts (ECU/t)	Percentage change ¹	Amounts (ECU/t)	Percentage change	Amounts in ECU/t		Percentage change	Amounts in ECU/t		Percentage change
					1991/92	1992/93		1991/92	1992/93	
1	2	3	4	5	6	7	8	9	10	11
Sugar	1.7.1992-30.6.1993									
Basic price for sugar beet	40.00	0.00	40.00	0.00	46.84	46.08	- 1.6	42.83	41.57	- 2.9
Intervention price for white sugar ⁵	53.01	0.00	53.01	0.00	61.29	59.57	- 2.8	53.35	54.22	+ 1.6
Olive oil	1.11.1992-31.10.1993									
Production target price	3 220.1	0	3 220.1	0.0	3 220.1	3 220.1	0.0	3 220.1	3 220.1	0.00
Intervention price	2 158.7	0	2 023.7	- 6.2	1 853.1	1 832.7	- 1.1	2 096.5	1 984.8	- 5.3
Representative market price	1 972.8	3.7	1 917.8	- 2.8	—	—	—	—	—	—
Production aid	708.3	0	843.3	19.1	458.5	554.7	21.0	425.3	529.8	24.6
Consumption aid	539.0	- 11.5	459.0	- 14.8	456.7	457.5	0.2	494.2	482.5	- 1.4
Dried fodder	1.5.1992-30.4.1993									
Guide price ⁶	178.61	0	178.61	0	178.61	178.61	0	178.61	178.61	0
Peas and field beans	1.7.1992-30.6.1993									
Activating price	440.1	- 1.5	440.1	0	440.1	440.1	0	440.1	440.1	0
Guide price	290.3	- 1.5	290.3	0	290.3	290.3	0	290.3	290.3	0
Minimum price: peas	253.4	- 1.5	253.4	0	253.4	253.4	0	253.4	253.4	0
field beans	234.7	- 1.5	234.7	0	234.7	234.7	0	234.7	234.7	0
Lupins	1.7.1992-30.6.1993									
Activating price	423.4	- 1.5	423.4	0	423.4	423.4	0	423.4	423.4	0
Minimum price	284.2	- 1.5	284.2	0	284.2	284.2	0	284.2	284.2	0
Flax	1.8.1992-31.7.1993									
Guide price (seed)	544.90	- 1.5	544.90	0	507.30	516.70	1.9	544.90	544.90	0
Fixed-rate aid (fibre) (per ha)	374.36	0	374.36	0	318.87	374.36	17.4	318.87	374.36	17.4
Hemp	1.8.1992-31.7.1993									
Fixed-rate aid (per ha)	339.42	0	339.42	0	289.16	339.42	17.4	289.16	339.42	17.4
Aid (seed)	245.90	- 1.5	245.90	0	245.90	245.90	0	245.90	245.90	0
Silkworms	1.4.1992-31.3.1993									
Aid per box of silk seed	111.81	0	111.81	0	95.80	111.81	16.7	95.80	111.81	16.7

Table 10 (continued)

Product and type of price or amount (period of application)		Decisions 1991/92		Decisions 1992/93		Spain			Portugal		
		Amounts (ECU/t)	Percentage change ¹	Amounts (ECU/t)	Percentage change	Amounts in ECU/t		Percentage change	Amounts in ECU/t		Percentage change
						1991/92	1992/93		1991/92	1992/93	
1	2	3	4	5	6	7	8	9	10	11	
Cotton	1.9.1992-31.8.1993										
Guide price		958.6	0	1 027.9	7.23 ⁷	958.6	1 027.9	7.23 ⁷	958.6	1 027.9	7.23 ⁷
Minimum price		910.7	0	976.5	7.23 ⁷	910.7	976.5	7.23 ⁷	910.7	976.5	7.23 ⁷
Milk	1.4.1992-31.3.1993										
Target price		268.1	0	268.1	0	268.1	268.1	0	268.1	268.1	0
Butter											
Intervention price		2 927.8	0	2 927.8	0	3 024.9	2 927.8	- 3.2	2 927.8	2 927.8	0
Skimmed-milk powder											
Intervention price		1 724.3	0	1 724.3	0	2 026.7	1 724.3	- 14.9	2 100.0 ⁸	2 070.0	- 1.4
Grana Padano cheese, 30 to 60 days											
Intervention price		3 796.7	0	3 796.7	0	—	—	—	—	—	—
Grana Padano cheese, six months											
Intervention price		4 704.3	0	4 704.3	0	—	—	—	—	—	—
Parmigiano Reggiano cheese, six months											
Intervention price		5 192.1	0	5 192.1	0	—	—	—	—	—	—
Beef/veal	2.4.1992-31.3.1993										
Guide price for adult bovine animals ⁹		2 000	0	2 000	0	2 000	2 000	0	2 000	2 000	0
Intervention price: quality R 3, category A		3 430	0	3 430	0	3 430	3 430	0	3 430	3 430	0
Intervention price: quality R 3, category C		3 430	0	3 430	0	3 430	3 430	0	3 430	3 430	0
Sheepmeat	7.1.1992-6.1.1993										
Basic price (carcass weight)		4 229.5	- 2	4 229.5	0	4 229.5	4 229.5	0	4 229.5	4 229.5	0
Pigmeat	1.7.1992-30.6.1993										
Basic price (carcass weight)		1 897	0	1 897	0	1 897	1 897	0	1 897	1 897	0

Table 10 (continued)

Product and type of price or amount (period of application)	Decisions 1991/92		Decisions 1992/93		Spain ¹⁰			Portugal ¹¹			
	Amounts (ECU/t)	Percentage change ¹²	Amounts (ECU/t)	Percentage change ¹²	Amounts in ECU/t		Percentage change ¹²	Amounts in ECU/t		Percentage change ¹²	
					1991/92	1992/93		1991/92	1992/93		
1	2	3	4	5	6	7	8	9	10	11	
Fruits and vegetables: Basic price											
Cauliflowers	1.5.1992-30.4.1993	—	0	—	0	—	—	+ 5.0	—	—	+ 3.4
Tomatoes	11.6.1992-30.11.1992	—	0	—	0	—	—	+ 13.8	—	—	+ 5.5
Peaches	1.6.1992-30.9.1992	—	0	—	0	—	—	+ 1.0	—	—	0
Lemons	1.6.1992-31.5.1993	—	0	—	0	—	—	+ 9.7	—	—	+ 9.0
Pears	1.7.1992-30.4.1993	—	0	—	0	—	—	+ 7.9	—	—	+ 8.6
Table grapes	1.8.1992-20.11.1992	—	0	—	0	—	—	0	—	—	+ 5.4
Apples	1.8.1992-31.5.1993	—	0	—	0	—	—	+ 7.5	—	—	+ 5.0
Mandarins	16.11.1992-28.2.1993	—	0	—	0	—	—	+ 5.6	—	—	0
Sweet oranges	1.12.1992-31.5.1993	—	0	—	0	—	—	+ 1.8	—	—	+ 4.5
Apricots	1.6.1992-31.7.1993	—	0	—	0	—	—	+ 8.1	—	—	+ 6.3
Aubergines	1.7.1992-31.10.1992	—	0	—	0	—	—	+ 16.0	—	—	+ 5.8
Clementines	1.12.1992-15.2.1993	—	0	—	0	—	—	0	—	—	0
Satsumas	16.10.1992-15.1.1993	—	0	—	0	—	—	0	—	—	0
Nectarines	1.6.1992-31.8.1992	—	0	—	0	—	—	0	—	—	0
Table wine ¹³	1.9.1992-31.8.1993										
Guide price, Type R I		3.21	0	3.21	0	3.01	3.21	+ 6.64	3.21	3.21	0
Guide price, Type R II		3.21	0	3.21	0	3.01	3.21	+ 6.64	3.21	3.21	0
Guide price, Type R III		52.14	0	52.14	0	48.81	52.14	+ 6.82	52.14	52.14	0
Guide price, Type A I		3.21	0	3.21	0	3.01	3.21	+ 6.64	3.21	3.21	0
Guide price, Type A II		69.48	0	69.48	0	65.04	69.48	+ 6.83	69.48	69.48	0
Guide price, Type A III		79.35	0	79.35	0	74.28	79.35	+ 6.83	79.35	79.35	0

¹ Without the agrimonetary effect.

² Portuguese producers receive special assistance to grow common wheat, barley, maize, sorghum and rye (Regulation No 3653/90).

³ For the 1991/92 marketing year, this price was increased by ECU 3.37/t for a higher quality. A premium of ECU 3.27/t is proposed for 1992/93 (-3.00%).

⁴ For the 1991/92 marketing year, this price was increased by ECU 4.22/t for a higher quality. A premium of ECU 4.09/t is proposed for 1992/93 (-3%).

⁵ ECU/quintal.

⁶ A 20% reduction in aid over 2 years has been decided, using a coefficient of 90% in 1991/92 and 80% in 1992/93.

⁷ Technical adjustment taking account of the improvement in the standard quality.

⁸ For the Azores, the intervention price for skimmed-milk powder is ECU 3/100 kg less than the price indicated, which is applicable on the mainland.

⁹ Price per tonne (liveweight).

¹⁰ Including price alignment (third alignment).

¹¹ Including price alignment (second alignment).

¹² Without the effect of intervention thresholds.

¹³ R I, R II and A I expressed in ECU/%/hl; R III, A II and A III expressed in ECU/hl. For Portugal including price alignment (first alignment) carried out in 1991/92.

Table 11 — *Price decisions in ecus for tobacco*

Product, group and variety	1991 harvest: Decisions	1992 harvest: Decisions
	Price/premium (percentage change compared with 1990)	Price/premium (percentage change compared with 1991)
1	2	3
Tobacco	Price: - 6 adjustable Premium: - 6 adjustable	0, except where the proportion of lower qualities purchased by a processor exceeds a specified maximum

Table 12 — *Effect of Council decisions on support prices for agricultural products expressed in ecus and in national currency¹*

	Percentage change in prices ^{2,3}	
	in ecus	in national currency ⁴
Belgium	0.0	0.0
Denmark	0.0	0.0
Germany	0.0	0.0
Greece ⁵	0.0	6.1
Spain ⁶	1.2	-0.4
France	0.0	0.0
Ireland	0.0	0.0
Italy	0.0	0.0
Luxembourg	0.0	0.0
Netherlands	0.0	0.0
Portugal ⁶	-0.8	-1.9
United Kingdom	0.0	0.0
EUR 12 ⁶	0.1	0.2

¹ Excluding the impact of stabilizers.

² Percentage difference between the support prices adopted for 1992/93 and the support prices for 1991/92.

³ Support price (intervention or equivalent), weighted according to the share of the various products in the value of agricultural production covered by common prices.

⁴ Common prices in ecus, converted at green rates adopted. For the currencies outside the narrow band of the EMS, calculations were done using the rates of the week ending on 19 May 1992.

⁵ Including effect of automatic dismantlement.

⁶ Including effect of alignment of Spanish and Portuguese prices on common prices under accession arrangements.

cultural products and indications referring thereto on agricultural products and food-stuffs.

- **Commission proposal:** OJ C 74, 25.3.1992; COM(92) 69; Bull. 3-1992, point 1.2.153

Endorsed by the Economic and Social Committee on 16 May, subject to various amendments. The Committee recommended that the Commission develop a test or tests to verify the genuineness of organic products and the conformity of imported produce with Community requirements.

Veterinary and zootechnical legislation

1.1.149. Proposal for a Council Decision on computerization of veterinary import procedures (Shift project), amending Directives 90/675/EEC, 91/496/EEC and 91/628/EEC and Decision 90/424/EEC and repealing Decision 88/192/EEC.

- **Decision to be repealed:** Council Decision 88/192/EEC on a system for health control of imports from third countries at frontier inspection posts (Shift project): OJ L 89, 6.4.1988; Bull. EC 3-1988, point 2.1.164.
- **Decision to be amended:** Council Decision 90/424/EEC on expenditure in the veterinary field (OJ L 224, 18.8.1990; Bull. EC 6-1990, point 1.3.141), as last amended by Regulation (EEC) No 3763/91: OJ L 356, 24.12.1991; Bull. EC 12-1991, point 1.2.224
- **Directives to be amended:**

Council Directive 90/675/EEC laying down the principles governing the organization of veterinary checks on products entering the Community from third countries (OJ L 373,

Table 13 — *Agrimonetary decisions: Price package, 1992/93*
(Applicable on 1 June 1992 or at the beginning of the 1992/93 marketing year)

Member States Product group ¹	Green central rates ² (ecu = ... nc)	Previous situation			Dismantle- ment	Green rates (ecu = ... nc)	New situation		Effect on prices
		Green rates (ecu = ... nc)	Real gaps (points)	Applied gaps (points)			Real gaps (points)	Applied gaps (points)	
<i>Belgium/Luxembourg</i> All products	48.5563	48.5563	0.000	0.0	0	48.5563	0.000	0.0	0.000
<i>Denmark</i> All products	8.97989	8.97989	0.000	0.0	0	8.97989	0.000	0.0	0.000
<i>Germany</i> All products	2.35418	2.35418	0.000	0.0	0	2.35418	0.000	0.0	0.000
<i>Greece</i> Sheepmeat, cereals, sugar, wine, olive oil, tobacco, fishery products, structures Products for which the new mar- keting year has started ³ Poultry ⁴ Grain legumes ⁴ Other crop products ⁴ Others ⁴	278.728	252.121	- 10.553	- 9.1	9.053	274.609	- 1.500	0.0	8.920
		257.188	- 8.375		6.875	274.609	- 1.500		6.774
		256.487	- 8.671	- 5.6	7.171	274.609	- 1.500	0.0	7.065
		257.895	- 8.078		6.578	274.609	- 1.500	0.0	6.481
		257.188	- 8.375		6.875	274.609	- 1.500		6.774
		257.895	- 8.078	- 6.6	6.578	274.609	- 1.500	0.0	6.481
<i>Spain</i> Beef, milk Cereals, sugar Olive oil, wine, dried fodder, flax, hemp, silkworms Cotton, grain legumes Sheepmeat, other crop products Others	147.055	154.138	4.595	3.1	- 1.298	152.069	3.297	1.8	- 1.342
		153.498	4.197	2.7	- 1.099	151.756	3.098	1.6	- 1.135
		149.813	1.841	0.0	0.000	149.813	1.841	0.0	0.000
		151.660	3.036		- 0.518	150.853	2.518	0.0	- 0.532
		150.828	2.502		- 0.251	150.441	2.251	0.0	- 0.257
		151.660	3.036	0.0	- 0.518	150.853	2.518	0.0	- 0.532

Table 13 (continued)

Member States Product group ¹	Green central rates ² (ecu = ... nc)	Previous situation			Dismantle-ment	Green rates (ecu = ... nc)	New situation		Effect on prices
		Green rates (ecu = ... nc)	Real gaps (points)	Applied gaps (points)			Real gaps (points)	Applied gaps (points)	
<i>France</i> All products	7.89563	7.89563	0.000	0.0	0	7.89563	0.000	0.0	0.000
<i>Ireland</i> All products	0.878776	0.878776	0.000	0.0	0	0.878776	0.000	0.0	0.000
<i>Italy</i> All products	1 761.45	1 761.45	0.000	0.0	0	1 761.45	0.000	0.0	0.000
<i>Netherlands</i> All products	2.65256	2.65256	0.000	0.0	0	2.65256	0.000	0.0	0.000
<i>Portugal</i> All products	195.527	208.676	6.301	4.8	- 1.076	206.307	5.225	3.7	- 1.135
<i>United Kingdom</i> All products	0.801661	0.795423	- 0.784	0.0	0.000	0.795423	- 0.784	0.0	0.000

¹ Except pigmeat (application of Article 6a of Council Regulation (EEC) No 1676/85).

² Coefficient: 1.145109 — green market rate for floating currencies; week of reference: 13 May 1992 to 19 May 1992.

³ Dried fodder, silkworms, tomatoes, cucumbers, courgettes, aubergines, cherries, apricots, peaches, nectarines, table grapes, cauliflowers, cherries in syrup.

⁴ The price package dismantlement has to be added to the automatic dismantlement taking effect at the beginning of the 1992/93 marketing year.

Poultry	252.121	- 10.553	- 5.6	1.882	256.487	- 8.671	3.4	1.732
Grain legumes	252.121	- 10.553		2.475	257.895	- 8.078		2.290
Other crop products	252.121	- 10.553	- 9.1	2.178	257.188	- 8.375	- 6.9	2.010
Others	252.121	- 10.553	- 9.1	2.475	257.895	- 8.078	- 6.6	2.290

31.12.1990; Bull. EC 12-1990, point 1.3.178), as amended by Directive 91/496/EEC (below)

Council Directive 91/496/EEC laying down the principles governing the organization of veterinary checks on animals entering the Community from third countries (OJ L 268, 24.9.1991; Bull. EC 7/8-1991, point 1.2.175), as amended by Directive 91/628/EEC (below)

Council Directive 91/628/EEC on the protection of animals during transport: OJ L 340, 11.12.1991; Bull. EC 11-1191, point 1.2.114

Adopted by the Commission on 4 May. Provides, as part of the introduction of data transmission networks which should enable the single market to function smoothly, for the computerization of veterinary import procedures for animals and animal products from third countries. Covers in particular the information procedure where a consignment is rejected, the maintenance and operation of databases and computerized certification.

OJ C 140, 3.6.1992; COM(92) 167

1.1.150. Proposal for a Council Directive concerning the protection of animals kept for farming purposes.

- **Reference:** Council Decision 78/923/EEC approving on behalf of the Community the conclusion of the European Convention for the Protection of Animals kept for Farming Purposes: OJ L 323, 17.11.1978

Adopted by the Commission on 15 May. The purpose of the proposal is to implement the requirements of the European Convention of the Protection of Animals kept for Farming Purposes by adopting harmonized rules for the treatment, housing and care of farm animals.

COM(92) 192

1.1.151. Proposal for a Council Directive amending Directives 81/602/EEC and 88/146/EEC as regards the prohibition of certain substances having a hormonal action and of any substances having a thyrostatic action

- **Commission proposal:** OJ C 99, 20.4.1989; COM(89) 136; Bull. EC 3-1989, point 2.1.140
- **Economic and Social Committee opinion:** OJ C 159, 26.6.1989; Bull. EC 4-1989, point 2.1.155

- **Amended Commission proposal:** OJ C 245, 29.9.1990; COM(90) 396; Bull. EC 9-1990, point 1.2.138
- **Parliament opinion:** OJ C 13, 20.1.1992; Bull. EC 12-1991, point 1.2.206

Second amended proposal adopted by the Commission on 20 May.

OJ C 147, 11.6.1991; COM(92) 207

1.1.152. The Commission adopted:

- Decision 92/265/EEC, 18.5.1992: OJ L 137, 20.5.1992 — pig imports (Austria)
- Decision 92/271/EEC, 20.5.1992: OJ L 138, 21.5.1992 — imports (Bosnia-Herzegovina)
- Decision 92/280/EEC, 8.5.1992: OJ L 144, 26.5.1992 — fresh meat imports (Nicaragua)
- Decision 92/281/EEC, 8.5.1992: OJ L 150, 2.6.1992 — poultry and hatching eggs (United Kingdom)
- Decision 92/283/EEC, 8.5.1992: OJ L 150, 2.6.1992 — poultry and hatching eggs (Netherlands).

Disease control

1.1.153. Proposal for a Council Decision amending for the third time Decision 90/424/EEC on expenditure in the veterinary field.

- **Decision to be amended:** Council Decision 90/424/EEC (OJ L 224, 18.8.1990; Bull. EC 6-1990, point 1.3.141), as last amended by Regulation (EEC) No 3763/91: OJ L 356, 24.12.1991; Bull. EC 12-1991, point 1.2.224

Adopted by the Commission on 11 May. Includes African swine fever in the list of endemic diseases in the Annex to Decision 90/424/EEC so permitting the Community to provide financial assistance where appropriate to the Member States concerned once specific measures to eradicate this disease have expired.

COM(92) 187

1.1.154. Council Directive 92/40/EEC introducing Community measures for the control of avian influenza.

- **Commission proposal:** OJ C 231, 5.9.1991; COM(91) 304; Bull. EC 7/8-1991, point 1.2.189
- **Parliament opinion:** OJ C 326, 16.12.1991; Bull. EC 11-1991, point 1.2.126
- **Economic and Social Committee opinion:** OJ C 79, 30.3.1992; Bull. EC 1/2-1992, point 1.3.183

Adopted on 19 May. Provides for measures to eradicate avian influenza and prevent fresh outbreaks from spreading, principally through systematic slaughter with possible vaccination and stringent controls on the movement of poultry. Also provides for the destruction of the carcasses of infected fowl, the setting-up of protected and monitored areas around affected holdings and the establishment of laboratories to provide the technical assistance required.

OJ L 167, 22.6.1992

1.1.155. The Commission adopted

- Decision 92/279/EEC, 5.5.1992: OJ L 144, 26.5.1992 — infectious haemopoietic necrosis and viral haemorrhagic septicaemia (Germany)
- Decision 92/290/EEC, 14.5.1992: OJ L 152, 4.6.1992 — bovine spongiform encephalopathy (United Kingdom)
- Decision 92/292/EEC, 19.5.1992: OJ L 152, 4.6.1992 — avian plague (United Kingdom)
- Decision 92/298/EEC, 21.5.1992: OJ L 162, 16.6.1992 — rabies (Italy)
- Decision 92/299/EEC, 22.5.1992: OJ L 162, 16.6.1992 — bovine tuberculosis (Portugal)
- Decision 92/300/EEC, 22.5.1992: OJ L 162, 16.6.1992 — cholera (South America)
- Decision 92/301/EEC, 22.5.1992: OJ L 162, 16.6.1992 — bovine brucellosis (Portugal)
- Decision 92/302/EEC, 22.5.1992: OJ L 162, 16.6.1992 — rabies (Luxembourg)
- Decision 92/303/EEC, 22.5.1992: OJ L 162, 16.6.1992 — rabies (Germany)
- Decision 92/304/EEC, 22.5.1992: OJ L 162, 16.6.1992 — rabies (France)
- Decision 92/305/EEC, 22.5.1992: OJ L 162, 16.6.1992 — enzootic bovine leukosis (Portugal)
- Decision 92/307/EEC, 25.5.1992: OJ L 162, 16.6.1992 — rabies (Belgium).

Prices and related measures

1.1.156. Proposal for a Council Decision on temporary national compensation in 1992 for farmers in Germany.

- **Commission proposal:** OJ C 54, 29.2.1992; COM(91) 551; Bull. EC 12-1991, point 1.2.226
- **Economic and Social Committee opinion:** OJ C 106, 27.4.1992; Bull. EC 3-1992, point 1.2.158

Endorsed by the Council on 21 May.

Market organization

Cereals

1.1.157. The Commission adopted:

- Regulation (EEC) No 1135/92, 4.5.1992: OJ L 120, 5.5.1992 — supplies to the French overseas departments
- Regulation (EEC) No 1144/92, 5.5.1992: OJ L 121, 6.5.1992 — intervention sale
- Regulation (EEC) No 1206/92, 11.5.1992: OJ L 126, 12.5.1992 — deliveries to the Azores and Madeira
- Regulation (EEC) No 1309/92, 21.5.1992: OJ L 139, 22.5.1992 — guar seeds
- Regulation (EEC) No 1349/92, 26.5.1992: OJ L 145, 27.5.1992 — export refunds
- Regulation (EEC) No 1351/92, 26.5.1992: OJ L 145, 27.5.1992 — supplementary trade mechanism (Portugal)
- Regulation (EEC) No 1352/92, 26.5.1992: OJ L 145, 27.5.1992 — maize (France)
- Regulation (EEC) No 1402/92, 27.5.1992: OJ L 146, 28.5.1992 — supplies to the French overseas departments
- Regulation (EEC) No 1414/92, 27.5.1992: OJ L 146, 28.5.1992 — export licences.

Sugar

1.1.158. The Commission adopted:

- Regulation (EEC) No 1170/92, 6.5.1992: OJ L 122, 7.5.1992 — use of the ecu.

Oils and fats

1.1.159. Council Regulation (EEC) No 1332/92 introducing specific measures for table olives.

- **Commission proposals:** OJ C 213, 28.8.1990; OJ C 162, 21.6.1991; COM(90) 345; COM(91) 189; Bull. EC 7/8-1990, point 1.3.198 and Bull. EC 5-1991, point 1.2.124
- **Parliament opinion:** OJ C 67, 16.3.1992; Bull. EC 1/2-1992, points 1.3.195 and 1.3.196
- **Council endorsement:** Bull. EC 4-1992, points 1.3.138 and 1.3.139

Formally adopted on 18 May. The Regulation, which combines two proposals includes measures to increase consumption of table olives and specific aid to provide working capital to regulate supply by finan-

cing the storage required for the olives to be marketed at an appropriate time.

OJ L 145, 27.5.1992

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

- Commission proposal: OJ C 36, 14.4.1992; COM(91) 462; Bull. EC 11-1991, point 1.2.105

Endorsed by the Economic and Social Committee on 26 May, subject to comments concerning the precise definition of butter.

1.1.161. The Commission adopted:

- Regulation (EEC) No 1241/92, 14.5.1992: OJ L 130, 15.5.1992 — support system
- Regulation (EEC) No 1259/92, 15.5.1992: OJ L 131, 16.5.1992 — special levy (Tunisia)
- Regulation (EEC) No 1308/92, 21.5.1992: OJ L 139, 22.5.1992 — production of olive oil
- Regulation (EEC) No 1318/92, 22.5.1992: OJ L 140, 22.5.1992 — production aid for olive oil
- Regulation (EEC) No 1405/92, 27.5.1992: OJ L 146, 28.5.1992 — advance payments to producers
- Regulation (EEC) No 1429/92, 26.5.1992: OJ L 150, 2.6.1992 — characteristics of olive oil and olive-residue oil

Fresh fruit and vegetables

1.1.162. The Commission adopted:

- Regulation (EEC) No 1326/92, 22.5.1992: OJ L 140, 23.5.1992 — supplementary trade mechanism (Spain)
- Regulation (EEC) No 1406/92, 27.5.1992: OJ L 146, 28.5.1992 — supplementary trade mechanism (Portugal)
- Regulation (EEC) No 1411/92, 27.5.1992: OJ L 146, 28.5.1992 — intervention threshold for cauliflowers, peaches, nectarines and lemons
- Regulation (EEC) No 1412/92, 27.5.1992: OJ L 146, 28.5.1992 — Community offer prices for lemons
- Regulation (EEC) No 1413/92, 27.5.1992: OJ L 146, 28.5.1992 — reference prices for lemons
- Regulation (EEC) No 1422/92, 27.5.1992: OJ L 148, 29.5.1992 — basic price and buying-in price for peaches and nectarines
- Regulation (EEC) No 1423/92, 27.5.1992: OJ L 148, 29.5.1992 — minimum purchase price for lemons delivered for processing

Processed fruit and vegetables

1.1.163. Proposal for a Council Regulation amending Regulation (EEC) No 426/86 on the common organization of the market in products processed from fruit and vegetables.

- Commission proposal: OJ C 116, 7.5.1992; COM(92) 138; Bull. EC 4-1992, point 1.3.146

Endorsed by the Economic and Social Committee on 26 May.

1.1.164. Proposal for a Council Regulation establishing a special scheme for raspberries intended for processing.

- Commission proposal: OJ C 113, 1.5.1992; COM(92) 129; Bull. EC 4-1992, point 1.3.147

Endorsed by the Council on 21 May.

1.1.165. Council Regulation (EEC) No 1333/92 on the system of minimum import prices for certain soft fruits originating in Hungary, Poland and the Czech and Slovak Federal Republic.

- Commission proposal: COM(92) 139; Bull. EC 4-1992, point 1.3.148

Adopted on 18 May.

OJ L 145, 27.5.1992

1.1.166. The Commission adopted:

- Regulation (EEC) No 1134/92, 4.5.1992: OJ L 120, 5.5.1992 — processed cherries
- Regulation (EEC) No 1211/92, 12.5.1992: OJ L 127, 13.5.1992 — dried grapes
- Regulation (EEC) No 1226/92, 13.5.1992: OJ L 128, 14.5.1992 — processed fruit and vegetables

Wine

1.1.167. Council Regulations (EEC) Nos 1335/92 and 1336/92 amending, respectively, Regulation (EEC) No 2390/89 laying down general rules for the import of wines, grape juice and grape must and Regulation (EEC) No 1873/84 authorizing the offer or disposal for direct human consumption of certain imported wines which may have undergone oenological processes not provided for in Regulation (EEC) No 822/87.

- **Commission proposals:** COM(92) 171; Bull. EC 4-1992, point 1.3.151

Adopted on 18 May.

OJ L 145, 27.5.1992

1.1.168. The Commission adopted:

- Regulation (EEC) No 1238/92, 8.5.1992: OJ L 130, 15.5.1992 — methods of analysis of neutral alcohol

Tobacco

1.1.169. The Commission adopted:

- Regulation (EEC) No 1210/92, 12.5.1992: OJ L 127, 13.5.1992 — yield per hectare

Milk

1.1.170. Proposal for a Council Regulation amending Regulation (EEC) No 1411/71 laying down additional rules on the common market organization in milk and milk products for drinking milk.

- **Commission proposal:** OJ C 320, 27.11.1991; COM(91) 454; Bull. EC 11-1991, point 1.2.155

Endorsed by Parliament on 15 May, subject to technical amendments.

OJ C 150, 15.6.1992

1.1.171. Council Regulation (EEC) No 1334/92 fixing the guideline figure for the 1992/93 milk year for the fat content of standardized whole milk imported into Ireland and the United Kingdom.

- **Commission proposal:** COM(92) 172; Bull. EC 4-1992, point 1.3.157

Adopted on 18 May.

OJ L 145, 27.5.1992

1.1.172. The Commission adopted:

- Regulation (EEC) No 1143/92, 5.5.1992: OJ L 121, 6.5.1992 — sale of skimmed-milk powder
- Regulation (EEC) No 1192/92, 7.5.1992: OJ L 124, 9.5.1992 — latest date for entry into storage of skimmed-milk powder
- Regulation (EEC) No 1264/92, 18.5.1992: OJ L 135, 19.5.1992 — intervention butter
- Regulation (EEC) No 1269/92, 19.5.1992: OJ L 137, 20.5.1992 — sale of butter

- Regulation (EEC) No 1270/92, 19.5.1992: OJ L 137, 20.5.1992 — latest date for entry into storage of butter

- Regulation (EEC) No 1321/92, 22.5.1992: OJ L 140, 23.5.1992 — sale of butter

Beef and veal

1.1.173. The Commission adopted:

- Regulation (EEC) No 1136/92, 4.5.1992: OJ L 120, 5.5.1992 — imports from Hungary, Poland and the Czech and Slovak Federal Republic
- Regulation (EEC) No 1320/92, 22.5.1992: OJ L 140, 23.5.1992 — transitional support measures (Spain)
- Regulation (EEC) No 1350/92, 26.5.1992: OJ L 145, 27.5.1992 — management measures for imports
- Regulation (EEC) No 1354/92, 26.5.1992: OJ L 145, 27.5.1992 — intervention sale
- Regulation (EEC) No 1404/92, 27.5.1992: OJ L 146, 28.5.1992 — high-quality beef

Sheepmeat and goatmeat

1.1.174. Proposal for a Council Regulation on the arrangements applicable to the importation into the Community of sheepmeat and goatmeat products originating in the Republics of Bosnia-Herzegovina, Croatia and Slovenia and the Yugoslav Republics of Macedonia, Montenegro and Serbia.

- **Reference:** EEC-Yugoslavia Agreement on trade in the sheepmeat and goatmeat sector (OJ L 137, 23.5.1981), adjusted in 1990: OJ L 95, 12.4.1990

Adopted by the Commission on 25 May. Would suspend the system of administering the EEC-Yugoslavia Agreement, which provided for the submission of Yugoslav export licences, this system to be replaced temporarily by the exclusive administration of the imports concerned by the Community.

COM(92) 221

Pigmeat

1.1.175. The Commission adopted:

- Regulation (EEC) No 1271/92, 19.5.1992: OJ L 137, 20.5.1992 — export refunds

State aid

Decisions to raise no objections

Germany

1.1.176. Commission decision concerning a framework programme for the improvement of agricultural structures.

Adopted on 20 May. The Commission raises no objections to the framework programme for investment aid in the dairy sector of the new *Länder*, but specifies that it must, nevertheless, be notified of such aid where it includes subsidies to normally excluded products. The Commission also reserves the right to review its position on the framework programme in the light of developments in the dairy sector.

France

1.1.177. Commission decision concerning a 'Pure water for Brittany' multiannual programme.

- **Reference:** Directive 91/676/EEC concerning the protection of waters against pollution caused by nitrates from agricultural sources: OJ L 375, 31.12.1991; Bull. EC 12-1991, point 1.2.298

Adopted on 6 May. This programme provides for aid for farmer awareness and training, studies and experiments, experimental treatment of animal wastes and on-farm investment. The French authorities have undertaken to adjust national rules within the time-limits set by Directive 91/676/EEC.

Decision to initiate proceedings

Belgium

1.1.178. Commission decision on aid and parafiscal charges in the beef and veal, sheepmeat, goatmeat and horsemeat sectors.

Adopted on 27 May. The aid, to promote the sale of the products concerned, is finan-

ced by parafiscal charges levied, not only on Belgian animals and products, but also on those imported from other Member States.

Accordingly, although the Commission has no comments to make on the aim of the aid, it considers the aid to be incompatible with the common market.

International cooperation

1.1.179. Bilateral agricultural agreements between the Community and the EFTA countries (→ point 1.2.1).

Fisheries

Review and future development of the common fisheries policy

- **Reference:** Commission report on the common fisheries policy: Bull. EC 12-1991, point 1.2.255

1.1.180. Parliament resolution on the common fisheries policy and the adjustments to be made.

- **Reference:** Delors II package: structural and financial measures 1993-97: Bull. EC 1/2-1992, point 1.2.1

Adopted on 15 May. Parliament welcomed the Commission's guidelines concerning the need for the structural adjustments to be accompanied by appropriate socio-economic measures, the implementation of biological, climatological and oceanographic research programmes, the setting-up of means of controlling fishing activities alongside the system of TACs and quotas, and the inclusion of fisheries in the reform of the structural Funds through the adoption of the new Objective 6.

It regretted, however, that the Delors II package did not provide for a larger increase in appropriations. It also stressed its support for maintaining non-industrial fishing, for the control of access to the profession and for efforts to reduce capacity. It advo-

cated a more stringent control of access to resources, notably by increasing Community resources and inspection powers, using modern remote surveillance methods and imposing genuinely deterrent penalties. It also stressed the need for a realistic policy of research into fishery resources in the waters of third countries, to be undertaken with them on a cooperative basis.

OJ C 150, 15.6.1992

1.1.181. Economic and Social Committee opinion on the report on the common fisheries policy.

Endorsed 27 May, subject to certain comments.

The Economic and Social Committee stressed the need to conserve fishery resources and proposed that regulatory measures should, along with TACs and quotas, include criteria such as the duration and number of fishing days, the number, size and engine power of vessels, and the characteristics of fishing gear, though excessive regulation could prove detrimental to safety on board fishing vessels.

The Committee called for improved monitoring and a tailored reduction of the fishing fleet, accompanied by a package of social measures including training. It urged the Commission to inject a new dynamism into the common market organization and to pursue the conclusion of fishery agreements with third countries.

Resources

Internal aspects

1.1.182. Proposal for a Council Regulation amending for the 12th 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. EC 10-1986, point 2.1.174), as last amended by Regulation (EEC) No 345/92: OJ L 42, 18.2.1992; Bull. EC 1/2-1992, point 1.3.238

Adopted by the Commission on 27 May. Would postpone to 1 January 1993, for technical reasons, the entry into force of the minimum mesh size for certain pelagic species and certain types of prawns in Regions 1 and 2.

COM(92) 225

External aspects

Comoros

1.1.183. Proposal for a Council Regulation relating to the conclusion of the Protocol setting out the fishing opportunities and financial compensation provided for in the Agreement between the European Economic Community and the Government of the Islamic Federal Republic of the Comoros on fishing off the Comoros for the period from 20 July 1991 to 19 July 1994.

- **Reference:** EEC-Comoros Agreement: OJ L 137, 2.6.1988; Bull. EC 7/8-1988, point 2.1.207
- **Commission proposal:** OJ C 278, 25.10.1991; Bull. EC 10-1991, point 1.2.165

Endorsed by Parliament on 15 May, subject to an amendment requiring the Commission to provide Parliament and the Council with certain information.

OJ C 150, 15.6.1992

Baltic States

1.1.184. Recommendation for a Council Decision authorizing the Commission to negotiate a fisheries agreement with the Republics of Latvia, Lithuania and Estonia.

Adopted by the Commission on 18 May. Provides for reciprocal access to fishing zones, the exchange of quotas, the setting-up of joint ventures and access to the Community market for Baltic products subject to these having a presentation attractive to the Community consumer.

Morocco

1.1.185. EEC-Morocco Fisheries Agreement.

- **Previous Agreement:** OJ L 181, 12.7.1988; Bull. EC 6-1988, point 2.1.239

Agreement initialled in Brussels on 15 May. Guarantees continuing and stable fishing opportunities for the Community fleet, fixed overall at the same level as in the 1988-92 Agreement. Additional opportunities are also envisaged for certain specific types of fishing.

The Agreement provides for stronger measures to conserve resources, in particular by introducing a 'biological recovery' period.

It also involves new forms of cooperation, notably in the spheres of research, vocational training and assistance for crews at sea.

The Agreement also provides for adjustments to the detailed rules governing the preferential arrangements on trade in preserved sardines.

The financial compensation accorded by the Community to Morocco amounts to ECU 102.1 million per year.

Market organization

1.1.186. Proposal for a Council Regulation amending Regulations (EEC) No 3687/91 on the common organization of the market in fishery products and No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff.

- **Regulations to be amended:**
 - Regulation (EEC) No 3687/91: OJ L 354, 23.12.1991; Bull. EC 11-1991, point 1.2.176
 - Regulation (EEC) No 2658/87: OJ L 256, 7.9.1987; Bull. EC 7/8-1987, point 2.1.80

Adopted by the Commission on 22 May. Seeks to differentiate surimi and preparations of surimi as products subject to the rules of the common fisheries policy and in the Common Customs Tariff.

COM(92) 213

International cooperation

1.1.187. International Conference on Responsible Fishing.

Held in Cancun, from 6 to 8 May. This conference, organized by the Mexican Government under the auspices of the FAO, was attended by delegations from 67 countries, different international fishery organizations and the Community, and culminated in the adoption of a joint declaration. This text recommended the drafting of an international code of conduct for responsible fishing, the promotion of effective international cooperation with a view to ensuring the conservation of the living resources of the high seas within the legal framework of the United Nations Convention on the Law of the Sea (Unclos), the abolition of barriers to international trade in fishery products and the efficient use of fishery resources, together with the organization of an international conference on high-sea fishing and a 'Decade for responsible fishing'.

1.1.188. Bilateral fishery agreements between the Community and the EFTA countries (→ point 1.2.1).

Consumer protection

Time-share contracts

1.1.189. Proposal for a Council Directive concerning the protection of purchasers in contracts relating to the utilization of immovable property on a time-share basis.

- **References:**
 - Parliament resolution on the need to fill the legal gap in the time-share market: OJ C 290, 14.11.1988; Bull. EC 10-1988, point 2.1.121
 - Parliament resolution on a Community tourism policy: OJ C 183, 15.7.1991; Bull. EC 6-1991, point 1.2.67

Adopted by the Commission on 20 May. The purpose of the proposal is to provide the consumer with legal security in time-share contracts, which tend to be highly complex and are characterized by the absence of effective legislation and their largely trans-frontier nature.

The aim is to put an end to the widespread unfair practices to which consumers are subjected by ensuring that the consumer has access to the information he needs prior to signing the contract, and granting a cooling-off period after signing, to give him legal redress against the use of aggressive sales techniques.

The minimum elements of the contract have to be specified, namely a description of the property, the precise periods and dates of time-share entitlement, the total cost for the purchaser, and the amount of annual charges.

Finally, to ensure that the purchaser is given adequate time to reconsider, the proposal stipulates that Member States must make provision for a cooling-off period of 14 days (for a purchase within the Member State) and of 28 days (for a purchase in another Member State) before the contract is finally concluded.

COM(92) 220

A people's Europe

I

Labelling of tobacco products

1.1.190. Council Directive amending Directive 89/622/EEC on the approximation of the laws, regulations and administrative provisions of the Member States concerning the labelling of tobacco products.

- **Commission proposal:** OJ C 29, 5.2.1991; COM(90) 538; Bull. EC 11-1990, point 1.3.205
- **Economic and Social Committee opinion:** OJ C 191, 22.7.1991; Bull. EC 5-1991, point 1.2.166
- **Parliament opinion (first reading):** OJ C 240, 16.9.1991; Bull. EC 7/8-1991, point 1.2.288
- **Amended Commission proposal:** OJ C 260, 5.10.1991; COM(91) 336; Bull. EC 9-1991, point 1.2.129
- **Council common position:** Bull. EC 11-1991, point 1.2.195

- **Parliament opinion (second reading):** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.216
- **Re-examined Commission proposal:** Bull. EC 4-1992, point 1.3.182

Adopted by the Council and the Ministers for Health, meeting within the Council, on 15 May. The Directive amends Directive 89/622/EEC, which mainly concerned cigarettes. It extends to tobacco products other than cigarettes the obligation to print specific health warnings on the unit of packaging and imposes a ban on the marketing of certain types of tobacco for oral use which pose special risks and which hold a particular attraction for young people.

The ban must be implemented by Member States, by 1 July 1992 and the other provisions of the Directive by 31 December 1993. Products existing on that date which do not comply with the Directive may continue to be marketed until 31 December 1994.

II

Public health

1.1.191. Conclusions of the Council and the Ministers for Health, meeting within the Council, on toxicology for health protection.

- **Reference:** Commission communication on the Community programme of action in the field of toxicology for health protection: COM(91) 341; Bull. EC 9-1991, point 1.2.128

Adopted on 15 May. The Council and the Ministers for Health noted that, to a large extent, the results achieved met the objectives previously set by them and called on the Commission to identify any action on toxicology which could be implemented in the context of future Community health policies.

1.1.192. Conclusions of the Council and the Ministers for health, meeting within the Council, on nutrition and health.

- **Reference:** Resolution of the Council and of the representatives of the governments of the Member States, meeting within the Council, concerning an action programme on nutrition and health: OJ C 329, 31.12.1990; Bull. EC 12-1990, point 1.3.304

Adopted on 15 May. The Council and the Ministers for Health referred back to their resolution of 3 December 1990 concerning an action programme on nutrition and health, which provided in particular for a European Nutrition Year, and reaffirmed the importance of such action, which, in the context of future Community policies on health, would make a substantial additional contribution to action already being undertaken by the Member States in this field.

1.1.193. Conclusions of the Council and the Ministers for health, meeting within the Council, on hereditary illnesses.

Adopted on 15 May. The Council and the Ministers for Health felt that it was important to enhance the role of epidemiological research on genetic illnesses within the framework of Community and international research programmes in the fields of biomedicine and health, and emphasized that the pooling of data and results from the various national and Community projects connected with the elimination of risk factors could facilitate the fight against hereditary illnesses.

1.1.194. Conclusions of the Council and the ministers for health, meeting within the Council, on adequate blood product availability in the Community.

Adopted on 15 May. The Council and the Ministers for Health placed particular stress on the importance of achieving blood self-sufficiency in the Member States and in the Community and considered that the risk of infection must be reduced as much as possible, protecting the health of the donor and ensuring maximum protection for the recipient.

Drugs

1.1.195. Declaration by the Council and the Ministers for Health, meeting within

the Council, on European Drug Prevention Week.

- **References:**
 - Conclusions of the Rome II European Council: Bull. EC 12-1990, point 1.17
 - Conclusions of the Maastricht European Council: Bull. EC 12-1991, point 1.9

Adopted on 15 May. The Council and the Ministers for Health affirmed their shared resolve to step up the fight at all levels to reduce demand for drugs in Europe. They considered that such efforts should concentrate primarily on prevention and more particularly on information and health education for young people and, in this connection, that the European Drug Prevention Week to be held from 16 to 22 November should encourage closer, ongoing cooperation in order to increase awareness among the general public and young people in particular.

OJ C 148, 12.6.1992

1.1.196. Proposal for a Council Regulation on the establishment of a European Drugs Monitoring Centre and a European information network on drugs and drug addiction.

- **Commission proposal:** OJ C 43 18.2.1992; COM(91) 463; Bull. EC 11-1991, point 1.2.196

Endorsed by Parliament on 13 May, subject to a number of amendments spelling out in greater detail the tasks to be entrusted to the centre and, in particular, the type of data to be collected and the priorities to be focused on.

OJ C 150, 15.6.1992

Endorsed by the Economic and Social Committee on 27 May. The Committee stressed the need for prevention based on giving inner-city areas a more human face, involving schools and universities, implementing a leisure policy targeted at young people, adopting economic and social measures to create jobs, and implementing an effective rehabilitation policy.

Amended proposal adopted by the Commission on 26 May.

COM(92) 237

1.1.197. Second report on drug demand reduction in the European Community.

- **Reference:** Conclusions of the Dublin European Council: Bull. EC 6-1990, point I.16
- **First report:** Bull. EC 11-1990, point 1.3.206

Adopted by the Commission on 15 May. The report sets out the policy guidelines and legal framework for drug demand reduction within the Member States and analyses the action taken in the field of primary prevention, reduction of drug abuse, medical treatment and rehabilitation.

1.1.198. Parliament resolution on education for health and drugs misuse in the Member States of the European Community and the Council of Europe.

Adopted on 13 May. In its resolution, Parliament recommended that education on drugs be part of general health education, provided details of action to be targeted at schoolchildren as well as teachers, general practitioners and parents, and stressed the importance of supporting education initiatives undertaken by voluntary organizations. Parliament also stressed the need for the rehabilitation of former addicts and focused on the problems of drugs in sport.

OJ C 150, 15.6.1992

1.1.199. Parliament resolution on drug trafficking.

Adopted on 13 May. Parliament stressed its intention to examine and counteract any threats to internal security resulting from the abolition of frontiers. It was not of the opinion that any form of legalization represented a viable solution to the drugs problem and it reaffirmed its support for the rule of law as encompassed in the UN Conventions and in the legislation of the Member States.

OJ C 150, 15.6.1992

Measures to help disaster victims

France

1.1.200. Commission decision to provide emergency aid for the families most affected by the Furiani Stadium tragedy in Bastia.

Adopted on 13 May. The granting of emergency aid of ECU 350 000 for the families most affected by the Furiani Stadium tragedy was intended to reflect the Commission's solidarity with the citizens of the Community who suffered in the disaster.

Audiovisual media, information, communication and culture

I

Broadcasting standards for television signals

1.1.201. Council Directive 92/38/EEC on the adoption of standards for satellite broadcasting of television signals.

- **Commission approval:** Bull. EC 6-1991, point 1.2.73
- **Commission proposal:** OJ C 194, 25.7.1991; COM(91) 242; Bull. EC 7/8-1991, point 1.2.98
- **Parliament opinion (first reading):** OJ C 326, 16.12.1991; Bull. EC 11-1991, point 1.2.60
- **Economic and Social Committee opinion:** OJ C 40, 17.2.1992; Bull. EC 11-1991, point 1.2.60
- **Amended Commission proposal:** OJ C 332, 21.12.1991; COM(91) 530; Bull. EC 12-1991, point 1.2.86
- **Council agreement on a common position:** Bull. EC 12-1991, point 1.2.86
- **Council adoption of a common position:** Bull. EC 1/2-1992, point 1.3.258
- **Parliament opinion (second reading):** OJ C 94, 13.4.1992; Bull. EC 3-1992, point 1.2.219

Adopted on 11 May. Under this Directive only the HD-MAC standard may be used for the transmission of any HDTV service which is not entirely digital and only the D2-MAC standard may be used for the transmission of any programme in the 16:9 format. The D2-MAC standard must be used for services starting on or after 1 January 1995. Such services may also be transmitted simultaneously in PAL, Secam or D-MAC. The rules laid down by this Directive, which will apply until 31 December 1998, are to be accompanied by commercial measures based on the signing by the parties concerned of a Memor-

andum of Understanding coordinating the action of the various signatories and, where appropriate, by simultaneous measures designed to support the creation of a European market for the D2-MAC 16:9 and HD-MAC standards.

OJ L 137, 20.5.1992

European cities of culture and European cultural month

1.1.202. Conclusions of the Council and the Ministers for Culture, meeting within the Council, concerning the choice of European cities of culture after 1996 and European cultural month.

- **Reference:** Conclusions of the Ministers for Culture, meeting within the Council, on the choice of the European city of culture and on a special event for European cultural month: Bull. EC 5-1990, point 1.2.233

Adopted on 18 May. The European city of culture operation is now well established and the first round of the Member States, agreed on 18 May 1990, is due to be completed in 1996. After that date, Ministers propose alternating between Member States and other European countries, avoiding the choice of cities from the same geographic area two years running and opting sometimes for a capital city and sometimes for a provincial city. There could occasionally be twin cities of culture should two cities with affinities wish to harmonize their activities. Similarly, as an exception to the rule, two cities might want to share a year, each opting for a different time period.

European cultural month, which is still in an experimental stage, could in the long term acquire the same standing as the European city of culture operation and, like it, be held sometimes in a Member State of the Community and sometimes elsewhere.

OJ C 151, 16.6.1992

1.1.203. Designation of European city of culture for 1997 by the Ministers for Culture meeting within the Council.

- **References:** Designation of European cities of culture up to and including 1996: Bull. EC 11-

1984, point 2.1.75; Bull. EC 5-1985, point 2.1.61; Bull. EC 11-1986, point 2.1.131; Bull. EC 5-1988, point 2.1.93; Bull. EC 5-1989, point 2.1.131

Thessaloniki designated European city of culture for 1997 on 18 May.

II

Public awareness

Opinion poll

1.1.204. *Eurobarometer* No 37.

- **Reference:** Previous *Eurobarometer*: Bull. EC 1/2-1992, point 1.3.265

Findings published by the Commission on 15 May. In spring of this year two Europeans in five had heard of the Maastricht Treaty and three in four of those who had heard of it considered it a 'very important' or 'important' event for the Community. The best informed were the Dutch, the Greeks, the Danes and the Irish; the Italians and the Spanish were the least well-informed. Support for the Community had declined over the previous 12 months: 76% were in favour of the efforts being made to unify Western Europe, 65% felt their country's membership of the Community was 'a good thing', 53% thought their country had benefited from membership, and 48% said they would be 'very sorry' if the Community were scrapped.

Eighty per cent of Europeans were in favour of Sweden joining the Community, 79% in favour of Switzerland, 78% in favour of Norway, 77% in favour of Finland and Austria, and 71% in favour of Iceland. There was slightly less support for Malta and Cyprus on the grounds that the effects of their membership would be less positive.

Document available from the Commission of the European Communities (Directorate-General for Audiovisual Media, Information, Communication and Culture), 200 rue de la Loi, B-1049 Brussels.)

2. The role of the Community in the world

European Free Trade Association

I

European Economic Area

1.2.1. Agreement establishing the European Economic Area: the emergence, in the new architecture of Europe, of the world's largest and most important integrated economic entity marks a significant step towards the construction of a Europe based on peace, democracy and human rights.

Negotiating directives: Bull. EC 6-1990, point 1.4.6

Council agreement: Bull. EC 10-1991, point 1.3.1

Opinion of the Court of Justice: Bull. EC 12-1991, point 1.7.18

Examination by the Council: Bull. EC 12-1991, point 1.3.1

Council conclusions: Bull. EC 1/2-1992, point 1.4.1

Parliament resolution: OJ C 67, 16.3.1992; Bull. EC 1/2-1992, point 1.4.1

Commission decision to seek a second opinion from the Court of Justice: Bull. EC 1/2-1992, point 1.4.1

Council conclusions: Bull. EC 3-1992, point 1.3.2

Second opinion of the Court of Justice: point 1.5.16 of this Bulletin

Initialling of the Agreement: Bull. EC 4-1992, point 1.4.1

Proposal for a Council Decision on the conclusion of the Agreement: Bull. EC 4-1992, point 1.4.1

Decision by the Council on the signature of the Agreement: Bull. EC 4-1992, point 1.4.1

Signed in Oporto on 2 May. At an official ceremony in the presence of Mr Anibal Cavaco Silva, Prime Minister of Portugal and President of the Council, the Agreement on the European Economic Area was signed on behalf of the European Communities, represented by Mr João de Deus Pinheiro, the Portuguese Minister for Foreign Affairs, and Mr Andriessen, Commission Vice-President, the Member States and the EFTA countries.

The following were also signed on that occasion:

- (i) bilateral agricultural Agreements between the EEC and Austria, Finland, Iceland, Norway, Sweden and Switzerland respectively;
- (ii) bilateral fisheries Agreements between the EEC and Iceland, Norway and Sweden respectively;
- (iii) bilateral Agreements on road transit between the EEC and Austria and Switzerland respectively.

In addition, the parties adopted two declarations, one on simplification of frontier controls and the other on political dialogue.

Intended to give fresh impetus to the special relationship which links the European Community, its Member States and the EFTA countries, the Agreement on the European Economic Area (EEA) sets out to establish a dynamic and homogeneous integrated structure based on common rules and equal conditions of competition and equipped with the means, including legal means, necessary to implement it; it is based on equality, reciprocity and an overall balance of the contracting parties' benefits,

rights and obligations.

Under the Agreement, the free movement of goods, persons, services and capital (the 'four freedoms') can be achieved on the basis of existing Community legislation (the *acquis communautaire*) as it has evolved over the past 30 years, subject to a limited number of exceptions and transitional periods.

In addition to the four freedoms, the Agreement provides for wide-ranging and balanced cooperation in areas, such as social policy, social security, consumer protection, the environment, statistics, and company law, which are directly relevant to economic activity, and flanking Community policies aimed at ensuring homogeneity of the rules applicable while preserving the decision-making autonomy of the contracting parties. Thus, the Agreement establishes a permanent information and consultation process covering all stages in the preparation of Community instruments; it includes surveillance and enforcement rules, and specific rules for the settlement of disputes.

The full text of the communiqué published at the end of the ceremony is found in Part two (→ point 2.2.1).

Relations with Switzerland

1.2.2. Accession to the European Economic Community.

Formal application for accession presented on 20 May. At a ceremony which took place in Lisbon, Mr René Felber, President, and Mr François Couchepin, Chancellor of the Swiss Confederation, presented to Mr de Deus Pinheiro, President of the Council, their country's official application for accession to the European Communities. They took the opportunity to state that they would like their country's application to be considered at the same time as those presented by Austria, Finland and Sweden.

The application, addressed in accordance with the provisions of Articles 237 of the EEC Treaty, 98 of the ECSC Treaty and 205 of the Euratom Treaty, was not accompanied by any reservations.

II

Relations with EFTA

1.2.3. Ministerial meeting.

- **Reference:** Annual ministerial meeting: Bull. EC 6-1991, point 1.3.3

Meeting held in Reykjavik on 19, 20 and 21 May. Mr Jón Baldvin Hannibalsson, Iceland's Minister for Foreign Affairs and Foreign Trade, chaired the meeting of the EFTA Council, which was attended by Mr Andriessen. The Council expressed its satisfaction at the signing of the Agreement on the EEA and stressed the need to complete the ratification process on schedule and to make preparations for the entry into force of the Agreement. The EFTA ministers discussed their relations with third countries, especially those of Central and Eastern Europe. They regretted, in particular, the absence of a free trade system covering the Community, EFTA and those countries.

Bilateral relations

Austria

1.2.4. Mr Alois Mock, Foreign Minister, visited the Commission on 6 May.

- **Reference:** Commission opinion on Austria's application for accession: Bull. EC 7/8-1991, point 1.3.2

Mr Mock had talks with Mr Andriessen, Mr Bangemann and Mr Matutes. The main objective of his visit was to emphasize Aus-

tria's expectations in connection with its accession to the Community and the opening of the negotiations, with an eye to the debate on enlargement scheduled for the next European Council meeting in Lisbon. Mr Mock pointed out that his country had been the first EFTA member country to apply for accession and that in August last year it had received a favourable opinion from the Commission. Questions concerning the ratification of the Maastricht Treaty and the Agreement on the European Economic Area were also discussed, together with the Community's Mediterranean policy, in particular *vis-à-vis* Yugoslavia and the Maghreb countries.

Lastly, Mr Mock laid particular emphasis on the importance Austria attached to the common foreign and security policy outlined in Maastricht, given its central position in Europe and the recent events in Yugoslavia.

1.2.5. Mr Ferdinand Lacina, Finance Minister, visited the Commission on 7 May.

Mr Lacina met Mr Andriessen, Mrs Scrivener and Mr Schmidhuber, with whom he discussed budget and taxation policy, in particular in connection with energy, and assistance to the countries of Central and Eastern Europe, Mr Lacina pointed out the negative repercussions on the Austrian textile sector of the Europe Agreements for trade and industrial cooperation concluded between Hungary, Czechoslovakia and Poland and the Community.

Lastly, the financial implications of enlarging the Community and cooperation within international organizations were discussed.

Finland

1.2.6. Visit to Helsinki and Lapland by Mr Christophersen from 21 to 24 May.

Mr Christophersen met Dr Mauno Koivisto, President, Mr Esko Aho, Prime Minister, Mr Paavo Väyrynen, Foreign Minister, and Mr Iiro Viinanen, Finance Minister, with whom he discussed Finland's economic

situation and its application for accession to the EEC which, in the ministers' view, both the people and parliament would support.

Norway

1.2.7. Visit to the Commission by Mr Thorvald Stoltenberg, Foreign Minister, on 25 May.

Mr Stoltenberg had talks with Mr Andriessen and Mr Millan, with whom he discussed the political situation in Norway and the possibility of an application for accession to the EEC, and the implications of such accession for the regional policy and the eligibility criteria for Community assistance.

Central and Eastern Europe and the independent States of the former Soviet Union

I

Assistance to the new independent States of the former Soviet Union

1.2.8. Conference on the coordination of assistance to the independent States of the former Soviet Union.

• References:

Washington Conference on assistance to the independent States of the former Soviet Union: Bull. EC 1/2-1992, point 1.4.4

Presidency conclusions on the Lisbon Conference on assistance to the new independent States: point 2.3.1 of this Bulletin

Held in Lisbon on 23 and 24 May. This second Conference on assistance to the independent States of the former Soviet Union was held under the auspices of the European Community and brought together ministers from more than 70 donor countries, their counterparts from the new independent States, and heads of international financial

institutions. At the close of the conference the Presidency of the Council adopted conclusions. The objective of the Conference was to coordinate humanitarian, technical and economic assistance to the States of the former Soviet Union, which were facing serious difficulties in restructuring. The general mood was one of solidarity and the delegations stated their intention to increase aid, despite the difficult financial situation of many donor countries.

In their speeches Mr De Deus Pinheiro, President of the Council and Mr Andriessen, Vice-President of the Commission, pointed to the importance and effectiveness of previous aid from the Community, specifically emergency humanitarian aid and technical assistance, and emphasized that these endeavours would be kept up but that the new independent States had to develop the ability to meet their own food needs.

As regards the current political and economic reforms, Mr de Deus Pinheiro made clear that the task of West European countries should be to promote political, commercial, financial and monetary cooperation, while realizing that ultimate responsibility for the reforms lay with the new independent States. In this connection he stressed the vital importance to them of regional cooperation.

In their final communiqué, the foreign ministers put the emphasis on technical assistance. This should be the keystone of future aid programmes, including those in the fields of health, housing and energy. Donors should consider triangular arrangements, so that Central and East European countries could sell their output to the new independent States.

The ministers stressed that the safety of nuclear installations was a priority and underlined the importance of work now in hand to prepare a multilateral action programme for addressing issues of nuclear safety in the former Soviet Union and Central and Eastern Europe.

With regard to the procedures for coordinating aid, the emphasis was placed on the

importance of on-the-spot coordination to ensure that aid measures were implemented so as to take account of the facts in each independent State and of its development conditions. With this in view it was agreed to put in place, before the next conference, which will be held in Tokyo next autumn, a flexible structure based on the formation of groups tasked to coordinate assistance for each recipient country or group of countries.

Relations with Russia

1.2.9. Visit to Moscow by Mr Delors, President of the Commission, on 29 and 30 May.

- **Reference:** Agreement on economic and commercial cooperation between the European Economic Community and the Soviet Union: EC 12-1989, point 2.2.35.

Mr Delors met Mr Yeltsin, President of Russia, Mr Gaidar, First Deputy Prime Minister, Mr Kozyrev, Minister for Foreign Affairs, Mr Burbulis, Secretary of State, and Mr Shokhin, Deputy Prime Minister in charge of foreign trade.

Talks were chiefly about progress with cooperation, and the guidelines for the future comprehensive agreement between the European Community and Russia, and the technical assistance being provided by the Community.

As regards preparations for the agreement, which is intended to take the place of the Agreement on economic and commercial cooperation signed in 1989, with the former Soviet Union, the discussion partners reaffirmed that negotiations should give preference to an approach based on deepening the partnership between the Community and Russia and on three aspects: a policy section calling for regular consultations between Russia and the European Community; an economics section to promote adaptation of the Russian economy and its integration into the international economy; and a cultural section designed to improve mutual understanding of the peoples of Western Europe and Russia.

It was pointed out, with regard to technical assistance, that the European Community alone provides 80% of western technical assistance to the new independent States. Organizations would be set up to improve the effectiveness of this technical assistance, in particular a Federal Agency for International Cooperation and a Federal Training Agency. The two sides also reviewed progress with practical distribution of the food aid for Russia's chief cities.

They also examined the political and economic situation in Russia, with specific reference to problems arising from the setting-up of a rouble zone, and possible reform of Cocom. They also touched on preparations for the forthcoming Group of Seven Summit in Munich and the situation in Yugoslavia.

1.2.10. Agreement establishing an International Science and Technology Centre (ISTC).

- Council Agreement on the establishment of the ISTC: Bull. EC 3-1992, point 1.3.6
- Commission communication: Bull. EC 3-1992, point 1.3.7
- Ministerial meeting: Bull. EC 3-1992, point 1.3.8
- Recommendation for a Council Decision: Bull. EC 3-1992, point 1.3.9
- Parliament resolution: Bull. EC 3-1992, point 1.3.10
- Negotiating directives, with a statement on Community representation on the Governing Board of the ISTC: Bull. EC 4-1992, point 1.4.4

Adoption by the Commission on 8 May of a proposal for a Council Regulation on the conclusion by the European Economic Community of an Agreement establishing an International Science and Technology Centre.

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Adoption by the Commission on 8 May of a proposal for a Council Decision approving the Agreement establishing an International Science and Technology Centre. The Commission called on the Council to approve the Agreement, which would then be concluded, on behalf of the European Atomic Energy Community, by a Commission

Regulation in accordance with Article 101(2) of the Euratom Treaty.

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Agreed by the Council and adopted by a Decision on the signature of the Agreement on 11 May.

Agreement initialled in Lisbon on 23 May.

Commercial and economic cooperation with Albania and the Baltic States

1.2.11. Cooperation agreements with Albania, Estonia, Latvia and Lithuania.

- Reference: Association agreements with Czechoslovakia, Hungary and Poland: Bull. EC 12-1991, point 1.3.2
- Recommendation for a decision: Bull. EC 10-1991, points 1.3.11 to 1.3.13; Bull. EC 7/8-1991, point 1.3.11
- Negotiating directives: Bull. EC 11-1991, points 1.3.16 to 1.3.18; Bull. EC 9-1991, point 1.3.19

Proposals for Council decisions on the conclusion of agreements on commercial and economic cooperation between the European Economic Community and Albania, Estonia, Latvia and Lithuania adopted by the Commission on 4 May.

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Decisions on the signature of these agreements adopted by the Council, subject to their conclusion, on 11 May.

Agreements signed on 11 May. These are framework agreements for a period of 10 years, of the conventional type, non-preferential and with provision for future developments. They will help to pave the way in due course, and once the conditions are fulfilled, for association agreements with the countries in question and for the subsequent strengthening of relations with them. The objectives common to these agreements are the development and diversification of commercial relations, and the promotion of economic and commercial cooperation on a basis of equality, non-discrimination, mutual advantage and reciprocity.

The provisions on the freeing of trade cover all products except ECSC products and textiles and clothing, for which sectoral arrangements can be negotiated.

The agreements also provide for very broad commercial and economic cooperation, covering many fields, including banking and insurance, tourism, health, etc.

The agreements also provide expressly the regard for democratic principles and human rights, as defined in the Helsinki Final Act and the Charter of Paris, which inspires the domestic and international policies of the parties and constitutes an essential element of the agreements.

The signatories adopted at the same time joint declarations on the institutions of political dialogue between the parties, with regular meetings at the highest political level on matters of common interest, with the aim, in particular, of bringing their views on external policy into closer harmony and strengthening security and stability in Europe.

Association Agreements with Bulgaria and Romania

1.2.12. Council Decision authorizing the Commission to open negotiations with Bulgaria and Romania with a view to concluding European Association Agreements.

- **Reference:** Association Agreements with Hungary, Poland and Czechoslovakia: Bull. EC 12-1991, point 1.3.2
- **Council agreement to the opening of negotiations:** Bull. EC 9-1991, point 1.3.17
- **Commission recommendations:** Bull. EC 1/2-1992, point 1.4.7

Adopted by the Council on 11 May. These future Association Agreements will, in principle, resemble those with Hungary, Poland and Czechoslovakia, though with a significant added element: an explicit reference to regard for democratic principles and human rights, which are seen as essential to the association.

These European agreements will govern economic and commercial relations in their

entirety and will make provision for a standing political dialogue and for cultural cooperation.

With regard to imports of steel from Bulgaria and Romania, the Commission will inform those countries, during the negotiations, of the importance attached by the Community to the harmonious development of their exports of steel to it in order to avoid market disruption, and will negotiate specific provisions for the products with the Bulgarian and Romanian authorities.

1.2.13. Council statement on respect for democratic principles, human rights and the principles of the market economy.

- **Reference:** Council Decision authorizing the Commission to negotiate European agreements with Bulgaria and Romania: point 1.2.12 of this Bulletin

Adopted by the Council on 11 May. The statement, reproduced below, is intended to make clear that the inclusion of provisions on respect for human rights and the principles of the market economy in the European Agreements envisaged with Romania and Bulgaria will, from now on, be the rule for all cooperation or association agreements between the Community and its CSCE partners:

‘The Council stresses that respect for democratic principles and human rights, as defined in the Helsinki Final Act and the Charter of Paris for a new Europe, and the principles of the market economy are essential components of cooperation or association agreements between the Community and its CSCE partners.’

The Commission is requested to act accordingly to ensure that agreements to be concluded by the Community contain an appropriate mechanism which is operational in emergencies, including provisions relating to non-fulfilment of obligations.

In the context of a political dialogue with the five countries of Central and Eastern Europe, the Community and its Member States will inform their partners of the importance they attach to the principles referred to above.’

II

Central and Eastern Europe

Bilateral relations

Albania

1.2.14. Dr Berisha, President of the Republic, visited the Commission on 5 May, as did Mr Meksi, Prime Minister, on 11 May.

- **Reference:** Trade and commercial and economic Cooperation Agreement with Albania: point 1.2.11 of this Bulletin

Dr Berisha met Mr Delors, President, and Mr Millan, Member of the Commission, with whom he discussed the serious economic situation in this country and its economic and social consequences.

Dr Berisha asked for Community food aid and technical assistance to be speeded up, and for help from the Group of 24 to be increased, financial aid in particular. The same message was given by Mr Meksi when he visited Brussels for the signature of the Agreement on trade and commercial and economic cooperation with the European Community.

1.2.15. Council Decision 92/277/EEC on support measures in the form of a grant to an import programme for Albanian industry.

- **Reference:** Council Regulation (EEC) No 3800/91 amending Regulation (EEC) 3906/89 in order to extend economic aid to include other countries in Central and Eastern Europe: OJ L 357, 28.12.1991; Bull. EC 12-1991, point 1.3.12

Decision approving an import credit guarantee scheme for Albania adopted by the Commission on 6 May. The credit guarantee envisaged, amounting to ECU 40 million, was designed to guarantee payment by Albania for imports of vital commodities (industrial goods, raw materials and spare parts) from countries

receiving economic aid under the Phare programme.

Communication to the Council under Article 9 of Regulation (EEC) No 3906/89 (Phare) adopted by the Commission on 6 May. The Commission adopted its Decision of 6 May on economic aid for Albania despite the adverse opinion of the Phare Management Committee; it therefore proceeded to inform the Council of the substance of its Decision, as required by the relevant procedure.

Financing of an import programme for Albania agreed by the Council on 11 May.

Adopted by the Council on 15 May. In view of the shaky condition of the Albanian economy, the Council decided to provide assistance in grant form, up to a maximum of ECU 20 million, rather than in the form of a credit guarantee.

OJ L 144, 26.5.1992

1.2.16. Proposal for a Council Regulation on a second emergency measure to supply foodstuffs to the people of Albania.

- **Reference:** Council Regulation (EEC) No 3860/91 on an emergency measure to supply food products to the population of Albania: OJ L 362, 31.12.1991; Bull. EC 12-1991, point 1.3.16

Proposal adopted by the Commission on 21 May.

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Czechoslovakia, Hungary and Poland

1.2.17. Ministerial meeting between the European Community, and Czechoslovakia, Hungary and Poland.

- **Reference:** Association Agreements with Czechoslovakia, Hungary and Poland: Bull. EC 12-1991, point 1.3.2

Meeting in Prague, 5 May. This was a multilateral meeting of the foreign ministers of Czechoslovakia, Hungary and Poland, the members of the *Troika* (the current President of the Council, Mr de Deus Pinheiro, Minister for Foreign Affairs of Portu-

gal, and his predecessor Mr Van den Broek, Minister for Foreign Affairs of the Netherlands and his successor Mr Hurd, Secretary of State for Foreign Affairs of the United Kingdom), and Mr Andriessen, Vice-President of the Commission. The chief topics for discussions were future relations among Czechoslovakia, Hungary and Poland, known as the 'Visegrad Triangle' countries, and the European Community. They also touched on the Yugoslav crisis and relations between the Community and the independent States.

Those attending considered the meeting was an excellent starting point for the political dialogue called for in last year's European agreements, though these will not enter into force until 1 January 1993.

1.2.18. Proposal for a Council regulation withdrawing Hungary, Poland and Czechoslovakia from the list of beneficiaries of the Community generalized preferences scheme as from 1 March 1992.

- **Commission proposal:** OJ C 69, 18.3.1992, COM(92) 44; Bull. EC 1/2-1992, point 1.4.15

Endorsed by Parliament on 15 May.

OJ C 150, 15.6.1992

Mediterranean and Middle East

I

Developments in the former Yugoslavia

Economic sanctions against Serbia and Montenegro

1.2.19. Commission proposals concerning the suspension of the positive measures in favour of Montenegro and the imposition of embargoes against Serbia and Montenegro.

- **Reference:** Statement by the Community and its Member States, meeting in political cooper-

ation, on Bosnia-Herzegovina: point 1.3.4 of this Bulletin

Adopted by the Commission on 27 May. Following a request by the Community and its Member States, meeting in political cooperation, to study ways of applying economic sanctions against Serbia and Montenegro, the Commission adopted a proposal for a Council Regulation and a proposal for a Decision of the representatives of the governments of the Member States (→ point 1.2.20) concerning the suspension of trade between Serbia and Montenegro, on the one hand, and the European Economic Community and the European Coal and Steel Community, on the other.

The Commission also adopted a proposal for a Council Regulation and a proposal for a Decision of the representatives of the governments of the Member States, meeting within the Council (→ point 1.2.21), concerning the removal of Montenegro from the list of beneficiaries of the positive measures granted in the context of cooperation in the peace process.

These proposals were all agreed on the same day in the Council, where it was stressed that they were to be seen in the context of the need to persuade Serbia and Montenegro to participate wholeheartedly in the search for a peaceful and lasting solution in the framework of the Peace Conference. The Council also called on the United Nations Security Council to adopt similar measures, to impose an embargo on petroleum and petroleum products and to put a freeze on assets, financial transactions and payments.

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1.2.20. Proposal for a Council Regulation prohibiting trade between the European Economic Community and the Republics of Serbia and Montenegro; draft Decision of the representatives of the governments of the Member States, meeting within the Council, prohibiting trade between the European Coal and Steel Community and the Republics of Serbia and Montenegro.

Adopted by the Commission on 27 May. The Commission proposes to prohibit the

import into the territory of the Community of all products originating in or coming from the Republics of Serbia and Montenegro, the export to these republics of all products originating in or coming from the Community, and any activity whose object or effect is to promote, directly or indirectly, trade-related transactions.

However, these prohibitions do not apply to the export to Serbia or Montenegro of products intended for strictly medical purposes, foodstuffs or materials and supplies for essential civilian needs. They do not apply also to the import into the territory of the Community of products originating in or coming from Serbia or Montenegro which were exported before the entry into force of the proposed Regulation. The Community also proposes identical measures for products covered by the ECSC Treaty.

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1.2.21. Proposal for a Council Regulation amending, with regard to the Republics of Bosnia-Herzegovina and Montenegro, Regulations (EEC) Nos 3587/91, 545/92, 546/92 and 547/92; proposal for a Decision of the governments of the Member States, meeting within the Council, amending, with regard to Bosnia-Herzegovina and Montenegro, Decisions Nos 92/150 (ECSC) and 92/151 (ECSC).

● **Regulations to be amended:**

Council Regulation (EEC) No 3587/91 extending into 1992 the application of Regulation (EEC) No 3833/90: OJ L 341, 12.12.1991; Bull. EC 12-1991, point 1.3.39

Council Regulation (EEC) No 545/92 concerning the arrangements applicable to the import into the Community of products originating in Croatia and Slovenia and the Yugoslav Republics of Bosnia-Herzegovina, Macedonia and Montenegro: OJ L 63, 7.3.1992; Bull. EC 1/2-1992, point 1.4.18

Council Regulation (EEC) No 546/92 establishing ceilings and Community surveillance for imports of certain products originating in Croatia, Slovenia and the Yugoslav Republics of Bosnia-Herzegovina, Macedonia and Montenegro (1992): OJ L 63, 7.3.1992; Bull. EC 1/2-1992, point 1.4.18

Council Regulation (EEC) No 547/92 opening and providing for the administration of

Community tariff quotas for certain products originating in Croatia, Slovenia and the Yugoslav Republics of Bosnia-Herzegovina, Macedonia and Montenegro (1992): OJ L 63, 7.3.1992; Bull. EC 1/2-1992, point 1.4.18

● **Decisions to be amended:**

Decision 92/150/ECSC of the representatives of the governments of the Member States, meeting within the Council, concerning the arrangements applicable to the import into the Community of products covered by the ECSC Treaty and originating in Croatia, Slovenia and the Yugoslav Republics of Bosnia-Herzegovina, Macedonia and Montenegro: OJ L 63, 7.3.1992; Bull. EC 1/2-1992, point 1.4.18

Decision 92/151/ECSC of the representatives of the governments of the Member States, meeting within the Council, establishing annual ceilings and Community surveillance for imports of certain products falling within the ECSC Treaty and originating in Croatia, Slovenia and the Yugoslav Republics of Bosnia-Herzegovina, Macedonia and Montenegro: OJ L 63, 7.3.1992 and Bull. EC 1/2-1992, point 1.4.18

Adopted by the Commission on 27 May. The Regulations and Decisions which the Commission proposes to amend by removing Montenegro from the list of beneficiary republics, were adopted by the Council in February with the aim of restoring all the trade concessions previously granted to Yugoslavia to those republics which cooperated in the peace process. However, in view of the constitution of a new Federal Republic of Yugoslavia consisting of Serbia and Montenegro and because of the risk of deflection of trade between these two republics, the Commission considers it necessary to remove Montenegro from the list of beneficiaries of the positive measures.

COM(92) 244

Bosnia-Herzegovina

1.2.22. Parliament Resolution on Bosnia-Herzegovina.

- **Reference:** Statement by the Community and its Member States on the formal recognition of new states in Eastern Europe and in the Soviet Union: Bull. EC 12-1991, point 1.4.5

Adopted by Parliament on 14 May. Parliament condemned the role of the armed for-

ces from outside Bosnia-Herzegovina and called for them to be withdrawn immediately. Moreover, it stated that the creation of a new State of Yugoslavia consisting of the Republics of Serbia and Montenegro should be subject to the maintenance in full of the principles established by the Community and its Member States in relation to the recognition of new States. Parliament also considered that every effort should be made to ensure the safety of the EC observers and other peacekeeping troops.

OJ C 150, 15.6.1992

II

Mediterranean countries

Consequences of the Gulf War

1.2.23. Report from the Commission to the Council and Parliament on Regulation (EEC) No 3557/90 on financial assistance to the countries most directly affected by the Gulf crisis (Egypt, Jordan and Turkey).

- **Basic Regulation:** Regulation (EEC) No 3557/90: OJ L 347, 12.12.1990; Bull. EC 12-1990, point 1.4.16

Adopted by the Commission on 18 May. This report concluded that the Community was able to execute the operation without delay and that Egypt, Jordan and Turkey received the planned financial aid, totalling ECU 500 million, at a time of great financial and economic difficulty.

Notwithstanding the derogation granted to Jordan for foodstuffs in view of its dependence on imports, the emphasis on programmes for importing capital goods and spare parts ensured that the wheels of industry kept turning in the three countries. In Jordan and Turkey, all financial aid had been used up by 31 December 1991, while in Egypt, the use of the second instalment had been somewhat delayed, mainly because of a shortage of foreign exchange.

The counterpart funds were used in Jordan to cover part of the massive increase in expenditure by the social sector ministries (education, health, etc.). In Egypt, the Social Fund, which accounted for 70% of the counterpart funds and was a vital adjunct to the country's recently launched structural adjustment process, had been slow getting off the ground, whereas the credit scheme for small businesses (30% of the counterpart funds) was currently being executed.

Bilateral relations

Israel

1.2.24. EEC-Israel Cooperation Council.

- **Reference:** Cooperation Agreement between the European Economic Community and the State of Israel: OJ L 136, 28.5.1975
- **Previous meeting:** Bull. EC 5-1991, point 1.3.26

Community position adopted by the Council on 11 May.

Tenth meeting, held in Brussels on 11 May. Mr D. Levy, Israel's Deputy Prime Minister and Minister for Foreign Affairs, and Mr J. de Deus Pinheiro, President of the Council and Portugal's Minister for Foreign Affairs, headed the two delegations. The meeting, at which Mr A. Matutes represented the Commission, was chaired by Mr Levy.

The agenda of this meeting dealt mainly with the development of relations between the Community and Israel under the Cooperation Agreement.

In his opening address, Mr de Deus Pinheiro made reference to the ongoing multilateral talks in the context of the peace process and to the importance of the Community's intended role in all the bodies involved in the multilateral phase of the conference. In reply, Mr Levy said that it was the responsibility of Israel and neighbouring countries to find a solution to the conflict and that the Community had to find a way to make its contribution, but without actually becoming involved in the security issues as such. He went on to speak in favour of a

deepening of relations between his country and the Community. On this point, Mr de Deus Pinheiro stated that these relations could not be considered in isolation from progress towards a lasting and equitable peace in the Middle East and recognition by Israel of the political role and the importance of the Community.

As regards administration of the Agreement, Mr Levy was concerned that early solutions should be found to the problems of rules of origin, textiles and agriculture and that cooperation should extend to the fields of agricultural research, the environment and energy. He also reiterated his request for Community action against the Arab boycott.

Mr Matutes stressed the progress achieved since the ninth meeting of the Cooperation Council, especially in relation to industrial, technological and scientific cooperation. As examples of this, he cited the financing of five joint projects and two seminars on research, the project on standardization and, in the context of improving business links, especially for small businesses, Israel's connection to the BC-Net system and the setting-up of an Info Centre in Israel.

Middle East

Relations with the Gulf Cooperation Council

1.2.25. EEC-GCC Cooperation Council and ministerial meeting.

- **References:**

Cooperation Agreement between the European Economic Community, and the countries party to the Charter of the Cooperation Council for the Arab States of the Gulf (GCC): OJ L 54, 25.2.1989

Negotiating directives for the conclusion of a free trade agreement: Bull. EC 10-1991, point 1.3.17

Commission communication on Community strategy to limit carbon dioxide emissions and to improve energy efficiency: point 1.1.113 of this Bulletin

- **Previous meeting:** Bull. EC 5-1991, point 1.3.19

Third meeting of the Joint Cooperation Council and ministerial meeting held on 16 May. A joint statement was adopted at the end of this meeting, during which the parties reviewed progress with the implementation of the 1989 Cooperation Agreement and underlined the importance of the Industrial Cooperation Conference to be held in Qatar in October. They also noted the progress achieved in the negotiations for an early conclusion of the agreement of free trade.

The participants also discussed the issue of the proposed Community energy/carbon tax and the Commission explained that this proposal was part of an overall strategy to stabilize emissions of CO₂ and that it would have no discriminatory impact on the competitive position of oil. The two sides agreed to continue their dialogue on this issue, taking into account international efforts to find appropriate and effective global solutions.

Both sides participated in a full exchange of views on political issues, discussing, in particular, developments in the Middle East peace process and the situation in Lebanon. They expressed their interest in stability and sustainable development in the Maghreb region and welcomed the resumption of the Euro-Arab Dialogue. Lastly, they discussed the situation in the Commonwealth of Independent States and in the republics of the former Yugoslavia.

Bilateral relations

Yemen

1.2.26. Recommendation for a Council Decision authorizing the Commission to amend by exchange of letters the Cooperation Agreement between the European Economic Community and the Yemen Arab Republic.

- **Agreement to be amended:** Cooperation Agreement between the European Economic Community and the Yemen Arab Republic: OJ L 26, 31.1.1985

Adopted by the Commission on 11 May. Following the unification of the Yemen

Arab Republic and the People's Democratic Republic of Yemen into a single sovereign State, the Republic of Yemen, the latter has succeeded to all the international obligations of the two unified republics. The recommendation that has been adopted is aimed at amending the existing Cooperation Agreement so as to extend its coverage to the whole of the territory of the new Republic of Yemen.

United States, Japan and other industrialized countries

I

Relations between the European Community and Japan

1.2.27. Commission communication to the Council: 'A consistent and global approach — A review of the Community's relations with Japan'.

- **References:**

Commission communication on relations between the European Community and Japan: COM(88) 136; Bull. EC 3-1988, point 2.2.16

Joint Declaration on relations between the Community and Japan: Bull. EC 7/8-1991, point 1.3.33

Adopted by the Commission on 20 May. In the light of the major economic changes in recent years, both in Europe and worldwide, the Commission felt it was time to take stock of progress made since the adoption in 1988 of its communication on relations between the Community and Japan and to propose new guidelines for a balanced approach to relations with Japan. This approach would be based on policies aimed at improving access to the Japanese market for Community companies and also at stepping up dialogue and developing cooperation in areas of mutual interest.

Particular features of the current situation were the worsening of the Community's trade deficit and the fact that direct invest-

ment in Japan by Community companies remained at a low level, and in some cases encountered difficulties. In addition, although the Community had persuaded Japan to remove most of the sectoral barriers to trade, progress was still inadequate in some sectors, e.g. foodstuffs and services.

Apart from these problems in specific sectors, there were also the structural barriers which represented the main difficulty from the standpoint of Community exports and investment.

In establishing its guidelines, the Commission took the following factors into account: the EC-Japan Joint Declaration adopted in The Hague, which had introduced a political dimension into relations and had intensified dialogue with Japan by strengthening the machinery for consultation and cooperation; the reversal of the recent trend in bilateral trade and, more especially, the likely future trend of such trade; the openings offered by the markets of South-East Asia; and, lastly, the growing tendency of the United States and Japan to seek to resolve problems by means of bilateral arrangements which tended to be discriminatory.

The aim of the 'consistent and global approach' advocated by the Commission is to integrate Japan into the international system by making it as open to external trade and investment as other advanced economies. Greater penetration of the Japanese market is vital not only because of the direct economic benefits which would result, but also because of the opportunity that would be given to Community industry to compete on equal terms on the most advanced market.

A principal vector of the Community approach should be the development of cooperation with Japan in areas of mutual interest. Member States as well as the Community should endeavour to create a favourable climate for the development of industrial cooperation with Japan. Developments noted recently in other areas of cooperation—science and technology, social matters, environment and development assist-

ance—should also be consolidated. Special importance must be given to export promotion. Efforts should be made to bring about a better match between Community export promotion campaigns and Japanese import promotion programmes.

Lastly, the Commission proposes that it should regularly and systematically analyse developments in trade in goods and services between the European Community and Japan, in collaboration with the Member States. The results of the analysis would be evaluated regularly with the Japanese authorities and presented to the annual high-level consultation meetings between the two sides.

COM(92) 219

II

United States

1.2.28. Visit to Washington by Mr Bange-
mann.

Mr Bangemann met Mrs Carla Hills, United States Special Representative for Trade Negotiations. They discussed mainly the Uruguay Round negotiations and EC-US bilateral relations in the industrial sector, with particular reference to steel. Both sides expressed the hope that a multilateral consensus on steel would be adopted soon.

Asia and Latin America

I

Community—Latin America dialogue

1.2.29. Ministerial conference between the European Community and the Rio Group of Latin American countries.

- Previous meeting: Bull. EC 4-1991, point 1.3.34.

Held in Santiago, Chile, on 28 and 29 May. This ministerial conference, which took place as part of the institutionalized political dialogue between the Community and the Rio Group, was attended by Mr João de Deus Pinheiro, President of the Council, and Mr Matutes representing the Commission.

The ministers discussed all aspects of their relations and adopted a joint political and economic communiqué. The historical and cultural links between Europe and Latin America, espousal of democratic principles, respect for human rights and the 500th anniversary of the discovery of America were given prominence in both the political and economic parts of the communiqué.

On the economic side, after reviewing the situation in Europe and Latin America ministers underlined the importance of a comprehensive, satisfactory and balanced conclusion of the Uruguay Round to the establishment of a stronger multilateral system of free and open trade.

The Rio Group placed particular emphasis on the need to level out differences, primarily on agriculture, through a more transparent consultation process which would work to all parties' satisfaction and further objectives such as liberalization of markets.

The Uruguay Round negotiations, the current negotiations on the establishment of free trade zones within the American continent, the completion of the single market in Europe and the agreements recently signed between the Community and EFTA countries and with Central and East European countries formed part of a process of radical overhaul of international trade. Ministers agreed that it would be useful to undertake a joint evaluation of all these factors to identify the potential outcome for trade between the Community and the Rio Group. It was agreed that a meeting would be held in the autumn for this exercise. On the basis of the conclusions drawn any recommendations would be put before the next ministerial meeting.

The four priority areas of cooperation between the Community and the Rio

Group, as defined by the parties, were discussed.

On investment, ministers welcomed the Council's recent decision authorizing the EIB to grant capital loans to Asia and Latin America totalling ECU 750 million over a three-year period.

In the field of science and technology ministers noted with satisfaction the quality and growing number of joint research projects under the international scientific cooperation programme and the science and technology for developing countries programme (STD 3) which forms part of the Community's framework programme.

In the field of training, Mr Matutes signed, outside the conference's main proceedings, three agreements implementing three-year pilot programmes in the following subsectors: training in the public sector, training in the private sector, and technical information pilot system (TIPS).

Mr Matutes also finalized a programme for training in regional integration.

II

Asia

Bilateral relations

Pakistan

1.2.30. Visit by Mr Matutes to Islamabad on 18 May.

Mr Matutes met Mr Naem Khan, Minister of Trade, and Mr Zaki, Secretary-General for Foreign Affairs, and a number of politicians.

They discussed the major political changes in the region, with particular reference to relations with the Central Asian republics and the troubles in Kashmir. Far-ranging talks were held on the Maastricht Treaty and its impact on relations with Asia.

Relations between the Community and Pakistan and progress on trade and the cooperation programme were discussed. The possibility of closer cooperation through high-level talks and contacts between representatives of the private sector was raised and an agreement on measures to stimulate investment was signed.

Latin America

Relations between the Community and the Andean Pact

1.2.31. Council Decision authorizing the Commission to negotiate a cooperation agreement between the European Community and the Cartagena Agreement and its member countries Bolivia, Ecuador, Peru and Venezuela.

- Commission proposal: Bull. EC 3-1992, point 1.3.33.

Adopted by the Council on 4 May.

Relations between the Community and the Mercosur Group

1.2.32. Commission decision on the signing of an interinstitutional agreement between the Commission of the European Communities and the Mercosur Council.

- Reference: Visit by the Foreign Ministers of the Mercosur group: Bull. EC 4-1991, point 1.3.36

Adopted by the Commission on 27 May. As a follow-up to the visit to the Commission by the Foreign Ministers of the Mercosur Group (Southern Cone Common Market, consisting of Argentina, Brazil, Paraguay and Uruguay) in April 1991, the Commission adopted a draft interinstitutional cooperation agreement between itself and the Mercosur Council. This sets out detailed arrangements for close cooperation in the light of respective areas of jurisdiction and available means.

Agreement signed on 29 May.

Bilateral relations

Brazil

1.2.33. Framework Cooperation Agreement between the European Economic Community and Brazil.

- **Commission recommendation on the negotiating directives:** Bull. EC 1/2-1992, point 1.4.44
- **Negotiating directives:** Bull. EC 3-1991, point 1.3.37
- **Initialling of the Agreement:** Bull. EC 4-1992, point 1.4.21

Proposal for a Decision on conclusion of the Agreement adopted by the Commission on 21 May.

COM(92) 209

Paraguay

1.2.34. Framework Cooperation Agreement between the European Economic Community and Paraguay.

- **Commission recommendation on the negotiating directives:** Bull. EC 12-1990, point 1.4.46
- **Negotiating directives:** Bull. EC 3-1991, point 1.3.35
- **Initialling of the Agreement:** Bull. EC 7/8-1991, point 1.3.43
- **Proposal for a Decision on the conclusion of the Agreement:** OJ C 309, 29.11.1991; COM(91) 434; Bull. EC 11-1991, point 1.3.48
- **Council decision and signing of the Agreement:** Bull. EC 1/2-1992, point 1.4.47

Opinion adopted by Parliament on 15 May. Parliament approved the conclusion and implementation of the framework Cooperation Agreement negotiated with Paraguay.

OJ C 150, 15.6.1992

1.2.35. Parliament resolution on the conclusion of a framework Cooperation Agreement between the European Economic Community and Paraguay.

Adopted by Parliament on 15 May. Parliament welcomed the inclusion of a clause on democratic freedoms in the Agreement and expressed satisfaction at the progress made by Paraguay in the process of democratization. Paraguay's efforts to achieve regional

integration through the creation of Mercosur with Argentina, Brazil and Uruguay were approved. Parliament noted with interest the comprehensive nature of the framework Agreement with regard to economic, trade and development cooperation in which the programmes of technical aid, training and transfer of technology would play an important role. In Parliament's views, relations with Paraguay should form part of the move towards regional integration and the creation of Mercosur and a cooperation agreement should eventually be concluded between the Community and this new organization.

OJ C 150, 15.6.1992

Financial and technical cooperation

1.2.36. Project financing.

- **Basic Regulation:** Council Regulation (EEC) No 442/81 on financial and technical aid to non-associated developing countries: OJ L 48, 21.2.1981; Bull. EC 2-1981, point 2.2.16

Commission decisions adopted on 26 May to provide assistance for the following projects:

- (i) Mongolia: ECU 2.3 million to improve veterinary services;
- (ii) Pakistan: ECU 21 million for rural electrification in Punjab;
- (iii) Singapore: ECU 2.7 million to set up an EC-Singapore environmental technology institute.

ACP countries and OCTs

Implementation of the fourth ACP-EEC Convention

- **Reference:** Fourth ACP-EEC Convention: Bull. EC 9-1991, point 1.3.38

Structural adjustment in the ACP States

1.2.37. Council resolution on structural adjustment in the ACP States.

- **Reference:** Council resolution on the use of counterpart funds generated by various development aid instruments: Bull. EC 5-1991, point 1.3.75

Adopted by the Council on 4 May. The Council reaffirmed its attachment to the concept of structural adjustment and welcomed the fact that an increasing number of ACP States had already begun, or stated their willingness to begin, such a process. It confirmed the Community's willingness to support efforts under way to enhance that process within the framework of the pragmatic, differentiated and humane view of adjustment set out in the Lomé Convention.

It emphasized the imperative need for close coordination between recipient countries and donors, particularly international financial institutions, which play a key role in this area. In the context of this indispensable coordination, it called on the Commission to ensure that programmes did indeed incorporate the essential elements of the approach provided for in the Convention.

On the question of Community support, the Council endorsed the policy guidelines put forward by the Commission in its document, and asked the Commission, in addition to its overall evaluation of the processes under way, to focus attention and analysis on the key elements under the Convention, in particular the role played by structural adjustment in relation to long-term development objectives, the social dimension to adjustment, the matching of the tempo and ways of implementing the reforms to the specific capacities and constraints of each country, and consideration of the regional dimension to adjustment.

It also asked the Commission to ensure the greatest possible congruence between adjustment support instruments and those (notably Stabex) which act similarly on the balance of payments; to ensure the necessary dovetailing and balance between macro-

economic policy, sectoral policies and project aid; and to negotiate with its ACP partners general, specific and administrative and financial conditions for implementing Community support.

The Council emphasized that the counterpart funds generated by the various Community instruments had to be seen in the context of macroeconomic policy and the financial and monetary balance of the countries concerned, and should therefore be used and monitored within a single budgetary framework covering both current and capital expenditure.

It also noted that in the use of counterpart funds priority had to be given to the social dimension to adjustment, so ensuring adequate cover for the health and education sectors, and special attention paid to environmental protection.

It welcomed the Commission's increased interest in the public finances of the countries concerned, aimed at helping them to improve the efficiency, transparency and equity of their budgeting, and also safeguarding the Community's financial operations.

Lastly, the Council emphasized the importance it attached to respect for human rights and the processes of democratization under way in many ACP States, and welcomed the steps forward that had been made.

Programming under the fourth ACP-EEC Convention

1.2.38. Council conclusions on the report assessing programming.

Adopted by the Council on 4 May. On the basis of an assessment of the programming of Community aid for the five years covered by the first Financial Protocol to the fourth ACP-EEC Convention, the Council noted with satisfaction that 61 national indicative programmes had been signed to date and that regional programming, necessarily slower, should be completed in the next few months. It thus appeared that the require-

ment of the Convention that programming should ideally be completed before its ratification had, overall, been met. In financial terms, some ECU 5.5 billion had been programmed at national and regional levels.

Qualitatively, the Council found that the results of the programming were consistent with the provisions and objectives set out in the new Lomé Convention. It endorsed the Commission's view that the programming was likely to provide a real boost to the economic and social effectiveness of cooperation with the ACP States.

It also stressed the importance it attached to the provisions on human rights now included in the indicative programmes.

The Council welcomed the fact that the Convention's new emphasis on regional economic integration was reflected in the regional indicative programmes already concluded and the preparatory work for others.

The Community's involvement in the structural adjustment process was another major innovation of programming under the new Convention. The Council endorsed the Commission's view that structural adjustment cannot be seen in isolation from the programming process as these two components form part of the long-term development objective at the basis of ACP-EEC cooperation.

The quality of the dialogue between the Commission and the ACP States during programming, and the effective coordination with other donors throughout the process, both in the area of support for sectoral policies and in that of macroeconomic reforms, were underlined. The impact and effectiveness of the implementation of the indicative programmes now had to be assured, the Council pointed out.

The Council referred to the significant changes in financial and technical cooperation between the Community and the ACP States, which started under Lomé III and had been consolidated under Lomé IV. Originally focused exclusively on the financing of individual projects, cooperation pol-

icy under Lomé III branched out into support for sectoral policies and was extended under Lomé IV to structural adjustment. The Council believed that this development would give Community aid the desired efficiency and impact.

Financial and technical cooperation

1.2.39. Financing of projects.

Commission decisions allocating a total ECU 108.21 million from the fifth, sixth and seventh EDFs (see Table 14).

Institutions

1.2.40. ACP-EEC Council of Ministers.

- **References:**

Fourth ACP-EEC Convention: Bull. EC 9-1991, point 1.3.38

Previous meeting: Bull. EC 5-1991, point 1.3.61

Seventeenth meeting, held in Kingston on 21 and 22 May. The meeting, co-chaired by Mr R. Maraj, Trinidad and Tobago's Foreign Minister, and Mr J. Durão Barroso, Portugal's State Secretary for Foreign Affairs and Cooperation, was attended by Mr Marin.

The Council approved resolutions on structural adjustment, Lomé IV programming and the implementation of financial and technical cooperation in 1990. It also discussed various areas of ACP-EEC cooperation, including trade cooperation, Stabex, the sugar Protocol and the emergency situations in ACP countries and southern Africa.

The Council also exchanged views on progress in the Uruguay Round, the outlook for closer ACP-EEC relations in the present world context, and the forthcoming Rio Conference on the environment.

On the same occasion there were also meetings at ministerial level of the Development Finance Cooperation Committee provided

Table 14 — *Financing of operations under the fifth, sixth and seventh EDFs*

(million ECU)

Country	Purpose	Amount	
		Grant	Special loan
Mauritania	<i>Economic infrastructure</i>		
	Road programme	17.500	—
Angola	<i>Industrialization</i>		
	Development of microenterprises and crafts	2.000	—
Chad	<i>Rural production</i>		
	Environmental conservation	3.500	—
Mozambique	Food self-sufficiency	1.950	—
	<i>Trade promotion</i>		
Senegal	Tourism	1.960	—
	<i>Other</i>		
Cameroon	Structural adjustment support	29.500	—
Ethiopia	Sectoral import programme	27.000	—
Dominican Republic	Sectoral import programme	22.000	—
Jamaica	Reintegration of qualified staff	1.000	—
Chad	Project to support national authorizing officer	1.800	—
	Total	108.210	—

for in Article 325 of the fourth Convention and the Commodities Committee provided for in Article 76.

General development cooperation

I

Development cooperation in the run-up to 2000

1.2.41. Commission communication concerning development cooperation policy in the run-up to 2000.

Adopted by the Commission on 13 May. In this communication the Commission takes stock of the development cooperation policy hitherto implemented by the Community and its Member States, and then suggests objectives and a strategy for the future.

The Commission starts by observing that in spite of international aid the situation in many developing countries has deteriorated over the past few years, and that only those countries that have adapted their internal structures in line with market developments have been able to benefit from international growth. Aid cannot make up for a lack of

good domestic policies or trade outlets, but is much more effective when used as a lever for the implementation of economic and political reforms. The Commission therefore suggests that the Community's cooperation strategy should give priority to projects encouraging internal reforms in the developing countries, on the basis of the four major themes expounded in the Maastricht Treaty: consolidation and development of democracy, economic and social development, integration into the world economy and the campaign against poverty.

The Commission also observes that the lack of coordination of international aid has hitherto reduced its effectiveness. It therefore suggests that the development cooperation policies of the Community and its Member States should be gradually aligned and dovetailed.

SEC(92) 915

New world order

1.2.42. Parliament resolutions on: changes in East-West relations and the North-South relationship, the role of the Community and the Twelve; structural adjustment in developing countries; measures to promote and support private investment in the developing countries; debt in the developing countries; the trade impact of the single market on the developing countries; the financial impact on the developing countries of completion of the single market; the consequences of the creation of the 1992 single market for migrant workers from developing countries; the environment and development cooperation; the situation of women and children in the developing countries; the role of NGOs in development cooperation; the means to achieve food security; the new world order.

Adopted by Parliament on 14 May. These 12 resolutions set out Parliament's view of what the Community's development cooperation policy should be in the light of the new world order.

Parliament suggested that the new cooperation model should end the linking of aid to bilateral political or economic interests and eliminate military assistance and the conditions imposed by international financial institutions where they actually restrict development. It observed that structural adjustment programmes had hitherto failed and called for them to be replaced by programmes based on the human aspect of development and the democratization of the recipient countries.

Parliament called for the cancellation of the poorest countries' debt, and of the ACP countries' debt to the Community. It also called for the democratization of the IMF and the World Bank and for a bigger role for the ecu in economic relations between North and South. Parliament stressed the importance of opening northern markets up to southern products, and called for an international conference to be held under the aegis of the United Nations and on the initiative of the Community, Japan and the USA, with a view to securing stable and remunerative price levels for the developing countries' exports.

Parliament stressed the significance of environmental problems in the developing countries, and called for increased development cooperation in this sector. It recommended banning imports of tropical hardwood produced using non-sustainable methods, particularly wood originating in Sarawak, and placing a similar ban on exports of waste or substances that are forbidden in the Community to developing countries.

Parliament further called for: increased private sector investment in the developing countries, particularly in respect of small businesses; a joint migration policy to be agreed by the Community and the developing countries; targeted measures for women and children in the developing countries, improved coordination of aid to

non-governmental organizations; and the reform of Community food aid, with particular reference to the discontinuation of tied aid.

OJ C 150, 15.6.1992

II

General aspects

1.2.43. Council conclusions on the evaluation of Community development cooperation.

- **Reference:** Council conclusions on the evaluation of development cooperation: Bull. EC 5-1990, point 1.3.43

Adopted by the Council on 14 May. The Council welcomed the Commission's adoption of an integrated approach to the management of aid projects and programmes, which takes account of the lessons learned from previous evaluations. The Council called on the Commission to send the Member States a list of completed evaluation reports at least once a year, and to discuss with them the most significant of these reports.

Generalized preferences

1.2.44. Council Regulation (EEC) No 1250/92 applying supplementary generalized tariff preferences in respect of certain products originating in countries benefiting from generalized preferences and sold at the Berlin 'Partners in progress' fair.

- **Commission proposal:** COM(92) 124; Bull. EC 3-1992, point 1.3.46

Adopted by the Council on 11 May. This Regulation renews the tariff preferences granted for certain products sold at the Berlin fair, but does not extend this concession to other fairs as suggested in the proposal.

OJ L 131, 16.5.1992

Commodities and world agreements

Tropical timber

1.2.45. Meeting of the International Tropical Timber Council.

- **Previous meeting:** Bull. EC 12-1991, point 1.3.47

Twelfth meeting, held in Yaoundé from 6 to 14 May. Talks focused on the objective of achieving sustainable forest management in the run-up to 2000, and more particularly on the definition of what constitutes sustainable forestry, cooperation between the ITTO and Cites bodies and the situation in Sarawak. Approval was also given for the financing of 16 projects.

Coffee

1.2.46. Recommendation for a Council Decision on Community participation in the negotiation of a new International Coffee Agreement.

- **References:**
Council Decision 87/485/EEC approving the 1983 International Coffee Agreement: OJ L 276, 29.9.1987; Bull. EC 9-1987, point 2.2.28
International Coffee Council meeting: Bull. EC 4-1992, point 1.4.30

Adopted by the Commission on 25 May. The purpose of this recommendation is to enable the Community to participate in the negotiations for a new International Coffee Agreement to replace the one concluded in 1983. The negotiations were announced by the International Coffee Council at its last meeting.

Rubber

1.2.47. Meeting of the International Natural Rubber Council.

- **Reference:** Second international Agreement on natural rubber: OJ C 58, 3.3.1988

- **Previous meeting:** Bull. EC 1/2-1992, point 1.4.63

Meeting held in Kuala Lumpur from 25 to 27 May. At this meeting a working party was set up, as a result of a Community proposal, to examine the evaluations carried out by INRO members of the Agreement currently in force, with a view to paving the way for the negotiation of a new agreement in 1993. The work of the *ad hoc* working party on buffer stocks was also discussed.

Jute

1.2.48. International Jute Council.

- **Reference:** New international Agreement on jute and jute products: Bull. EC 12-1990, point 1.4.60
- **Previous meeting:** Bull. EC 10-1991, point 1.3.37

Seventeenth meeting, held in Dacca from 29 April to 3 May. This meeting saw the inauguration of the new headquarters of the International Jute Organization in Dhaka, Bangladesh. Talks focused on the need to diversify jute use.

Humanitarian aid

Food aid

1.2.49. Special food aid programme for 1992.

- **Commission communication:** Bull. EC 4-1992, point 1.4.26
- **Council agreement:** Bull. EC 4-1992, point 1.4.26

Agreed by the Council on 4 May. The Council agreed on the urgency of helping the people under threat, on the quantities proposed (800 000 tonnes of cereal equivalent), the unit prices of the products con-

cerned, the estimated cost of the operation (ECU 220 million) and the recipients proposed by the Commission. The necessary budget decisions were being taken under a parallel procedure (point 1.4.1).

Allocation decision adopted by the Commission on 18 May: see Table 15.

Table 15 — *Food aid allocations under the special programme for 1992*

(tonnes)	
Recipient countries	Cereal equivalent
Ethiopia	140 000
Somalia	53 000
Sudan	100 000
Angola	5 000
Kenya	30 000
Lesotho	5 000
Malawi	66 500
Mozambique	70 000
Namibia	15 000
Swaziland	10 000
Tanzania	20 000
Zambia	100 000
Zimbabwe	80 000
Afghanistan	10 000
Bangladesh (refugees from Myanmar)	10 000
Cambodia	40 000
Peru	30 000
El Salvador	15 000
Total	800 000

1.2.50. Standard food aid.

Food aid allocations from the Community budget totalling an estimated ECU 50.79 million.

Commission decision: see Table 16.

Table 16 — *Food aid allocations*

Country/organization	(tonnes)			
	Cereals	Milk powder	Butter oil	Vegetable oil
India	—	15 000	5 000	—
Angola	6 000	—	—	—
Malawi	5 000	—	—	—
Rwanda	5 000	—	—	500
Zambia	5 000	—	—	2 000
Ethiopia	25 000	—	—	—
Djibouti	5 000	—	—	—
NGOs	25 000	—	—	—

1.2.51. Emergency food aid.

Commission decisions to grant emergency aid as follows: 11 500 tonnes of cereal equivalent to the people of North-East Cambodia (estimated value of ECU 1.194 million); 612 tonnes of cereal equivalent, 85 tonnes of vegetable oil and ECU 30 000 for the purchase of legumes to Bolivia (estimated value of ECU 220 000); 5 000 tonnes of cereal seed (estimated value ECU 500 000) to Eritrea.

1.2.52. Contribution to the purchase of foodstuffs and seeds by international bodies or non-governmental organizations.

Commission contribution: ECU 1.5 million to Euronaid.

Emergency aid

1.2.53. Commission decisions: see Table 17.

Table 17 — *Emergency aid*

Country	(million ECU)	
	Purpose	Amount
Bosnia-Herzegovina UNHCR programme for refugees in the former Yugoslavia	Refugees	1.5
Ethiopia	Disturbances	30.0
		1.0

Cooperation via non-governmental organizations

1.2.54. Projects in developing countries.

Commission co-financing: commitment of ECU 6.68 million for 29 operations proposed by 20 NGOs.

1.2.55. Campaigns to raise public awareness of development issues.

Commission contribution: ECU 1.66 million for 16 operations.

Aid to increase the self-sufficiency of refugees

1.2.56. Commission decision to allocate ECU 8 million to a rehabilitation programme for approximately 100 000 refugees in the Battambang and Pursat areas of Cambodia.

Commercial policy

I

Textile and clothing industry

1.2.57. Commission communication on the implications of the completion of the single market for commercial policy in the textile and clothing industry.

- **Reference:** Commission communication on improving the competitiveness of the Community's textile and clothing industry: COM(91) 399; Bull. EC 10-1991, point 1.2.35

Adopted by the Commission on 27 May. This communication identifies the main steps involved in standardizing commercial policy in the textile and clothing industry in preparation for the single market. These include the abolition of border controls and the ironing-out of disparities in import arrangements. The Commission therefore intends that the regional allocation of Community quotas and also the regional import quotas which exist in certain Member States should be phased out, and that the disparities between Member States as regards the quotas opened under outward processing arrangements should be removed. It plans at the same time to establish a centralized electronic system for administering Community quotas, on the basis of a trans-European computer network.

II

General matters

Commercial policy instruments

Trade protection

Annual report

1.2.58. The Commission's 10th annual report on the Community's anti-dumping and anti-subsidy activities.

- **Previous report:** Bull. EC 5-1991, point 1.3.79

Adopted by the Commission on 27 May. This report presents the Community's anti-dumping and anti-subsidy activities in 1991. It describes the most significant cases brought before the Court of Justice and briefly examines the effects on the Community's anti-dumping policy of the Uruguay Round negotiations, the establishment of the European Economic Area and the

European Agreements recently concluded with Czechoslovakia, Hungary and Poland. It also contains detailed tables covering all the operations conducted during the period covered.

Council anti-dumping measures

1.2.59. Council Regulation (EEC) No 1292/92 amending Regulation (EEC) No 1768/89 with regard to a definitive anti-dumping duty on imports of video cassettes originating in Hong Kong.

- **Commission proposal:** COM(92) 157; Bull. EC 4-1992, point 1.4.36

Adopted by the Council on 18 May.

OJ L 139, 22.5.1992

1.2.60. Proposal for a Council Regulation amending Regulation (EEC) No 1768/89 in respect of the definitive anti-dumping duty on certain imports of video cassettes originating in Hong Kong.

- **Council Regulation to be amended:** Regulation (EEC) No 1768/89; OJ L 174, 22.6.1989; Bull. EC 6-1989, point 2.2.3

Adopted by the Commission on 26 May.

COM(92) 208

1.2.61. Proposal for a Council Regulation extending the provisional anti-dumping duty on imports of radio broadcast receivers of a kind used in motor vehicles originating in South Korea.

- **Reference:** Provisional duty: OJ L 34, 11.2.1992; Bull. EC 1/2-1992, point 1.4.79

Adopted by the Commission on 11 May.

COM(92) 206

1.2.62. Proposal for a Council Regulation amending Regulation (EEC) No 2200/90 by imposing an additional anti-dumping duty on imports of silicon metal originating in the People's Republic of China.

- **Council Regulation to be amended:** Regulation (EEC) No 2200/90; OJ L 198, 28.7.1990; Bull. EC 7/8-1990, point 1.4.76

Adopted by the Commission on 20 May.
COM(92) 200

Commission anti-dumping measures

1.2.63. Anti-dumping proceeding concerning imports of certain photograph albums originating in the People's Republic of China.

Notice of initiation published on 7 May.
OJ C 120, 12.5.1992

1.2.64. Impending expiry of certain anti-dumping measures concerning urea originating in Libya.

- **Definitive duty:** OJ L 317, 7.11.1987; Bull. EC 11-1987, point 2.2.2.

Notice published on 9 May.
OJ C 121, 13.5.1992

1.2.65. Impending expiry of anti-dumping measures concerning pentaerythritol originating in Canada or Sweden.

- **Definitive duty:** OJ L 321, 11.11.1987; Bull. EC 11-1987, point 2.2.2 (Canada)
- **Undertakings:** OJ L 321, 11.11.1987; Bull. EC 11-1987, point 2.2.2 (Sweden)

Notice published on 11 May.
OJ C 122, 14.5.1992

1.2.66. Forthcoming expiry of anti-dumping measures concerning ferro-silico-calcium/calcium silicide originating in Brazil.

- **Definitive duty:** OJ L 322, 12.11.1987; Bull. EC 11-1987, point 2.2.2

Notice published on 11 May.
OJ C 122, 14.5.1992

*Treaties and trade agreements:
extension or automatic renewal*

1.2.67. Proposal for a Council Decision authorizing extension or tacit renewal of certain trade agreements concluded between Member States and third countries.

- **Reference:** Council Decision 69/494/EEC on the progressive standardization of agreements

concerning commercial relations between Member States and third countries and on the negotiation of Community agreements: OJ L 326, 29.12.1969

Adopted by the Commission on 6 May.
This proposal concerns agreements which are due to expire or be terminated between 1 May and 31 July 1992.

COM(92) 175

Import arrangements

1.2.68. Proposal for a Council Regulation on import quotas to be opened by the Member States in respect of State-trading countries in 1992.

- **Basic Council Regulation:** Regulation (EEC) No 3420/83 on import arrangements for products originating in State-trading countries, not liberalized at Community level (OJ L 346, 8.12.1983), as last amended by Council Regulation (EEC) No 3859/91: OJ L 362, 31.12.1991; Bull. EC 12-1991, point 1.3.15

Adopted by the Commission on 6 May. This proposal takes into account the measures which the Community has taken to help the Central and East European countries and which have made the import arrangements for those countries much more flexible. The quotas proposed therefore concern mainly the East Asian State-trading countries.

Individual sectors

Textiles

1.2.69. Recommendation for a Council Decision authorizing the Commission to negotiate protocols on quantitative measures applicable to trade in textile products with the Czech and Slovak Federal Republic, Hungary and Poland, to be annexed to the European Agreements concluded between those countries and the Community.

- **Reference:** Council Decisions 92/228/EEC, 92/229/EEC and 92/230/EEC on the conclusion by the Community of the Interim Agreements on trade and trade-related matters with Poland,

Czechoslovakia and Hungary: OJ L 114, OJ L 115, and OJ L 116, 30.4.1992; Bull. EC 1/2-1992, point 1.4.9

Adopted by the Commission on 12 May.

Other products

1.2.70. Agreement between the Community and the United States of America on trade in large civil aircraft.

- **Recommendation for a Decision:** Bull. EC 10-1990, point 1.4.59
- **Negotiating directives:** Bull. EC 1/2-1991, point 1.3.106

The Commission adopted a proposal for a Decision on the conclusion of the Agreement on 25 May.

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International organizations and conferences

Council of Europe

1.2.71. Committee of Ministers.

- **Previous meeting:** Bull. EC 11-1991, point 1.3.97

The 90th meeting was held in Strasbourg on 7 May. The main event at the meeting was the accession of Bulgaria, which thus became the 27th member of the Council of Europe.

Discussion centred on the geographical enlargement of the Council of Europe, cooperation with the countries of Central and Eastern Europe and the former Soviet Union, and the reform of the organization's institutions.

The ministers adopted a communiqué providing for the implementation of programmes to assist democratic reform in the countries of Central and Eastern Europe and the former Soviet Union, as well as the Themis and LODE plans for the development of law and local democracy respect-

ively. The Russian Federation's Foreign Minister, Mr Kozyrev, took advantage of the occasion to lodge his country's application for membership of the Council of Europe.

1.2.72. Parliamentary Assembly.

- **Previous meeting:** Bull. EC 9-1991, point 1.3.70.

Session held in Strasbourg from 4 to 8 May. During this meeting, the French President, Mr Mitterrand, laid the foundation stone for the Council of Europe's new human rights building and addressed the Assembly. He called for the reform of the judicial control system of the European Convention on Human Rights and, drawing on set theory, gave his views on the shape of tomorrow's Europe. He repeated his proposal for the establishment of a European confederation, for which the Council of Europe could be one of the pillars, or indeed the main pillar.

On 5 May the Assembly adopted the favourable opinion that enabled Bulgaria to become, on 7 May, the 27th member of the Council of Europe and take its seat at the 90th meeting of the Committee of Ministers.

Mr Felber, Chairman of the Committee of Ministers and Switzerland's Foreign Minister, presented the Committee's report to the Assembly. Other topics on the agenda included granting Croatia's parliament special guest status, the work of the Conference on Security and Cooperation in Europe (CSCE) on the eve of its third summit, and access for European non-members to the institutions and machinery of the human rights conventions. North-South interdependence and solidarity, the preparations for the United Nations Conference on the Environment, June's Rio Conference, and environment policy in Europe (1990-91) were also discussed.

Organization for Economic Cooperation and Development

1.2.73. Annual ministerial meeting.

- **Previous meeting:** Bull. EC 6-1991, point 1.3.79

Meeting in Paris on 18 and 19 May. The meeting was chaired jointly by Mr Johnsen, Minister of Finance, and Mr Godal, Minister of Trade and Shipping, both of Norway. The Commission was represented by Mr Andriessen. The main topics of discussion were sustainable economic growth and social progress, the need to strengthen the multilateral framework, and the OECD's role in a changing world.

With regard to growth, the uncertainty surrounding the upturn in the economy, the first signs of which were already visible, led the ministers to agree on the need for continuing caution and vigilance in macro-economic policy. They also stressed that countries still running excessive budget deficits should step up their efforts while those with large trade surpluses and shrinking domestic demand should do their utmost to increase that demand. Long-term unemployment was another subject of general concern.

In the field of multilateral relations, the need for a rapid conclusion to the Uruguay Round was underlined; Mr Andriessen pointed out that though agriculture remained an important and difficult subject the negotiations also covered other crucial sectors such as services and market access, and that many participants in the negotiations had still to draft or improve their offers.

Lastly, while most of those present were concerned to preserve the character and homogeneity of the OECD, they did recognize the need to offer prudent access to potential members. There was also wide-ranging discussion of assistance to the countries of Central and Eastern Europe and the republics of the Commonwealth of Independent States (CIS), with Mr Andriessen emphasizing the OECD's role as a source of advice on economic policy-making, while other ministers seemed to want it to take a more active role, within the limits of its present budget.

European Bank for Reconstruction and Development

General

1.2.74. Parliament resolution on the European Bank for Reconstruction and Development (EBRD).

Adopted on 14 May. Parliament welcomed the speed with which the Bank had conducted its early operations, calling for it to increase progressively the rate at which equity and loans were committed.

It underlined the importance of close coordination between all parties providing financing in Eastern Europe, namely the Community, the commercial banks and the financial institutions, in order to avoid costly competition. The EBRD could find its niche in infrastructure projects and environmentally sensitive investment, for example in urgent safety work on Central Europe's nuclear reactors.

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Operations by the Bank

1.2.75. The EBRD examined and adopted a strategy on the Russian Federation. The Bank's board recommended to its governors the membership application of Georgia, the only republic of the former Soviet Union not yet a member.

1.2.76. Only one operation was approved this month: it involved the purchase of equity equivalent to ECU 40 million in a risk capital fund (Polish Private Equity Fund) aimed at Polish SMEs. The other shareholders will include investors from America (the Polish American Enterprise Fund), Poland and Austria (Creditanstalt Bankverein).

Human rights in the world

European democracy fund

1.2.77. Parliament resolution on a European democracy initiative.

Adopted on 14 May. Wishing to back the development of democratic movements in Europe, Asia and elsewhere, Parliament proposed a European democracy initiative to provide financial support for general civic education, strengthening democratic principles and human rights, and upholding the concept of civil society in countries with little experience of human rights, multiparty systems, the rule of law or economic freedom.

Aid from the Community budget would be distributed on a non-party basis, principally through parliamentary institutions, to non-governmental organizations and non-profit-making groups not opposed to Parliament's declarations on racism, xenophobia, women's rights or religious freedom.

Parliament called on the Commission to implement the above objectives, proposing to supervise the financed activities under its budgetary and monitoring powers.

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3. Intergovernmental cooperation

European political cooperation

1.3.1. The joint statements adopted and published in May are reproduced below in chronological order.

Former Yugoslav Republic of Macedonia

1.3.2. The following joint statement was published in Lisbon and Brussels on 4 May following the informal meeting of Foreign Ministers in Guimaraes on 1 and 2 May:

'The European Community and its Member States, gathered in an informal ministerial meeting at Guimaraes on 1 and 2 May 1992, had an in-depth discussion on the request of the former Yugoslav Republic of Macedonia to be recognized as an independent State.

They are willing to recognize that State as a sovereign and independent State, within its existing borders, and under a name that can be accepted by all parties concerned.

They expressed their high appreciation for the efforts of the Presidency, which included the preparation of a global package.

The Community and its Member States look forward to establishing with the authorities of Skopje a fruitful cooperative relationship aimed at the promotion of meaningful cooperation, capable of improving political stability and economic progress in the area. Simultaneously, they urge the parties directly involved to continue to do their utmost to resolve the pending questions on the basis of the Presidency's package.'

Death of a member of the monitoring mission in Bosnia-Herzegovina

1.3.3. The following joint statement was published in Lisbon and Brussels on 4 May:

The Community and its Member States have learned, with dismay and indignation, of the tragic incident involving the ECMM which has cost the life of a monitor of Belgian nationality in the Republic of Bosnia-Herzegovina.

The Community and its member States wish to express their deepest condolences to the relatives of the fallen monitor who was performing, unarmed, a peaceful and humanitarian mission. They also pay tribute to the courage and devotion of all members of the ECMM in fulfilling their meritorious task of encouraging and supporting peaceful solutions among the parties in the Yugoslav crisis.

The Community and its Member States have already addressed a vehement protest to the authorities of Belgrade concerning the action of the JNA which caused the death of the ECMM monitor and expect an urgent inquiry and the punishment of all those responsible for the said incident.

The Community and its Member States repeat their concern about the safety of EC monitors and demand that adequate measures be taken immediately for their protection.'

Bosnia-Herzegovina

1.3.4. The following joint statement on recent events in Sarajevo was published in Lisbon and Brussels on 5 May:

'The European Community and its Member States exhort all parties in Sarajevo to act with the utmost restraint and to do all in their power to refrain from any further action that might lead to a catastrophic situation of unforeseeable consequences.

The European Community and its Member States urge the JNA to fully support the Presidency of Bosnia-Herzegovina in the exercise of its constitutional responsibilities in order to resolve all outstanding issues. They also call upon the legal authorities of the republic to do all in their power for the immediate lifting of the blockade of the military academy and other military installations.

The European Community and its Member States condemn the seizure of President Izetbegovic by the JNA on Saturday as well as the repeated shelling of Sarajevo by JNA and irregular forces which has already caused the death of many innocent civilians and brought considerable destruction in the city.

The European Community and its Member States likewise condemn the attack made on Sunday on a JNA convoy which was proceeding under the terms of an agreement with the Presidency of Bosnia-Herzegovina, brokered by UN and European Community representatives during a time when the basic rules of democracy were being violated by the JNA.

Once again the European Community and its Member States appeal to the parties concerned to enforce existing cease-fire agreements, without which no viable political solution to the problems of Bosnia-Herzegovina is possible, and to proceed with negotiations on the withdrawal of the JNA.'

1.3.5. The following joint statement was published in Lisbon and Brussels on 11 May:

'The Community and its Member States, following with great concern the situation in Bosnia-Herzegovina, restate that a political solution can only be based on the principles established in the constitutional talks between Serbs, Croats and Muslims sponsored by the Peace Conference.

The consistent deterioration of the security situation, however, renders progress in those talks increasingly uncertain and casts doubts on the viability of any agreement to be reached in them.

Although all parties have contributed, in their own way, to the present state of affairs, by far the greatest share of the blame falls on the JNA and the authorities in Belgrade which are in control of the army, both directly and indirectly by supporting Serbian irregulars. The killings and expulsion of populations in Bijeljina, Zvornik, Foca and other towns and villages, the siege and systematic shelling of Sarajevo, the holding of Sarajevo airport preventing even the safe passage of humanitarian relief from the ICRC are actions deserving universal condemnation.

The Community and its Member States demand:

- (i) the complete withdrawal of the JNA and its armaments from Bosnia-Herzegovina or the disbandment of its forces and the placing of its armaments under effective international monitoring;
- (ii) the reopening of Sarajevo airport under conditions of safety, allowing the urgently needed humanitarian aid to be distributed.

The Community and its Member States also request the authorities in Belgrade to commit themselves to:

- (a) respect for the integrity of all borders of all republics;
- (b) respect for the rights of minorities and national or ethnic groups, including Kosovo and Vojvodina, in accordance with the Carrington Draft Convention;
- (c) promote the conclusion of an agreement on a special status for Krajina ensuring respect of the territorial integrity of Croatia;
- (d) fully cooperate with all parties at the Conference for settling the question of State succession.

The Community and its Member States have furthermore decided to:

- (i) recall their Ambassadors in Belgrade for consultations;
- (ii) demand the suspension of the delegation of Yugoslavia at the CSCE from taking part in the proceedings for the present; the situation will be reviewed on 29 June;

(iii) further pursue, should the situation remain unchanged, the increasing isolation of the Yugoslav delegation in international forums, bearing in mind, in particular, the impending OECD ministerial meeting;

(iv) ask the Commission to study the modalities of possible economic sanctions.

The Community and its Member States call upon the Government of Bosnia-Herzegovina to cooperate fully in the orderly withdrawal of the JNA. Together with that withdrawal a phased demobilization of territorial defence forces must take place. They urge the Government of Croatia to do all in its power to prevent an incursion into Bosnia-Herzegovina of military and para-military forces as well as the smuggling of weapons.

The Community and its Member States will keep the situation under review, in particular as far as the demands to the authorities in Belgrade are concerned. Failure to comply with the above will be taken into account when considering the question of recognition of the new federal entity on which Lord Carrington and the Arbitration Commission have been asked for advice.'

South Africa

1.3.6. The following joint statement on the 11th synthesis report on the Code of Conduct for Community companies with subsidiaries in South Africa was published in Lisbon and Brussels on 11 May:

- **Reference:** Joint statement on the 10th report: Bull. EC 5-1991, point 1.4.5

'The Community and its Member States approved the 11th synthesis report on the application of the Code of Conduct for companies from the EC with subsidiaries, branches or representation in South Africa. They decided to forward the report to the European Parliament and to the Economic and Social Committee of the European Community.

The report covers the period from 1 July 1989 to 30 June 1990 and analyses reports on the activities of 241 companies with about 80 000 black employees. It also takes into account the annual report by heads of mission in Pretoria on the implementation of the Code.

The Community and its Member States have noted with satisfaction that:

(i) a very large majority of European companies have resolutely adopted a policy of allowing their workforces to choose freely their representatives;

(ii) objective non-racial criteria are employed by all companies in determining wages and filling vacancies;

(iii) the majority of companies have achieved total desegregation;

(iv) in line with the objective of encouraging black businesses, an increasing number of companies are members of, or support, local organizations established to promote black entrepreneurs.

The Community and its Member States are convinced that the measures taken by the European companies to abolish segregation at the work place have contributed substantially to furthering their policy aimed at achieving the elimination of apartheid by peaceful means.'

Sudan

1.3.7 The following joint statement was published in Lisbon and Brussels on 18 May:

'The Community and its Member States welcome the forthcoming Peace Conference on Sudan due to be held in Abuja on 24 May.

Commending the efforts of President Babangida of Nigeria and current Chairman of the Organization of African Unity, in the convening of this meeting, the Community and its Member States welcome the decision of all parties to the conflict, namely the Sudanese Government and the Sudanese People's Liberation Army movement, to participate in the peace talks.

The Community and its Member States reaffirm their support for this initiative which they consider a major contribution to a peaceful solution to the Sudanese crisis.'

Georgia

1.3.8. The following joint statement was published in Lisbon and Brussels on 19 May:

'The Community and its Member States welcome the fact that parliamentary elections in Georgia have set for October 1992. The announcement of the State Council and the holding of elections are yet another step on Georgia's way to democracy, rule of law and legitimacy.

These elections will further support the integration of Georgia into Europe and into the international community of States. The Community and its Member States call upon all political forces in

Georgia to carry on the democratic process of dialogue and of national reconciliation.'

Thailand

1.3.9. The following joint statement was published in Lisbon and Brussels on 20 May:

'The Community and its Member States regard with great concern the recent tragic events in Thailand and condemn the use of force by the military forces against unarmed civilians. They urge the Thai military authorities to refrain from further violence and appeal for maximum restraint by all parties involved in the events.

The Community and its Member States wish to see an end to the bloodshed and an early return to a normal situation. They call for a peaceful and democratic solution to the problems in Thailand as well as full respect for human rights.

The Community and its Member States consider that only a democratic Thailand respecting fully human rights' norms can play a constructive role and contribute to the peace and stability of the Asia-Pacific region.'

Nagorno-Karabakh

1.3.10. The following joint statement was published in Lisbon and Brussels on 22 May:

'The Community and its Member States express their deepest concern at the latest escalation of the fighting in the Nagorno-Karabakh region and strongly condemn the use of force by whatever side. The Community and its Member States deplore the renewed sufferings inflicted on populations and the loss of human life resulting from the continuing fighting.

All inhabitants of both Armenia and Azerbaijan including the Armenian and Azeri populations of Nagorno-Karabakh are entitled to the same levels

of protection afforded by their government's acceptance of CSCE principles and commitments. Therefore, the Community and its Member States condemn in particular, as contrary to these principles and commitments, any actions against territorial integrity or designed to achieve political goals by force, including the driving-out of civilian populations. Fundamental rights of Armenian and Azeri populations should be fully restored, in the context of existing borders.

The Community and its Member States appeal to Armenia and Azerbaijan to show maximum restraint and to contribute constructively to the CSCE process. In this context they also urge all parties to work towards the early convening of the CSCE Peace Conference on Nagorno-Karabakh and to find a solution regarding the modalities of a representation of the communities of Nagorno-Karabakh, without which no lasting peace can be established.'

Lebanon

1.3.11. The following joint statement on the situation in southern Lebanon was published in Lisbon and Brussels on 27 May:

'The Community and its Member States express their grave concern at the recent deterioration in the situation in South Lebanon. They strongly reiterate their condemnation of all acts of violence in the region, whatever their origin. Such acts of violence have already led to the loss of lives of innocent civilians and those of UN personnel in the area and threaten to undermine the Middle East peace process, as well as the authority of the newly installed Lebanese Government. Bearing this in mind, the Community and its Member States appeal to the parties involved to refrain from any military actions and to respect the sovereignty, independence, and territorial integrity of Lebanon, in accordance with United Nations Security Council Resolution 425, which should be fully implemented.'

4. Financing Community activities

Budget

General budget

Financial perspective

1.4.1. Revision of the financial perspective annexed to the Interinstitutional Agreement of 29 June 1988 to take account of a special food aid programme for 1992.

• **References:**

Interinstitutional Agreement of 29 June 1988 on budgetary discipline and improvement of the budgetary procedure: OJ L 185, 15.7.1988; Bull. EC 6-1988, point 2.3.8

Commission communication relating to a special food aid programme for 1992 and approval by the Council: Bull. EC 4-1992, point 1.4.26; point 1.2.49 of this Bulletin

Supplementary and amending budget No 2/92: point 1.4.2. of this Bulletin

Triologue meeting held on 5 May. Parliament, the Council and the Commission reached basic agreement on the means for financing a special food aid programme involving ECU 220 million, which the Council had adopted for Africa.

This meant adjusting the financial perspective and adopting a new supplementary and amending budget. The ceilings of the financial perspective have duly been adjusted as follows in line with the conclusions of the trialogue meeting:

(i) the ceiling for heading 4 (Other policies) has been raised by ECU 200 million and the amount for non-compulsory expenditure by ECU 205 million;

(ii) the ceiling for heading 3 (Policies with multiannual allocations) has been lowered by ECU 10 billion;

(iii) the overall ceiling for commitment appropriations and the ceiling for payment appropriations required has been raised by ECU 190 million, made up of an increase of ECU 195 million for non-compulsory

expenditure and a decrease of ECU 5 million for compulsory expenditure

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Council decision adopted on 11 May. The Council followed up the conclusions of the trialogue meeting by agreeing to the financial arrangements for the special food aid programme for 1992.

Parliament resolution on the revision of the financial perspective and draft supplementary and amending budget No 2/92 adopted on 13 May. Parliament approved the decision to revise the financial perspective in line with the conclusions of the trialogue meeting on 5 May. However, it pointed out that the practice of frequent *ad hoc* revisions is incompatible with the objectives of financial planning and that these revisions would not have been needed if the Council had agreed to set up an operational reserve.

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Budgetary procedures

1992 financial year

Supplementary and amending budget

1.4.2. Supplementary and amending budget No 2/92

• **References:**

General budget of the European Communities for the 1992 financial year: OJ L 26, 3.2.1992; Bull. EC 12-1991, point 1.5.1

Commission communication relating to a special food aid programme for 1992 and approval by the Council: Bull. EC 4-1992, point 1.4.26; point 1.2.49 of this Bulletin

Revision of the financial perspective: point 1.4.1. of this Bulletin

Triologue meeting held on 5 May. Together with the revision of the financial perspective, the three institutions agreed to adopt a new supplementary and amending budget for 1992 to take account of the new food

Table 18 — *Preliminary draft budget for 1993* (appropriations for commitments)

(1 000 ECU)

Financial perspective heading	Budget heading	1992 budget	1993 ¹ financial perspective	1993 preliminary draft budget	Percentage difference 3:1	Difference 3-1
		1	2	3	4	5
1	<i>Common agricultural policy</i>					
	Markets (B1-1 to B1-3, not including B1-26)	34 859 000.000		31 388 000.000	-9.96	-3 471 000
	Accompanying measures (B1-5)	0.000		182 000.000		182 000
	Set-aside (B1-40)	360 000.000		489 000.000	35.83	129 000
	Income aid (B1-41)	100 000.000		59 000.000	-41.00	-41 000
	European Fisheries Guarantee Fund	29 000.000		27 000.000	-6.90	-2 000
	Total 1	35 348 000.000	36 657	32 145 000.000	-9.06	-3 203 000
Margin			4 512 000.000			
2	<i>Structural operations</i>					
	Structural Funds (B2-1)	17 685 285.000		20 063 000.000	13.44	2 377 715
	Pedip (B2-20)	127 700.000		0.000	-100.00	-127 700
	IMPs (B2-22)	465 620.000		623.000	-99.87	-464 997
	Community support frameworks (B2-21)	8 540 000		20 600.000	141.22	12 060
	Fisheries Guidance (B2-23)	270 254.000		329 054.000	21.76	58 800
	Cohesion Fund	0.000		1 565 000.000		1 565 000
	Programmes for the outermost regions (B2-24)	0.000		68 026.000		68 026
	Total 2	18 557 399.000	22.106	22 046 303.000	18.80	3 488 904
	Margin — Structural Funds (FP: 20 541) ¹			59 697.000		
Margin — Cohesion Funds (FP: 1 565) ¹			0.000			
Total margin			59 697.000			
3	<i>Internal policies</i>					
	Research (B6)	2 479 119.000		2 795 332.000	12.76	316 213
	Other agricultural operations (B2-5)	185 713.000		210 800.000	13.51	25 087
	Other regional operations (B2-6)	85 014.000		33 000.000	-61.18	-52 014

Table 18 (continued)

(1 000 ECU)

Financial perspective heading	Budget heading	1992 budget	1993 ¹ financial perspective	1993 preliminary draft budget	Percentage difference 3:1	Difference 3-1
		1	2	3	4	5
	Transport (B2-7)	9 320.000		10 770.000	15.56	1 450
	Fisheries and the sea (B2-9)	23 700 000		25 000 000	5.49	1 300
	Education, vocational training and youth policy (B3-1)	240 724.000		249 767.000	3.76	9 043
	Culture and audiovisual (B3-2)	63 719.000		99 240.000	55.75	35 521
	Information and communication (B3-3)	32 878.000		37 995.000	15.56	5 117
	Other social operations (B3-4)	116 887.000		147 460.000	26.16	30 573
	Energy (B4-1)	180 152.000		185 257.000	2.83	5 105
	Euratom nuclear safeguards (B4-2)	8 867.000		10 871.000	22.60	2 004
	Environment (B4-3)	96 115.001		107 564.000	11.91	11 449
	Consumer protection (B5-1)	16 125.000		16 000.000	-0.78	-125
	Aid for reconstruction (B5-2)	18 650.000		12 900.000	-30.83	-5 750
	Internal market (B5-3)	122 353.000		124 415.000	1.69	2 062
	Industry (B5-4)	29 537.000		32 951.000	11.56	3 414
	Information market (B5-5)	10 000.000		15 500.000	55.00	5 500
	Statistical information (B5-6)	27 068.000		32 800.000	21.18	5 732
	Trans-European networks (B5-7)	160 742.000		291 875.000	81.58	131 133
	Subtotal — Research	2 479 119.000		2 795 332.000	12.76	316 213
	Subtotal — Other policies	1 427 564.001		1 644 165.000	15.17	216 601
	Total 3	3 906 683.001	4.592	4 439 497 000	13.64	532 814
	Margin — Research (FP: 2 847) ¹			51 668.000		
	Margin — Other policies (FP: 1 745) ¹			100 835.000		
	Total margin			152 503.000		
4	External action					
	EDF (B7-1)	0.000		0.000		
	Food aid (B7-2)	486 500.000		574 000.000	17.99	87 500

Table 18 (continued)

(1 000 ECU)

Financial perspective heading	Budget heading	1992 budget	1993 ¹ financial perspective	1993 preliminary draft budget	Percentage difference 3:1	Difference 3-1
		1	2	3	4	5
	Cooperation with Latin American and Asian developing countries (B7-3)	553 000.000		605 000.000	9.40	52 000
	Cooperation with Mediterranean countries (B7-4)	418 730.000		476 700.000	13.84	57 970
	Other cooperation measures (B7-5)	451 709.999		486 300.000	7.66	34 590
	Cooperation with Central and East European countries and the independent States of the former Soviet Union (B7-6)	1 463 000.000		1 700 000.000	16.20	237 000
	Cooperation with other third countries (B7-7)	0.000		0.000		
	External aspects of certain Community policies and the common foreign and security policy (B7-8 and B7-9)	276 990.000		307 700.000	11.09	30.710
	Total 4	3 649 929.999	4 240	4 149 700.000	13.69	499 770
	Margin			90 300.000		90 300
5	<i>Administrative expenditure of the institutions</i>					
	Part A (not including buildings and pensions)	1 765 558.601		1 928 417.688	9.22	162 859
	Other institutions (not including buildings)	896 471.344	970	970 000.000	8.20	73 529
	Pensions	249 329.000	302	293 176.000	17.59	43 847
	Expenditure on buildings by the Commission	134 382.500		180 950.000	34.65	46 568
	Expenditure on buildings by the other institutions	160 000.000		156 000.000	-2.50	-4 000
	Subtotal — Commission	2 149 270.101		2 402 543.688	11.78	253 274
	Subtotal — Other institutions	1 056 471.344		1 126 000.000	6.58	69 529
	Subtotal — Buildings	294 382.500	344	336 950.000	14.46	42 568
	Stock disposal and repayments (B0-1)	892 000.000		0.000	-100.00	-892 000
	Total 5	4 097 741.445	3 560	3 528 543.688	-13.89	-569 198
	Margin — Pensions			8 824.000		
	Margin — Buildings			7 050.000		
	Margin — Commission			15 582.312		
	Margin — Other institutions			0.000		
	Total margin			31 456.312		

Table 18 (continued)

(1 000 ECU)

Financial perspective heading	Budget heading	1992 budget	1993 ¹ financial perspective	1993 preliminary draft budget	Percentage difference 3:1	Difference 3-1
		1	2	3	4	5
6	<i>Reserves</i>					
	Monetary reserve (B1-6)	1 000 000.000		1 000 000.000	0.00	0
	Reserve for exceptional expenditure	0.000		0.000		
	Total 6	1 000 000.000	1 521	1 000 000.000 521 000.000	0.00	0
	<i>Margin</i>					
	<i>Appropriations for commitments</i>					
	Grand total: compulsory expenditure	38 497 231.000		34 513 547.000	-10.35	-3 983 684
	non-compulsory expenditure	28 062 522.445		32 795 496.688	16.87	4 732 974
	Total compulsory + non-compulsory	66 559 753.445	72 676	67 309 043.688	1.13	749 290
	<i>Margin</i>			5 366 956.312		
	<i>Appropriations for payments</i>					
	Grand total: compulsory expenditure	38 424 601.000		34 465 847.000	-10.30	-3 958 754
	non-compulsory expenditure	24 624 865.466		29 878 133.032	21.33	5 253 268
	Total compulsory + non-compulsory	63 049 466.466	69 641	64 343 980.032	2.05	1 294 514
	<i>Margin</i>			5 297 019.968		

¹ Million ECU.

aid programme adopted by the Council. In line with the conclusions adopted, this supplementary and amending budget involves the following operations:

- (i) ECU 220 million in commitment appropriations and payment appropriations to be entered against Item B7-2070 (Food aid, exceptional reserve);
- (ii) a negative reserve of ECU 10 million to be entered against the commitment appropriations for research (heading 3 of the financial perspective): the three institutions undertake to ensure that this negative reserve is cancelled out by the end of June;
- (iii) a negative reserve of ECU 15 million in non-compulsory expenditure to be entered against the commitment appropriations for other policies (heading 4 of the financial perspective);
- (iv) an overall negative reserve of ECU 25 million to be entered for payment appropriations;
- (v) the appropriations for the EAGGF Guarantee Section, Chapter 1-20 (Milk and milk products) to be reduced by ECU 195 million

OJ C 150, 15.6.1992

Preliminary draft supplementary and amending budget adopted by the Commission on 8 May. The purpose of this preliminary draft is to give effect to the decisions taken at the trialogue meeting. The ECU 220 million entered as commitment appropriations and payment appropriations will be obtained by taking ECU 190 million from the EAGGF Guarantee Section and by setting up a negative reserve of ECU 30 million.

Draft supplementary and amending budget adopted by the Council on 11 May.

Parliament resolution on the financial perspective and draft supplementary and amending budget No 2/92 adopted on 13 May. Parliament welcomed the speed with which the Commission had presented

the special food aid programme for 1992 and approved draft supplementary and amending budget No 2/92.

It also pointed out that, since the food aid requirements were the outcome of substantially reduced harvests, the amount of aid committed might be more than offset by the drop in agricultural spending by the Community as a result of higher world prices.

OJ C 150, 15.6.1992

1993 financial year

1.4.3. Preliminary draft budget for 1993.

Approved by the Commission on 6 May. The preliminary draft budget for 1993 differs from its predecessors in two major respects.

Firstly, it is the first for five years which has not been drawn up within a currently valid financial perspective. Not until the negotiations on the 1993-97 financial package have been completed will it be possible to conclude a new interinstitutional agreement. In drawing up this preliminary draft budget, the Commission has worked on the basis of the Maastricht Treaty and the proposals it made in the Delors II package.

Secondly, the overall increase in expenditure is very slight. Commitment appropriations total ECU 67.3 billion (+ 1%) and payment appropriations ECU 64.3 billion (+ 2%).

This levelling-off of expenditure is due essentially to the decrease in the agricultural budget, which comes to ECU 32.145 billion compared with ECU 35.35 billion in 1992. The reasons are as follows: economic changes leading to a favourable ecu/dollar parity (- ECU 300 million), favourable market developments for beef/veal, milk products and cereals prices (- ECU 2 billion), and the initial effects of the agricultural reform measures (- ECU 530 million). As the agricultural guideline sets an upper limit on expenditure of ECU 36.6

billion, a margin of some ECU 4.5 billion is still available to cover any change in the market situation.

The desire to draw a clear distinction between the ceilings, which are the maximum levels authorized and in no way spending targets, and actual expenditure can be seen in each of the policy areas in this preliminary draft budget, in which planned expenditure is always below the ceiling.

ECU 4.5 billion is proposed for internal policies with research receiving ECU 2.8 billion, an increase of some 12.7%, and substantial increases are proposed for the trans-European networks, the environment, culture and information.

Expenditure on external policies increases sharply by 13% to ECU 4.1 billion. A heading has been created for the common foreign and security policy, but no amount has yet been proposed.

The Commission's administrative expenditure increases by approximately 11%, as a result of the cost of buildings and pensions.

Expenditure on economic and social cohesion totals ECU 22 billion (+ 19%). The new Cohesion Fund accounts for ECU 1.5 billion of this. The structural Funds are to receive ECU 17.7 billion, thus achieving the objective — set out in the First Delors package — of doubling their allocation.

Financial operations

Loans raised

1.4.4. In May the Commission made on behalf of the ECSC:

- (i) a private placing in US dollars for the equivalent of ECU 27.4 million;
- (ii) a UKL 50 million 15-year public issue at 9.875% with an issue price of 100.81%;

(iii) a UKL 52.7 million five-year public issue at a floating rate of interest with an issue price of 100%; the proceeds of the loan were swapped in part for a fixed rate;

(iv) a DM 158 million five-year public issue at a floating rate of interest with an issue price of 99.80%; the proceeds of the loan were swapped for fixed rates.

Loans granted

1.4.5. Acting under Articles 54 and 56 of the ECSC Treaty, the Commission granted loans in May totalling ECU 147.1 million.

Industrial loans

1.4.6. Industrial loans (Article 54) totalling ECU 89.1 million were made to the United Kingdom.

Conversion loans

1.4.7. Conversion loans (Article 56) totalling ECU 57.7 million were made to the United Kingdom.

Workers' housing

1.4.8. Loans totalling ECU 0.3 million were granted for steelworkers and mine-workers in Germany, France, the United Kingdom and Spain.

Measures to combat fraud

Results

1.4.9. Third Commission report to the Council on work done and progress achieved in 1991 in the fight against fraud.

- **R.ference:** Commission statement on the campaign against fraud and irregularities affecting

the Community budget: Bull. EC 3-1989, point 2.5.12

- **Second report:** Bull. EC 3-1991, point 1.5.17

Adopted on 26 May. As promised by the Commission, this report describes the work done and progress achieved in 1991 in the fight against fraud affecting the Community's interests.

It follows the same pattern as previous reports but also incorporates a new dimension in the fight against fraud geared more to prevention and cooperation than enforcement in an attempt to create an environment with less risk of fraud upstream. However, this also involves imposing sanctions to ensure that the Community's interests are properly protected.

This year's report contains special sections on the implementation and development of anti-fraud legislation, as well as on the carrying-out of controls in the Member States and inquiries in non-member countries. It also takes stock of the Commission's 45-point work programme and gives a rundown of the budgetary and human resources available to the Commission in its fight against fraud.

European Investment Bank

General

1.4.10. Council conclusions on the extension of European Investment Bank activities outside the Community.

Adopted on 19 May. The Council adopted the following guidelines for the implementation of a limited extension of EIB activity:

- '(i) EIB loans can be granted in countries with which the Community has concluded cooperation agreements and for projects of mutual interest;
- (ii) loans may be granted, for projects that meet the Bank's usual criteria, on a case-by-case basis by the Board of Directors;

(iii) an overall limit of ECU 250 million per year shall be set for a three-year period; this arrangement shall be reviewed at the end of the period.'

Funding

1.4.11. In May the European Investment Bank, the European Community's financial institution, granted loans totalling ECU 966.2 million, of which ECU 58.3 million went outside the Community.

Community

Links with Community policies

1.4.12. Loans were made for the following measures:

- (i) ECU 564.4 million for the economic development of disadvantaged regions;
- (ii) ECU 466.1 million for the improvement of transport and telecommunications infrastructures of benefit to the Community;
- (iii) ECU 70.0 million for the protection of the environment and the improvement of the quality of life;
- (iv) ECU 110.7 million for the pursuit of Community objectives in the field of energy;
- (v) ECU 33.2 million for the enhancement of the international competitiveness of industry and its integration within the Community.

The Bank also continued its operations to support small and medium-sized businesses (since the beginning of the year, approximately ECU 750.2 million has been granted in global loans).

Individual loans often come under several Community policies; some are therefore counted more than once in the above amounts.

Geographical breakdown

Belgium

1.4.13. A loan of ECU 15 million was granted for the extension and modernization of Eurocontrol installations in Brussels.

Denmark

1.4.14. ECU 192.2 million was provided for the construction of a road and rail bridge over the Great Belt, the construction of sections of motorway in Jutland and Zealand, the upgrading of railways (electrification of the Nyborg-Odense line, purchase of rolling stock and installation of automatic train control systems), and the improvement of telecommunications between urban centres. ECU 24.4 million went towards the construction of a gas transmission and distribution network in the Copenhagen conurbation.

Germany

1.4.15. ECU 49 million was granted in the form of global loans to finance small and medium-scale projects.

Greece

1.4.16. ECU 11.8 million was provided for reconstruction work in the Kalamata region, struck by an earthquake in 1986.

Spain

1.4.17. ECU 131.7 million went towards the high-speed rail link between Madrid and Seville.

France

1.4.18. ECU 61.7 million went towards the construction of the Channel Tunnel and the extension of the cross-channel terminal at Caen-Ouistreham in Lower Normandy, and ECU 33.2 million towards the financing of

the Eurodisney theme park to the east of Paris.

Ireland

1.4.19. Loans of ECU 28.6 million were granted for a variety of projects to develop the road network and for a new container terminal in the port of Waterford in south-east Ireland. ECU 13 million was granted in the form of global loans to finance small and medium-scale projects, and ECU 13 million for extending and improving higher education institutes in Dublin, Maynooth, Cork and Galway.

Italy

1.4.20. ECU 120 million was provided for the paper industry in the Mezzogiorno, environmental protection measures in a refinery in Sicily, and the modernization of a gas liquefaction plant in Tuscany, an aero-engine production unit in Campania and a baby food factory at Latina in the Mezzogiorno; ECU 41.7 million was granted in the form of global loans to finance small and medium-scale projects. ECU 86.9 million went towards the extension of storage tanks and compressor stations for natural gas in the Mezzogiorno and northern Italy and environmental protection measures at an oil-fired power station near Milan. ECU 24.7 million went to assist the collection and treatment of waste water in the Po valley, and environmental protection measures and drinking water supply facilities in Abruzzi and Piedmont.

Portugal

1.4.21. ECU 8.5 million was granted in the form of global loans to finance small and medium-scale projects.

United Kingdom

1.4.22. ECU 52.5 million went towards the construction of the Channel Tunnel.

*Community development
cooperation policy*

Mediterranean

Jordan

1.4.23. ECU 3 million was granted for the extension of the Sahab industrial zone, south-east of Amman.

ACP countries

Mali

1.4.24. ECU 10 million was granted from risk capital to set up a cotton ginning factory at Koutiala (200 km east of Bamako)

and to modernize a factory at Dioila (100 km east of Bamako).

Jamaica

1.4.25. ECU 0.3 million was provided for a feasibility study on the setting-up of a factory to produce caustic soda from local clays.

*Cooperation with Central
and East European countries*

Bulgaria

1.4.26. A loan of ECU 45 million was granted to complete an electricity generator fuelled by lignite with a view to improving electricity production.

5. Community institutions

Parliament

Strasbourg: 11 to 15 May

1.5.1. The outstanding event of this part-session was the official visit by Her Majesty Queen Elizabeth II. In her address to the House, Her Majesty emphasized that the balance struck at Maastricht would strengthen the 'ability ... to act on a European basis where the nature of a problem requires a European response' and called for a confident approach towards new members since, with each enlargement, the Community had become stronger.

There were a number of important political debates on the agenda on subjects including the new North-South partnership, drugs and organized crime, and Yugoslavia. The

part-session was also fairly productive on the legislative front.

The debate on the establishment of a new North-South global partnership within the framework of development cooperation policy was attended by Mr Barroso, President of the Council, and, for the Commission, by Mr Marín, Vice-President, and Mr Matutes. Mr Barroso outlined Community development policy and the action taken under Lomé IV, and stressed the need for close ties between development and democracy and development and the environment. During the debate, following which a total of 12 resolutions were adopted (→ point 1.2.42), members called for more support for the South, combining the protection of human rights, environmental awareness, the cancellation of debts and a review of structural adjustment policies. Reference was also made to the need

for more democracy in the international monetary institutions, the development of action targeted towards women, greater coordination of aid to NGOs, and reform of the Regulation on humanitarian aid.

Mr Marín and Mr Matutes, on behalf of the Commission, agreed to the review of the objectives of structural adjustment and endorsed the need to give thought to development and the environment in relation to the Rio Conference and to the Community's efforts in this field. Finally, they agreed with members on the creation of a new global partnership based on the control and management of new areas of interdependence, particularly as regards drugs and the environment.

The events in Bosnia-Herzegovina also gave rise to a lively discussion and the adoption of a resolution (→ point 1.2.22). Most members supported the diplomatic sanctions against Serbia adopted on 11 May by the Community and the Member States, as well as the Commission's decision to grant emergency aid to the victims and additional funds to the Bosnian refugees. Mr Matutes also pointed out that preparations were being made for economic sanctions. A number of speakers raised the situation in the former Yugoslav Republic of Macedonia.

The question of extending the Phare programme to Croatia and Slovenia was held over following a request from some members for the proposal to be split into two new proposals, one for each country.

The important part played by the European Bank for Reconstruction and Development (EBRD) in promoting investment and in restructuring the public sector in Central and Eastern Europe was emphasized by Mr Christophersen, Vice-President of the Commission. Parliament adopted a resolution calling on the EBRD to step up its lending and capital investment operations still further (→ point 1.2.74).

Still in the field of external relations, Parliament came out in favour of the withdrawal of Poland, Hungary and Czechoslovakia from the generalized preferences scheme

(→ point 1.2.18) and of the framework Cooperation Agreement with Paraguay (→ point 1.2.34).

The discussions on drugs and organized crime concentrated primarily on the decriminalization of the possession of small quantities of drugs, considered by the majority of members as tantamount to liberalization. Parliament therefore confined itself to calling on the Member States and the Commission to examine the recommendations of its Committee of Inquiry, which had initiated the debate, while pursuing the current strategy based on prohibition (→ point 1.1.199). Two key resolutions were also adopted, one on education and drugs misuse and the other embodying Parliament's opinion on the establishment of a European Drugs Monitoring Centre and a European information network on drugs and drug addiction (→ points 1.1.198 and 1.1.196).

On the reform of the common agricultural policy, the outcome of the debate on farm prices held no surprises: there was majority support for the principle of a price freeze, with a number of amendments tabled for the cereals, olive oil, cotton, and beef and veal sectors, in which members felt that the Commission proposals penalized producers excessively (→ point 1.1.145).

On budget policy, the House welcomed the incorporation into the preliminary draft budget of the Delors II package of structural and financial measures, particularly the Cohesion Fund. It approved the special food aid programme, and the subsequent supplementary and amending budget No 2/92 and revision of the financial perspective (→ point 1.4.1), and expressed satisfaction at the speed with which the Commission had reacted to the crisis.

On the question of environmental protection, at the request of Parliament Mr Ripa di Meana, for the Commission, made a statement on the Summit in Rio de Janeiro and commented on the Commission proposal on the CO₂ tax, a legislative breakthrough in which the other major countries should participate. However, a number of

members expressed regret at the conditional nature of this tax (→ point 1.1.121).

Discussing human rights and fundamental freedoms, Parliament proposed the establishment of a European democracy initiative to provide financial aid to support democratic principles, human rights and the concept of civil society in countries where these are now lacking. This aid would be channelled through the Community budget primarily to non-governmental organizations (→ point 1.2.77).

Finally, the part-session was relatively productive on the legislative front.

Under the cooperation procedure four opinions were adopted at first reading on proposals dealing respectively with the approximation of legislation relating to materials used in footwear (→ point 1.1.3), the monitoring of large exposures of credit institutions (→ point 1.1.27), medical devices (→ point 1.1.17), and the protection of workers in the extractive industries (→ point 1.1.93).

Three proposals relating to the disposal of waste, subcontracting and direct life assurance submitted for first reading were referred back to committee.

At second reading Parliament approved eight Council common positions on protection for medicinal products (→ point 1.1.30), an open network for leased lines (→ point 1.1.70), safety requirements at temporary or mobile construction sites (→ point 1.1.95), safety and/or health signs at work (→ point 1.1.94), direct insurance other than life assurance (→ point 1.1.29), the first reading of which had been held up for several months, the recognition of vocational education and training (→ point 1.1.103), the coordination of procedures for the award of public service contracts (→ point 1.1.26) and, lastly, the protection at work of pregnant women (→ point 1.1.96).

The common position on sweeteners for use in foodstuffs (→ point 1.1.19) was rejected at second reading, principally on legal grounds, following which the Commission

announced its decision to withdraw its proposal.

Finally, under the consultation procedure, Parliament gave its opinion on proposals on transboundary air pollution (→ point 1.1.136), air pollution by ozone (→ point 1.1.135), and the conservation of wild birds (→ point 1.1.133).

Parliament delivered a number of opinions in the field of transport relating notably to the charging of infrastructure costs to certain types of vehicle (→ point 1.1.76), the appointment and qualifications of officers responsible for the prevention of the risks inherent in the carriage of goods (→ point 1.1.72), the definitive system under which non-resident carriers may operate domestic road haulage services (→ point 1.1.74), and the European high-speed train network (→ point 1.1.73).

Report of proceedings:
OJ Annex 3-418
Full text of opinions and resolutions:
OJ C 150, 15.6.1992

Council

1571st meeting

1.5.2. Development
(Brussels, 4 May).

- Previous meeting: Bull. EC 11-1991, point 1.7.14

President: Mr Durão Barroso, Portuguese State Secretary for Foreign Affairs and Cooperation.

Commission: Mr Marín.

Main items

Special food aid programme for 1992: agreed (→ point 1.2.49).

Evaluation of Community development aid: conclusions adopted (→ point 1.2.43).

Structural adjustment in the ACP States: resolution adopted (→ point 1.2.37).

Lomé IV programming: conclusions adopted (→ point 1.2.38).

Other business

Untying Member States' aid at Community level: exchange of views.

Development cooperation policy — perspectives for the year 2000: forthcoming presentation of a communication noted.

Human rights, democracy and development: wide-ranging discussion.

Situation in Angola: exchange of views.

Marketing of breast-milk substitutes in developing countries: exchange of views.

Procedures for the implementation of financial and technical cooperation with the ACP States: exchange of views.

1572nd meeting

1.5.3. Development/environment
(Brussels, 5 May).

- Previous meetings: point 1.5.2 of this Bulletin; Bull. EC 3-1992, point 1.6.5

Presidents: Mr Borrego, Portuguese Minister for the Environment and Natural Resources, and Mr Durão Barroso, Portuguese State Secretary for Foreign Affairs and Cooperation.

Commission: Mr Marín and Mr Ripa di Meana.

Main item

Preparations for the UN Conference on Environment and Development (Rio, 3 to 14 June): conclusions adopted (→ point 1.1.116).

1573rd meeting

1.5.4. General affairs and political cooperation
(Brussels, 11 May).

- Previous meeting: Bull. EC 4-1992, point 1.7.3

President: Mr Pinheiro, Portuguese Minister for Foreign Affairs.

Commission: Mr Delors, Mr Andriessen, Mr Matutes and Mr Schmidhuber.

Main items

Agreement establishing an International Science and Technology Centre: agreed and decision to sign adopted (→ point 1.2.10).

Association Agreements with Romania and Bulgaria: decision authorizing the Commission to open negotiations adopted (→ point 1.2.12).

Respect for democratic principles, human rights and the principles of the market economy: statement adopted (→ point 1.2.13).

EEC-Israel Cooperation Council: Community position established (→ point 1.2.24).

Financing of the import programme for Albania: agreed (→ point 1.2.15).

Other business

Delors II package: expenditure section of the Commission communication examined.

Treaty on European Union: institutional implications discussed.

Immigration policy: exchange of views.

Uruguay Round: exchange of views.

Lisbon Conference: exchange of views.

Relations with the Maghreb: Commission communication presented.

Preparations for the ministerial meeting with the Rio Group: communication presented.

Preparations for the UN Conference on Environment and Development: exchange of views.

1574th meeting

1.5.5. Internal market
(Brussels, 14 May).

- Previous meeting: Bull. EC 3-1992, point 1.6.8

President: Mr Martins, Portuguese State Secretary for European Integration.

Commission: Mr Bangemann, Sir Leon Brittan and Mrs Scrivener.

Main items

Abolition of internal border controls: conclusions adopted (→ point 1.1.8).

Community customs code: common position adopted (→ point 1.1.10).

Copyright and neighbouring rights: resolution adopted (→ point 1.1.12).

Third Directive on direct life assurance: favourable opinion expressed (→ point 1.1.28).

Formation of public limited liability companies and the maintenance and alteration of their capital: common position agreed (→ point 1.1.31).

Other business

Profession of customs agents/officers: Commission communication presented.

Rental right, lending right and certain related rights: discussed in detail.

Psychotropic substances: Commission statement presented.

Public procurement — excluded sectors: exchange of views.

Export controls on dual-use goods and technologies: Commission statement presented.

Precious metals: *tour de table*.

1575th meeting

1.5.6. Health
(Brussels, 15 May)

- **Previous meeting:** Bull. EC 11-1991, point 1.7.7

President: Mr de Carvalho, Portuguese Minister for Health.

Commission: Ms Papandreou.

Main items

Labelling of tobacco products: Directive adopted (→ point 1.1.190).

Toxicology for health protection: conclusions adopted (→ point 1.1.191).

Nutrition and health: conclusions adopted (→ point 1.1.192).

Hereditary illnesses: conclusions adopted (→ point 1.1.193).

Adequate blood products availability in the Community: conclusions adopted (→ point 1.1.194).

European Drug Prevention Week: declaration adopted (→ point 1.1.195).

Other business

Tobacco advertising: exchange of views.

European Drugs Monitoring Centre and European information network on drugs and drug addiction: progress examined.

1576th meeting

1.5.7. Cultural affairs
(Brussels, 18 May).

- **Previous meeting:** Bull. EC 11-1991, point 1.7.12

President: Mr Santana Lopes, Portuguese State Secretary for Culture.

Commission: Mr Pandolfi and Mr Dondelinger.

Main items

European city of culture for 1997: designation of Thessaloniki agreed (→ point 1.1.203).

European cities of culture after 1996 and European Cultural Month: conclusions adopted (→ point 1.1.202).

Other business

Action plan for the introduction of advanced television services into Europe: wide-ranging discussion.

Cultural objects: exchange of views.

New prospects for Community cultural action: initial exchange of views.

Campaign for raising public awareness of books and reading: progress report presented.

Conservation of acid paper: report presented.

Conference on cultural patronage in the Community: report presented.

Copyright and neighbouring rights: progress report presented.

1577th meeting

1.5.8. Economic and financial affairs (Brussels, 19 May).

- Previous meeting: Bull. EC 3-1992, point 1.6.4

President: Mr Braga de Macedo, Portuguese Minister for Finance.

Commission: Mr Delors, Mr Christophersen and Mrs Scrivener.

Main items

Extension of European Investment Bank activities outside the Community: conclusions adopted (→ point 1.4.10).

German convergence programme: conclusions adopted (→ point 1.1.2).

Multilateral surveillance in Italy: conclusions adopted (→ point 1.1.1).

Other business

Delors II package: exchange of views.

Abolition of fiscal frontiers: outstanding problems examined.

Capital adequacy of investment firms and credit institutions: examined in depth.

Community strategy to limit CO₂ emissions and to improve energy efficiency: exchange of views.

Customs agents: exchange of views.

1578th meeting

1.5.9. Ministers for Justice meeting within the Council (Funchal, 18 May).

- Previous meeting: Bull. EC 11-1991, point 1.7.9

President: Mr Laborinho Lucio, Portuguese Minister for Justice.

Main item

Convention on the Accession of the Kingdom of Spain and the Portuguese Republic to the Convention on the Law Applicable to Contractual Obligations, opened for signature in Rome on 19 June 1980: signed.

1579th meeting

1.5.10. Agriculture (Brussels, 18 tot 21 May).

- Previous meeting: Bull. EC 4-1992, point 1.7.4

President: Mr Cunha, Portuguese Minister for Agriculture.

Commission: Mr Mac Sharry.

Main items

Development and future of the common agricultural policy: compromise agreed (→ points 1.1.138 to 1.1.144).

Prices for agricultural products and related measures (1992/93): agreed (→ point 1.1.145).

Community measures for the control of avian influenza: Directive adopted (→ point 1.1.154).

Other business

Implementation of Council Directives abolishing veterinary checks at internal borders: exchange of views.

1580th meeting

1.5.11. Energy
(Brussels, 21 May).

- **Previous meeting:** Bull. EC 12-1991, point 1.7.6

President: Mr de Mira Amaral, Portuguese Minister for Industry and Energy.

Commission: Mr Cardoso e Cunha.

Main item

Community strategy to limit CO₂ emissions: statement adopted (→ point 1.1.79).

Other business

Internal market in electricity and natural gas: general discussion.

Trans-European networks — energy aspects: exchange of views.

Oil supplies — possible Community accession to the International Energy Agency: exchange of views.

Oil market and the refining industry in the Community: Commission communication presented.

Conditions for granting and exercising authorizations to prospect, exploit and extract hydrocarbons: Commission proposal for a Directive presented.

Energy policy objectives: exchange of views.

1581st meeting

1.5.12. Environment
(Brussels, 26 and 27 May).

- **Previous meeting:** point 1.5.3 of this Bulletin

President: Mr Borrego, Portuguese Minister for the Environment and Natural Resources.

Commission: Mr Ripa di Meana.

Main items

Air pollution by ozone: proposal for a Directive agreed (→ point 1.1.135).

Fifth environmental action programme: conclusions adopted (→ point 1.1.122).

Framework Convention on climate change: conclusions and decision to sign adopted (→ point 1.1.117).

Waste from the titanium dioxide industry: common position adopted (→ point 1.1.125).

Other business

Shipments of waste: discussed in detail.

Preparations for the UN Conference on Environment and Development (Unced, Rio): final exchange of views before the Summit.

Commission

Proposals adopted

1.5.13. The Commission adopted a number of proposals on the environment and on energy policy including a proposal for a Directive introducing a tax on carbon dioxide emissions and energy (→ point 1.1.114), a proposal for a Decision on a monitoring mechanism for carbon dioxide emissions (→ point 1.1.115), a proposal for a Decision concerning the signature of a Convention on the conservation of biological diversity (→ point 1.1.118), a proposal for a Decision concerning the promotion of renewable energy sources (Altener) (→ point 1.1.78) and a proposal for a Directive aiming at limiting carbon dioxide emissions and improving energy efficiency (→ point 1.1.79).

It also adopted a proposal for a Directive on deposit-guarantee schemes (→ point 1.1.11), a proposal for a Directive concerning the protection of purchasers in time-share contracts (→ point 1.1.189) and preliminary draft supplementary and amending budget No 2/92 to cover the special food aid programme (→ point 1.4.2).

Communications, green papers and reports

1.5.14. The Commission adopted a number of texts on the completion of the internal market including a communication on adapting the profession of customs agents/officers to the advent of the single market (→ point 1.1.9), a communication on the abolition of border controls (→ point 1.1.7) and a report on intra-Community car-price differentials (→ point 1.1.34).

It also approved a communication on a Community strategy to limit carbon dioxide emissions and to improve energy efficiency (→ point 1.1.113).

The Commission also adopted communications on clean and efficient energy for development (→ point 1.1.119), the textile and clothing industry (→ point 1.2.57), the Community initiative for regions heavily dependent on the textile and clothing sector (Retex) (→ point 1.1.104), Community relations with Japan (→ point 1.2.27) and development cooperation policy in the run-up to 2000 (→ point 1.2.41).

The Commission also approved a Green Paper on the development of the single market for postal services (→ point 1.1.67).

Other activities

1.5.15. The Commission adopted a recommendation for a Council Decision concerning the participation of the European Community in the global environment facility (→ point 1.1.120).

Community lawcourts

Court of Justice

1.5.16. 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

Infringements

Article 169 of the EEC Treaty

8.4.1992: Case C-62/90 *Commission v Germany*

By prohibiting individuals, subject to the exceptions provided for in indents 6 and 6a of paragraph 73(2) of the Law of 24 August 1976 on medicinal products [Arzneimittelgesetz], as most recently amended by the Law of 11 April 1990, from importing, in quantities not exceeding normal personal needs, medicinal products which are available only on prescription in the Federal Republic of Germany and have been prescribed by a doctor and purchased in a pharmacy in another Member State, the Federal Republic of Germany has failed to fulfil its obligations under Articles 30 *et seq.* of the Treaty.

OJ C 121, 13.5.1992

External relations

Second subparagraph of Article 228(1) of the EEC Treaty

10.4.1992: Opinion 1/92 — Draft agreement between the Community and the countries of the European Free Trade Association relating to the creation of the European Economic Area.

The following are compatible with the Treaty establishing the European Economic Community:

(i) The provisions of the agreement which deal with the settlement of disputes, as long as the principle that decisions taken by the Joint Committee are not to affect the case-law of the Court of Justice is laid down in a form binding on the Contracting Parties;

(ii) Article 56 of the agreement, dealing with the sharing of competences in the field of competition.

OJ C 136, 26.5.1992

Other decisions

Customs union

Article 177 of the EEC Treaty

8.4.1992: Case C-371/90 *Beirafrio — Indústria de Produtos Alimentares v Chefe do Serviço da Conferência final da Alfândega do Porto.*

OJ C 121, 13.5.1992

Agriculture

Articles 173 and 215 of the EEC Treaty

7.4.1992: Case C-358/90 *Compagnia Italiana Alcool v Commission.*

OJ C 113, 1.5.1992

Article 177 of the EEC Treaty

8.4.1992: Case C-256/90 *Mignini v AIMA.*

OJ C 116, 7.5.1992

8.4.1992: Case C-94/91 *Hans-Otto Wagner v Fonds d'intervention et de régularisation du marché du sucre.*

OJ C 121, 13.5.1992

Fisheries

Articles 178 and 215 of the EEC Treaty

8.4.1992: Case C-55/90 *Cato v Commission.*

OJ C 121, 13.5.1992

Free movement of persons, right of establishment and freedom to provide services

Article 177 of the EEC Treaty

8.4.1992: Case C-166/91 *Bauer v Conseil national de l'ordre des architectes.*

OJ C 121, 13.5.1992

Social policy and free movement of workers

Article 177 of the EEC Treaty

8.4.1992: Case C-62/91 *Gray v Adjudication Officer.*

OJ C 116, 7.5.1992

Taxation

Article 177 of the EEC Treaty

6.5.1992: Case C-20/91 *de Jong v Staatssecretaris van Financiën.*

OJ C 135, 26.5.1992

Energy

Article 181 of the EEC Treaty

8.4.1992: Case C-209/90 *Commission v Feilhauer.*

OJ C 121, 13.5.1992

Infringements

Article 169 of the EEC Treaty

9.3.1992: Case C-115/91 *Commission v Greece.*

OJ C 116, 7.5.1992

12.3.1992: Case C-329/87 *Commission v Italy.*

OJ C 127, 19.5.1992

27.3.1992: Case C-57/91 *Commission v Greece.*

OJ C 127, 19.5.1992

7.4.1992: Case C-45/91 *Commission v Greece.*

OJ C 113, 1.5.1992

7.4.1992: Case C-61/90 *Commission v Greece.*

OJ C 116, 7.5.1992

Economic and Social Committee

297th plenary session

1.5.17. The Economic and Social Committee held its 297th plenary session on 26 and 27 May, chaired by Mr Geuenich and Mr Kazazis.

1.5.18. The Committee debated and adopted opinions on the following:

approximation of the laws of the Member States relating to machinery: lifting gear (→ point 1.1.14);

hygiene of foodstuffs (→ point 1.1.21);

statutes for a European association, a European cooperative society and a European mutual society (→ point 1.1.59);

new challenges for maritime industries (→ point 1.1.61);

an equitable wage (→ point 1.1.88);

measures specific to the remote and insular nature of the Canary Islands (Poseican) (→ point 1.1.111);

aid for producers' organizations in the French Overseas Departments, the Canaries, the Azores and Madeira (→ point 1.1.112);

speeding up the phasing-out of substances that deplete the ozone layer (→ point 1.1.137);

marketing standards for certain fats (→ point 1.1.160);

the 1991 Commission report on the common fisheries policy (→ point 1.1.18).

1.5.19. The Committee adopted opinions on the following without debate:

transit statistics and storage statistics (→ point 1.1.4);

excise duties on motor fuels from agricultural sources (→ point 1.1.32);

the return of cultural objects unlawfully removed from the territory of a Member State (→ point 1.1.25);

extraction solvents used in the production of foodstuffs and food ingredients (→ point 1.1.20);

contaminants in food (→ point 1.1.22);

supplementary social security schemes (occupational pension schemes) (→ point 1.1.91);

possession of, and trade in, specimens of species of wild fauna and flora (→ point 1.1.134);

the organic production of agricultural products (→ point 1.1.148);

the common organization of the market in products processed from fruit and vegetables (→ point 1.1.163);

the establishment of a European information network on drugs and drug addiction (Reitox) (→ point 1.1.196).

PART TWO

DOCUMENTATION

1. The ecu

Values in national currencies of ECU 1

May 1992 ¹		
BFR/ LFR	Belgian franc and Luxembourg franc	42.2897
DKR	Danish krone	7.93651
DM	German mark	2.05496
DR	Greek drachma	243.370
ESC	Portuguese escudo	171.063
FF	French franc	6.90836
HFL	Dutch guilder	2.31332
IRL	Irish pound	0.769179
LIT	Italian lira	1 546.87
PTA	Spanish peseta	128.462
UKL	Pound sterling	0.700002
AUD	Australian dollar	1.67740
CAD	Canadian dollar	1.52014
FMK	Finnish markka	5.58171
ISK	Icelandic króna	73.8356
NKR	Norwegian krone	8.01795
NZD	New Zealand dollar	2.36850
OS	Austrian schilling	14.4606
SFR	Swiss franc	1.88957
SKR	Swedish krona	7.40194
USD	United States dollar	1.26806
YEN	Japanese yen	165.727

¹ Average for the month; OJ C 139, 2.6.1992.

NB: Explanatory notes on the ecu and 'green' rates can be found in Bull. EC 7/8-1982, points 3.1.1 to 3.1.3, and Bull. EC 9-1989, point 2.1.3.

Representative rates ('green' rates)

Conversion rates into national currencies for the ecu used in connection with the common agricultural policy

May 1992

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	48.5563	HFL	Dutch guilder All products	2.65256
DKR	Danish krone All products	8.97989	IRL	Irish pound All products	0.878776
DM	German mark All products	2.35418	LIT	Italian lira All products	1 761.45
DR	Greek drachma Pigmeat Other products	269.738 252.121	PTA	Spanish peseta Cereals, sugar Eggs and poultrymeat, fishery products Pigmeat Olive oil, wine Other products Tobacco, oilseeds, sheep- meat and goatmeat, rice Other crop products	153.498 151.660 147.585 149.813 154.138 150.828 154.213
ESC	Portuguese escudo Pigmeat on 14.5.1992 196.309 on 18.5.1992 195.527 on 25.5.1992 208.676 Other products	202.670 199.152 196.309 195.527 208.676	UKL	Pound sterling Pigmeat Other products	0.805396 0.795423
FF	French franc All products	7.89563			

2. European Economic Area

2.2.1. Following the signing in Oporto on 2 May of the Agreement creating the European Economic Area, the following press release was issued:

'The creation of the European Economic Area ushers in a new phase in relations between the Community and its Member States and the EFTA States, and also constitutes a particularly important element in the new architecture of Europe.

The European Economic Area is intended to give fresh impetus to the privileged relationship between the European Community, its Member States and the EFTA States, which is based on their proximity, the importance of their economic relations, their common values of democracy and a market economy and their common European identity.

Once the European Economic Area has come into existence, the Community and its Member States and the EFTA States will make up the largest and most important integrated economic area in the world comprising 19 countries and enabling some 380 million citizens, through increased cooperation, to achieve greater prosperity and to assume their responsibilities even more effectively on the international scene, particularly in Europe.

The aim of the Agreement on the European Economic Area is to establish a dynamic and homogeneous integrated structure based on common rules and equal conditions of competition and equipped with the means, including judicial means, necessary for its implementation; it is based on equality, reciprocity and an overall balance of the contracting parties' benefits, rights and obligations.

The Agreement will make it possible to realize within the EEA the free movement of goods, persons, services and capital (achievement of the "four freedoms") on the basis of the European Community's existing legislation (the *acquis communautaire*) as it has evolved over the past 30 years, subject to a few exceptions and transitional periods:

(a) *Free movement of goods*: in addition to the total elimination of customs duties on industrial products already achieved under the 1972 free trade agreements, the Agreement removes virtually all remaining obstacles to trade in goods. Particularly worthy of mention are:

(i) the prohibition of any quantitative restrictions and measures having equivalent effect;

(ii) the improvement of the origin rules with a view to introducing "EEA origin";

(iii) the prevention of any kind of discriminatory practice by commercial State monopolies as between nationals belonging to the EEA as regards the conditions under which goods are procured and marketed;

(iv) the non-applicability — subject to certain conditions — of anti-dumping measures in intra-EEA relations;

(v) the removal of technical barriers to trade;

(vi) the simplification of border controls and of procedures governing trade in goods;

(vii) the creation of a common market in public procurement; and

(viii) the simplified procedures for trade in processed agricultural products.

(b) *Free movement of persons*: the EEA will provide new opportunities for workers and the self-employed. There will be no discrimination on grounds of nationality as regards employment, remuneration or other working conditions. Citizens of EEA countries will be free to move and to seek and hold employment anywhere in the Economic Area. As regards social security, the same rules for coordination of the various national systems will enable all workers, regardless of their EEA country of origin, to enjoy non-discriminatory and uninterrupted social protection. Freedom of establishment is expressly recognized in the Agreement: this means that nationals of any EEA country will have the right to set up businesses, agencies, branches, etc. and to pursue activities as self-employed persons anywhere in the EEA. Diplomas and other qualifications will be equally valid throughout the Economic Area, and students will be encouraged to study, train and carry out research outside their home country.

The body of provisions in the Agreement on the free movement of persons will therefore enable the citizens of the EEA to take advantage of the right to carry out any legal activity on a non-discriminatory basis.

(c) *Free movement of services*: the EEA Agreement guarantees freedom to provide services on a non-discriminatory basis, since the Signatory States have committed themselves to treating all EEA nationals in the same manner as their own citizens.

Concerning financial services in particular, the principle of "single licensing" will apply to credit institutions in the whole of the EEA and the principle of "home-country control" will make the home country responsible for supervising the

activities of domestic credit institutions wherever they carry out their activities in the EEA.

The Agreement also covers securities trading and, to protect the interests of investors, it includes strict rules on minimum capital and the disclosure of information by publicly listed companies.

The Agreement also includes insurance, including life assurance, non-life insurance and motor insurance.

The Agreement also contains provisions on telecommunications and on audiovisual and information services.

The provisions on transport are based on the principles of reciprocal and mutual access to the market for the contracting parties, more liberalization of transport services on a multilateral basis, and harmonized technical provisions and working conditions. They cover all modes of transport, i.e. inland, maritime and air transport.

Separate bilateral agreements have been concluded with Austria and Switzerland on road transit. The purpose of these agreements is to strengthen cooperation between the parties and to promote conventional rail transport as well as combined road-rail transport in order to protect the environment and public health, while improving access to the market. In this context, the Parties have defined the number of transits authorized.

(d) *Free movement of capital*: The Agreement provides a comprehensive and non-discriminatory framework for capital transfers, cross-border investments (whether direct or indirect), loans, etc. It provides not only for the abolition of exchange controls directly affecting capital transfers but also for the abolition of other indirect obstacles. In this sphere also, national rules on capital movements will apply equally to foreign residents and nationals. In the case of investment and establishment in the fisheries sector, Norway and Iceland will be permitted to maintain their existing national legislation.

The establishment of equal conditions of competition within the EEA is a priority objective of the Agreement. This objective will be attained through the inclusion in the Agreement of rules applicable in the Community and through the introduction of an effective surveillance system under which the EFTA countries will establish a structure similar to the Community structure, namely an EFTA Surveillance Authority responsible for surveying application of the EEA rules in the EFTA countries and an EFTA Court which will be responsible for judicial control.

Specific solutions have been found for agriculture and fisheries, *inter alia* through bilateral agreements, in order to intensify trade within the EEA.

In agriculture a future-developments clause commits the parties to continue their efforts to achieve progressive liberalization of trade in this sector under their national legislation, taking account of the results of the Uruguay Round, and bilateral arrangements have been concluded to encourage trade in particular products (cheese, fruit and vegetable juices, wine/spirits, meat, horticultural products) and, with the aim of contributing to a reduction in economic and social disparities (the "cohesion" objective in favour of the Mediterranean countries and Ireland), to boost the entry on EFTA markets of various products from the less-developed regions of the Community. The Agreement furthermore contains provisions intended to reduce as much as possible technical barriers to agricultural trade arising from differing technical regulations on animal and plant health.

Trade in fishery products in the EEA will be progressively liberalized. On the date of entry into force of the Agreement, the EFTA countries will abolish practically all of their customs duties on Community exports. The Community will, for its part, either immediately abolish or progressively reduce its customs duties (apart from for certain sensitive species).

As regards access to resources (an area which is a subject of bilateral agreements), Norway and Sweden have granted the Community additional catch possibilities or consolidated current catch possibilities. The agreement with Iceland also includes an exchange of quotas.

Apart from the four freedoms, the EEA Agreement also provides for wide-ranging and balanced cooperation covering:

(i) areas which have, at least in part, an impact on the competitive position of undertakings and which are directly linked to the achievement of the four freedoms. These are the "horizontal" policies, and here the Agreement specifically identifies social policy, consumer protection, environment, statistics and company law;

(ii) "flanking" Community policies, where cooperation in this context may take the form *inter alia* of participation by EFTA countries in framework programmes, specific programmes, projects or other Community actions in areas such as research and technological development, education and training, youth, more general aspects linked to the environment, social policy and consumer protection, SMEs, tourism, the audiovisual sector, and civil protection.

With the aim of contributing through the application of the Agreement to the reduction in economic and social imbalances between the regions, the EFTA countries have agreed to establish, in addition to certain agriculture and fisheries

arrangements already mentioned, a financial mechanism for a five-year period which will provide financial assistance for Portugal, the island of Ireland, Greece and certain regions in Spain. This assistance will take the form of soft loans totalling ECU 1 500 million and direct grants totalling ECU 500 million.

The Agreement aims to ensure the homogeneity of the rules applicable while preserving the decision-making autonomy of the Contracting Parties. It accordingly establishes a continuous and permanent process of information and consultation during all the stages of the preparation of Community acts, the aim of which is to facilitate the adoption at EEA level of new Community legislation. It also lays down rules aimed at the uniform interpretation of the provisions of the Agreement. Finally, it includes rules for surveillance and enforcement (also including, as already referred to, the establishment of an independent EFTA Surveillance Authority and an EFTA Court) and specific rules for the settlement of disputes, including as a last resort the possibility of safeguard measures and, where a dispute does not involve the interpretation of provisions which are identical in substance with the *acquis communautaire*, an arbitration procedure.

The institutional framework of the EEA Agreement comprises:

(i) an EEA Council, the highest political body in the EEA, consisting of members of the Council of

the Community, members of the Commission and one member of the government of each of the EFTA States; its role will be to provide political impetus in the implementation of the Agreement and to lay down general guidelines for the Joint Committee;

(ii) the EEA Joint Committee consisting of representatives of the Contracting Parties, which will have four principal functions: firstly, it will serve as a forum for the exchange of views and information; secondly, it will take decisions (in particular concerning the adoption or otherwise of any new *acquis communautaire*) and administer the Agreement; thirdly, it will endeavour to ensure the most homogeneous interpretation possible of the Agreement; finally, it will examine and seek solutions to any dispute between Contracting Parties concerning the interpretation or application of the Agreement;

(iii) the EEA Joint Parliamentary Committee consisting of 66 members (33 for the European Parliament and 33 for the parliaments of the EFTA countries), which is to contribute to a better understanding between the Community and the EFTA countries and which will be able to express its views in reports or resolutions;

(iv) the EEA Consultative Committee, which will be a forum for contacts between representatives of the social partners.'

3. Lisbon Conference on assistance to the new independent States of the former Soviet Union

2.3.1. The Conference adopted the following conclusions:

1. At the invitation of the European Community, Ministers and other representatives of donor countries and international organizations, as well as Ministers of the new independent States (NIS) of the former Soviet Union, met in Lisbon on 23 and 24 May 1992 to discuss and consider the coordination of assistance to the NIS.

2. The Ministers welcomed the process of reform in the NIS and expressed their support for it. In this context, they stressed the importance of resolving all conflicts involving the independent States in accordance with the CSCE principles and appealed to all involved to exercise restraint. This was an essential condition for the effective implementation of assistance and of the reform process.

3. The Ministers expressed satisfaction with progress made in the coordination of assistance to the NIS.

4. Since the Washington Conference, the already considerable financial effort devoted to assistance to these countries has been strengthened in order to encourage the NIS in their progress towards reform.

5. The Ministers considered that the first stage of short-term assistance, which had taken the form of humanitarian measures, had produced positive overall results. These measures had been designed to facilitate the transition of the NIS to a market economy while contributing to their stability. The Ministers welcomed the food aid operations undertaken and noted the US initiative on monetization of food aid, inspired by the European Community's success in establishing counterpart funds for its assistance to Moscow, St Petersburg and other cities.

6. The representatives of the NIS made statements to the Conference on the progress achieved in their reform programmes and gave details of the needs of their countries and of the sectors which they regarded as priorities for international assistance.

7. The Ministers noted that progress in implementing the action plans drawn up in Washington had been reviewed by the working groups set up in the five priority sectors: food, health, housing, energy and technical assistance. The

working groups had held meetings in which representatives of the independent States had participated. Several working groups had also organized missions which had made it possible to evaluate the situation on the spot. The conclusions of the working groups would serve as a guide to donor countries in planning and preparing their future assistance programmes. These programmes would be consistent with, and support, the process of political and economic reform.

8. The Ministers welcomed the accession of the NIS to the IMF and the World Bank, which would both play a central role in the macroeconomic assistance effort. The Ministers noted the comprehensive statement of the Managing Director of the IMF on the progress made towards developing the macroeconomic framework for encouraging the economic transformation of these countries. He underlined the huge financial burden which this transformation process would put on the resources of the IMF and emphasized the need both for complementary additional finance to be made available and for the NIS to reinforce their own reform efforts.

9. The Ministers underlined the importance of the NIS developing their ability to meet their own food requirements. They noted that, in present circumstances, humanitarian aid in its various forms remained an important element. They recommended that the developing situation, especially in the fields of health care and food supply, should be carefully monitored. They noted the intention of the main donors to coordinate, as necessary, their humanitarian aid efforts on the spot, in the light of recent experience.

10. Recognizing that the future objective was the complete integration of the NIS into an international system based on a market economy and the development of their own human and economic resources, the Ministers considered that technical assistance should be the essential component of future programmes of assistance to the NIS, including in the fields of health, housing and energy. Such assistance would make it possible to improve local qualifications and capacities to provide the advice and experience necessary for the proper functioning of the public and private sectors. In the specific area of shelter, programmes could also be aimed at facilitating the rapid reintegration of those military forces of the independent States still stationed outside the NIS.

11. For reasons of effectiveness, donors should consider, in appropriate cases, utilizing triangular arrangements in implementing their technical assistance programmes. A number of countries had faced similar problems to those now being experienced in the new independent States in making a transition to democracy and a market economy. These countries had a unique role to play in such triangular assistance arrangements.

12. The Ministers emphasized the priority nature of nuclear safety. They underlined the importance of the present preparations for a multilateral programme of action to address nuclear safety problems in the NIS and the countries of Central and Eastern Europe. They especially welcomed the programmes of the United States of America, the European Community and its Member States, and of other donor countries and international organizations, aimed at improving the safety of reactors of Soviet construction. They noted that a principal objective of these programmes was to permit the independent States themselves to institute the necessary safety procedures. To that end, emphasis would be laid on strengthening the regulatory framework and the inspection authorities and on the training of engineers and technicians in these countries.

13. The Ministers welcomed the agreement reached in Lisbon between the United States of America, Japan, Russia and the European Community to establish an International Science and Technology Centre and noted the intention of other donor countries to participate. The purpose of the Centre was to facilitate the redeployment of scientists and engineers from the former USSR, previously employed in defence industries.

14. The Ministers welcomed the intention of the European Community to encourage partnership between establishments in the Community and the new independent States in the health, culture, education, business and sport sectors. They also noted the Community initiative to introduce a voluntary service which would mobilize the experience of individuals to assist the transition process under way in the NIS. Such actions had the merit of underlining that the success of transition was also a matter for the individual citizen.

15. The Ministers encouraged the NIS to developed political, trade, economic, financial and

monetary cooperation amongst themselves in order to benefit to the maximum from both their own resources and international assistance. The Ministers laid emphasis on the decisive role which cooperation amongst the NIS would play in the future of each of these States, in particular in seeking solutions to regional problems involving several of them.

16. Future coordination of international assistance should, above all, be flexible and efficient and based on a pragmatic approach. The Ministers, accordingly, discussed new international coordination arrangements. In this context, emphasis was laid on the importance of on-the-spot coordination to ensure that the implementation of assistance measures took account of the realities in each independent State and their developing circumstances.

The Ministers took the view that the new independent States should progressively assume the main responsibility for future coordination in order to improve the consistency between assistance programmes and the implementation of reforms.

The Ministers considered that broad, long-term coordination would require a central role to be played by international organizations and could, in principle, be effected on a geographical basis.

The Ministers agreed to explore the establishment of assistance coordination groups, as necessary, combining interested donors and the appropriate international organizations with the country or countries concerned. These groups, which should be flexible and temporary, would coordinate overall assistance to the countries concerned, while leaving certain specific coordination activities to more specialized organizations.

The Ministers announced that new arrangements for international coordination, based on the work begun by the Washington and Lisbon Conferences, would be introduced gradually with a view to being confirmed at the Conference to be held in Japan in the autumn of 1992.

The Ministers welcomed the important contributions made by the five working groups, whose work should be completed by this autumn. Full use would be made of these working groups as long as they served their expected objectives.

4. Infringement proceedings

Letters of formal notice

Failure to communicate any measures incorporating Directives into national law

2.4.1. In May the Commission sent letters of formal notice in the following cases:

Internal market and industrial affairs

Directive 89/686/EEC (OJ L 399, 30.12.1989)
Personal protective equipment
Belgium, Denmark, Germany, Greece, Spain, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 89/665/EEC (OJ L 395, 30.12.1989)
Application of review procedures to the award of public supply and public works contracts
Germany, Greece, Luxembourg, Portugal

Directive 88/344/EEC (OJ L 157, 24.6.1988)
Extraction solvents used in the production of foodstuffs
Portugal, United Kingdom

Directive 90/612/EEC (OJ L 326, 24.11.1990)
Specific criteria of purity for agents for use in foodstuffs
Italy, Netherlands, Portugal, United Kingdom

Directive 89/341/EEC (OJ L 142, 25.5.1989)
Proprietary medicinal products
Belgium, Germany, Greece, Spain, France, Luxembourg, Netherlands, United Kingdom

Directive 89/342/EEC (OJ L 142, 25.5.1989)
Additional provisions for immunological medicinal products
Belgium, Germany, Greece, Spain, France, Luxembourg, Netherlands, United Kingdom

Directive 89/343/EEC (OJ L 142, 25.5.1989)
Additional provisions for radiopharmaceuticals
Belgium, Denmark, Germany, Greece, Spain, France, Luxembourg, Netherlands, United Kingdom

Directive 89/381/EEC (OJ L 181, 28.6.1989)
Special provisions for medicinal products derived from human blood or human plasma
Belgium, Germany, Greece, Spain, France, Luxembourg, Netherlands, United Kingdom

Directive 90/677/EEC (OJ L 373, 31.12.1990)
Veterinary medicinal products and immunological veterinary medicinal products
Greece

Directive 91/356/EEC (OJ L 193, 17.7.1991)
Good manufacturing practice for medicinal products for human use
Belgium, Germany, Greece, Spain, France, Ireland, Luxembourg, Netherlands, United Kingdom

Directive 88/379/EEC (OJ L 187, 16.7.1988)
Classification, packaging and labelling of dangerous preparations
Belgium, Germany, Spain, Ireland, Luxembourg, Portugal, United Kingdom

Directive 90/492/EEC (OJ L 275, 5.10.1990)
Classification, packaging and labelling of dangerous preparations
Belgium, Germany, Greece, Spain, Ireland, Luxembourg, Portugal, United Kingdom

Directive 91/155/EEC (OJ L 76, 22.3.1991)
System of specific information relating to dangerous preparations
Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 90/628/EEC (OJ L 341, 6.12.1990)
Safety-belts and restraint systems of motor vehicles
Belgium, Germany, Italy, Luxembourg

Directive 90/629/EEC (OJ L 341, 6.12.1990)
Anchorage for motor vehicle safety-belts
Belgium, Greece, Italy, Luxembourg

Directive 90/630/EEC (OJ L 341, 6.12.1990)
Field of vision of motor vehicle drivers
Belgium, Germany, Greece, Italy, Luxembourg

Directive 89/106/EEC (OJ L 40, 11.2.1989)
Construction products
Belgium, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Portugal

Directive 89/392/EEC (OJ L 183, 29.6.1989)
Machinery
Belgium, Denmark, Germany, Greece, Spain, Ireland, Italy, Netherlands, Portugal, United Kingdom

Directive 89/617/EEC (OJ L 357, 7.12.1989)
Units of measurement
Greece, Spain, Ireland, Portugal, United Kingdom

Directive 90/396/EEC (OJ L 196, 26.7.1990)
Gas appliances
Belgium, Germany, Spain, Ireland, Italy, Portugal

Directive 90/488/EEC (OJ L 270, 2.10.1990)
Simple pressure vessels
Belgium, Denmark, Germany, Luxembourg,
Netherlands, Portugal

Directive 89/594/EEC (OJ L 341, 23.11.1989)
Mutual recognition of diplomas (doctors, nurses,
dentists and midwives)
Belgium, Spain, Italy, Netherlands, Portugal

Directive 85/595/EEC (OJ L 341, 23.11.1989)
Mutual recognition of diplomas (nurses respon-
sible for general care)
Spain, Ireland, Italy, Netherlands, United Kingdom

Directive 90/658/EEC (OJ L 353, 17.12.1990)
Amendments to certain Directives on the recog-
nition of professional qualifications consequent
upon the unification of Germany
Belgium, Spain, Portugal, United Kingdom

Directive 89/677/EEC (OJ L 398, 30.12.1989)
Restrictions on the marketing and use of certain
dangerous substances and preparations
Belgium, Greece, France, Ireland, Italy, Luxem-
bourg, Netherlands, Portugal, United Kingdom

Directive 91/368/EEC (OJ L 198, 22.7.1991)
Machinery
Belgium, Denmark, Germany, Greece, Spain, Ire-
land, Italy, Netherlands, Portugal, United
Kingdom

Directive 91/422/EEC (OJ L 233, 22.8.1991)
Braking devices of certain categories of motor
vehicles and their trailers
Belgium, Germany, Spain, France, Italy, Luxem-
bourg, Netherlands, Portugal, United Kingdom

Directive 91/441/EEC (OJ L 242, 30.8.1991)
Measures to be taken against air pollution by
emissions from motor vehicles
Belgium, Greece, Spain, France, Luxembourg,
Netherlands, Portugal

Directive 91/442/EEC (OJ L 238, 27.8.1991)
Dangerous preparations the packaging of which
must be fitted with child-proof fastenings
Portugal

Directive 91/507/EEC (OJ L 270, 26.9.1991)
Standards and protocols in respect of the testing
of proprietary medicinal products
Belgium, Germany, Greece, Spain, France, Ireland,
Italy, Netherlands, Portugal, United Kingdom

Directive 91/542/EEC (OJ L 295, 25.10.1991)
Emissions of gaseous pollutants from diesel
engines for use in vehicles
Belgium, Denmark, Germany, Greece, Spain,
France, Italy, Luxembourg, Netherlands, Portugal

Employment, industrial relations and social affairs

Directive 86/613/EEC (OJ L 359, 19.12.1986)
Equal treatment between men and women
Netherlands, Portugal

Directive 90/239/EEC (OJ L 137, 30.5.1990)
Maximum tar yield of cigarettes
Greece, Netherlands, United Kingdom

Agriculture

Directive 79/967/EEC (OJ L 293, 20.11.1979)
Marketing of plants
Portugal

Directive 89/424/EEC (OJ L 196, 12.7.1989)
Marketing of seeds
Italy, Luxembourg, Portugal

Directive 90/44/EEC (OJ L 27, 31.1.1990)
Compound feedingstuffs for animals
Germany, Greece, Spain, France, Ireland, Luxem-
bourg

Directive 90/167/EEC (OJ L 92, 7.4.1990)
Medicated feedingstuffs for animals
Belgium, Denmark, Germany, Greece, Spain,
France, Ireland, Italy, Luxembourg, Netherlands

Directive 90/439/EEC (OJ L 227, 21.8.1990)
Products used in animal nutrition
Italy

Directive 91/27/EEC (OJ L 16, 22.1.1991)
Protective measures against the introduction into
the Member States of harmful organisms of plants
or plant products
Belgium, Denmark, Ireland, Italy, Luxembourg

Directive 91/126/EEC (OJ L 60, 7.3.1991)
Undesirable substances and products in feeding-
stuffs
Italy, Luxembourg.

Directive 91/132/EEC (OJ L 66, 13.6.1991)
Undesirable substances and products in feeding-
stuffs
Spain, Luxembourg

Directive 87/328/EEC (OJ L 167, 26.6.1987)
Pure-bred breeding animals of the bovine species
Spain

Directive 88/657/EEC (OJ L 382, 31.12.1988)
Production of, and trade in, minced meat
Belgium, Denmark, Spain, Ireland, Netherlands,
United Kingdom

Directive 89/437/EEC (OJ L 212, 22.7.1989)
Production and placing on the market of egg prod-
ucts
Belgium, Denmark, Germany, Spain, France, Italy,
Luxembourg, Portugal, United Kingdom

Directive 89/608/EEC (OJ L 351, 2.12.1989)
Correct application of legislation on veterinary
and zootechnical matters
Spain, Italy, Luxembourg, Netherlands, Portugal

Directive 90/423/EEC (OJ L 224, 18.8.1990)
Foot-and-mouth disease, intra-Community trade in, and imports of, bovine animals and swine
Belgium, Germany, Spain, Ireland, Luxembourg, United Kingdom

Directive 90/426/EEC (OJ L 224, 18.8.1990)
Movement and import of equidae
Belgium, Denmark, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 90/427/EEC (OJ L 224, 18.8.1990)
Intra-Community trade in equidae
Belgium, Denmark, Germany, Spain, Ireland, Luxembourg, Netherlands, United Kingdom

Directive 90/428/EEC (OJ L 224, 18.8.1990)
Trade in equidae intended for competition
Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 90/429/EEC (OJ L 224, 18.8.1990)
Intra-Community trade in, and imports of, semen of domestic animals of the porcine species
Belgium, Denmark, Greece, Spain, France, Ireland, Italy, Luxembourg, Portugal, United Kingdom

Directive 90/667/EEC (OJ L 363, 27.12.1990)
Disposal and processing of animal waste
Belgium, Denmark, Germany, Greece, Spain, Ireland, Italy, Netherlands, Portugal, United Kingdom

Directive 91/174/EEC (OJ L 85, 5.4.1991)
Zootechnical and pedigree requirements for the marketing of pure-bred animals
Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 91/249/EEC (OJ L 124, 18.5.1991)
Additives in animal feedingstuffs
Greece, Luxembourg

Directive 91/334/EEC (OJ L 184, 10.7.1991)
Labelling compound feedingstuffs for pet animals
Greece, Spain, Ireland, Italy, Luxembourg

Directive 91/336/EEC (OJ L 185, 11.7.1991)
Additives in animal feedingstuffs
Greece, Spain, Italy, Luxembourg

Directive 91/357/EEC (OJ L 193, 17.7.1991)
Labelling compound feedingstuffs for animals other than pet animals
Germany, Greece, Spain, France, Ireland, Luxembourg

Directive 91/496/EEC (OJ L 268, 24.9.1991)
Veterinary checks on animals entering the Community from third countries
Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 91/499/EEC (OJ L 268, 24.9.1991)
Bovine brucellosis and enzootic bovine leukosis
Belgium, Germany, Spain, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 91/681/EEC (OJ L 376, 31.12.1991)
Marketing of compound feedingstuffs
Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Portugal, United Kingdom

Directive 91/684/EEC (OJ L 376, 31.12.1991)
Production and placing on the market of egg products
Belgium, Denmark, Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Portugal, United Kingdom

Transport

Directive 91/224/EEC (OJ L 103, 23.4.1991)
Combined road/rail carriage of goods between Member States
Denmark, Germany, Greece, Ireland, Italy, Portugal, United Kingdom

Directive 89/459/EEC (OJ L 226, 3.8.1989)
Tread depth of tyres of motor vehicles
Greece, Portugal

Directive 91/60/EEC (OJ L 37, 9.2.1991)
Maximum authorized dimensions for road trains
Spain, France, Italy, Luxembourg, Portugal

Environment, nuclear safety and civil protection

Directive 90/219/EEC (OJ L 117, 8.5.1990)
Contained use of genetically modified microorganisms
Greece, Spain, France, Ireland, Italy, Luxembourg, Portugal

Directive 90/220/EEC (OJ L 117, 8.5.1990)
Deliberate release into the environment of genetically modified organisms
Greece, Spain, France, Ireland, Italy, Luxembourg, Portugal

Directive 91/325/EEC (OJ L 180, 8.7.1991)
Classification, packaging and labelling of dangerous substances
Belgium, Germany, Greece, Spain, Ireland, Italy, Luxembourg, Portugal, United Kingdom

Directive 89/618/EEC (OJ L 357, 7.12.1989)
Health protection measures to be applied and steps to be taken in the event of a radiological emergency
Denmark, Italy, Netherlands, Portugal

Directive 87/217/EEC (OJ L 85, 28.3.1987)
Prevention and reduction of environmental pollution by asbestos
Greece

Directive 88/180/EEC (OJ L 81, 26.3.1988)
Permissible sound power level of lawnmowers
Germany, United Kingdom

Directive 88/181/EEC (OJ L 81, 26.3.1988)
Permissible sound power level of lawnmowers
Germany, France, United Kingdom

Directive 90/415/EEC (OJ L 219, 14.8.1990)
Limit values and quality objectives for discharges of certain dangerous substances
Belgium, Germany, Greece, Ireland, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 90/517/EEC (OJ L 287, 19.10.1990)
Classification, packaging and labelling of dangerous substances
Belgium, Greece, Spain, France, Ireland, Italy, Portugal, United Kingdom

Telecommunications, information industries and innovation

Directive 90/544/EEC (OJ L 310, 9.11.1990)
Coordinated introduction of pan-European land-based public radio paging
Greece, Spain, Ireland

Directive 91/287/EEC (OJ L 144, 8.6.1991)
Coordinated introduction of digital European cordless telecommunications
Denmark, Germany, Greece, France, Ireland, Italy, Netherlands, United Kingdom.

Financial institutions and company law

Directive 89/117/EEC (OJ L 44, 16.2.1989)
Publication of accounting documents
Belgium, Denmark, Greece, Ireland, Luxembourg, Netherlands, United Kingdom

Directive 89/299/EEC (OJ L 124, 15.5.1989)
Own funds of credit institutions
Germany

Directive 89/647/EEC (OJ L 386, 30.12.1989)
Solvency ratio for credit institutions
Germany

Directive 89/298/EEC (OJ L 124, 5.5.1989)
Requirements for the prospectus to be published when transferable securities are offered to the public
Spain, France, Ireland

Directive 90/211/EEC (OJ L 112, 3.5.1990)
Mutual recognition of listing particulars
Greece, Spain, Ireland, Portugal

Directive 89/666/EEC (OJ L 395, 30.12.1989)
Disclosure requirements in respect of branches
Belgium, Germany, Greece, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 89/667/EEC (OJ L 395, 30.12.1989)
Single-member private limited liability companies
Belgium, Greece, Spain, Ireland, Italy, Luxembourg, Portugal, United Kingdom

Energy

Directive 91/296/EEC (OJ L 147, 12.6.1991)
Transit of natural gas through grids
Germany, Greece, Spain, France, Ireland, Italy, Luxembourg, Netherlands, Portugal, United Kingdom

Directive 90/377/EEC (OJ L 185, 17.7.1990)
Transparency of gas and electricity prices charged to industrial end-users
Denmark, Germany, Spain, France, Netherlands, Portugal

Directive 90/547/EEC (OJ L 313, 13.11.1990)
Transit of electricity through transmission grids
Spain, Ireland, Portugal

Customs and indirect taxation

Directive 89/465/EEC (OJ L 226, 3.8.1989)
Eighteenth VAT Directive
Belgium

Directive 91/342/EEC (OJ L 187, 13.7.1991)
Facilitation of physical inspections and administrative formalities in respect of the carriage of goods between Member States
Belgium, Germany, Greece, Spain, France, Italy, Portugal, United Kingdom

Consumers

Directive 91/184/EEC (OJ L 91, 12.4.1991)
Approximation of the laws of the Member States relating to cosmetic products
Belgium, France, Luxembourg, Portugal, United Kingdom.

Reasoned opinions

Failure to communicate any measures incorporating Directives into national law

2.4.2. In May the Commission delivered reasoned opinions in the following cases:

Employment, industrial relations and social affairs

Directive 89/622/EEC (OJ L 359, 8.12.1989)
Labelling of tobacco products
Spain

Environment, nuclear safety and civil protection

Directive 86/278/EEC (OJ L 181, 4.7.1986) and Articles 5 and 189 of the EEC Treaty
Protection of the environment when sewage sludge is used in agriculture
Netherlands

Directive 86/609/EEC (OJ L 358, 18.2.1986)
Protection of animals
Luxembourg

Failure to incorporate properly Directives into national law

2.4.3. In May the Commission delivered a reasoned opinion in the following case:

Environment, nuclear safety and civil protection

Directive 87/18/EEC (OJ L 15, 17.1.1987) and Articles 189 and 5 of the EEC Treaty
Good laboratory practice
Netherlands

Infringement of the Treaties or of Regulations; failure to properly apply Directives in practice

2.4.4. In May the Commission delivered reasoned opinions in the following cases:

Internal market and industrial affairs

Directive 77/62/EEC (OJ L 13, 15.1.1977)
Preferential arrangements for public supply contracts
Greece

Articles 48, 52 and 59 of the EEC Treaty
Refusal to grant a licence for a private detective agency
Italy

Agriculture

Article 48 of the EEC Treaty and Regulation (EEC) No 804/68/(OJ L 148, 28.6.1968)
Import of cheese
Greece

Regulations (EEC) Nos 1422/78 (OJ L 171, 28.6.1978) and 1565/79 (OJ L 188, 26.7.1979)
Scottish pride
United Kingdom

Directive 88/182/EEC (OJ L 81, 26.3.1988)
Technical standards: Decree NO86715, 11.5.1990 — Benomyl preparations
Greece

Directive 88/182/EEC (OJ L 81, 26.3.1988)
Technical standards on the quality of flowering bulbs
Netherlands

Budgets

Directive 77/388/EEC (OJ L 145, 13.6.1977) and Regulation (EEC) No 2892/77 (OJ L 336, 27.12.1977)
VAT resources not paid over because of exemptions for certain motorway tolls
Greece

Cases referred to the Court of Justice

Failure to communicate any measures incorporating Directives into national law

2.4.5. In May the Commission referred the following cases to the Court of Justice:

Transport

Directive 87/540/EEC (OJ L 322, 12.11.1987) and Articles 5 and 189 of the EEC Treaty
Access to the occupation of carrier of goods by waterway
Luxembourg

Environment, nuclear safety and civil protection

Directive 87/217/EEC (OJ L 85, 28.3.1987) and Articles 5 and 189 of the EEC Treaty
Prevention of environmental pollution by asbestos
Greece

Infringement of the Treaties or of Regulations; failure to apply properly Directives in practice

2.4.6. In May the Commission referred the following case to the Court of Justice:

Internal market and industrial affairs

Directive 83/189/EEC (OJ L 109, 26.4.1983)
Maximum power of pleasure craft engines
Italy

5. Additional references in the Official Journal

2.5.1. This section lists the titles of legal instruments and notices of Community institutions or organs which have appeared in the Official Journal since the last Bulletin was published but relating to items appearing in earlier issues of the Bulletin; the references were not available when the Bulletin went to press.

The number of the Bulletin and the point to which this additional information refers is followed by the title shown on the cover of the Official Journal, the number of the issue and the date of publication.

Bull. EC 11-1991

Point 1.2.31

Commission Decision 92/266/EEC of 27 November 1991 on the conversion activities of French

public industrial groups outside the steel and coal industries and excluding the Compagnie générale maritime, pursuant to Articles 92 to 94 of the EEC Treaty
OJ L 138, 21.5.1992

Bull. EC 12-1991

Point 1.5.1

Corrigendum to the final adoption of the general budget of the European Communities for the 1992 financial year

OJ L 142, 25.5.1992

Point 1.5.3

Amended proposal for a Council Regulation amending Regulation (EEC) No 337/75 establishing a European Centre for the Development of Vocational Training

Amended proposal for a Council Regulation amending Regulation (EEC) No 1416/76 on the financial provisions applying to the European Centre for the Development of Vocational Training

Amended proposal for a Council Regulation amending Regulation (EEC) No 1635/75 on the creation of a European Foundation for the Improvement of Living and Working Conditions

Amended proposal for a Council Regulation amending Regulation (EEC) No 1417/76 on the financial provisions applying to the European Foundation for the Improvement of Living and Working Conditions

OJ C 130, 21.5.1992

Bull. EC 1/2-1992

Point 1.4.64

Commission Decision 92/267/EEC of 21 February 1992 on the establishment of overall quantities of food aid for 1992 and a list of products to be supplied as food aid

OJ L 138, 21.5.1992

Bull. EC 3-1992

Point 1.2.18

Proposal for a Council Directive relating to the mechanical coupling devices of motor vehicles and their trailers and their attachment to these vehicles

OJ C 134, 25.5.1992

Point 1.2.128

Proposal for a Council Directive on the incineration of hazardous waste

OJ C 130, 21.5.1992

Point 1.2.198

Proposal for a Council Regulation on the common organization of the market in fishery products

OJ C 134, 25.5.1992

Point 1.2.210

Commission communication pursuant to Article 93(2) of the EEC Treaty to other Member States and interested parties concerning aid which the French authorities have decided to grant in the fisheries sector

OJ C 137, 27.5.1992

Bull. EC 5-1992

Point 1.5.3

Final adoption of amending and supplementary budget No 1 of the European Communities for the 1992 financial year

OJ L 142, 25.5.1992

Point 1.3.25

Amended proposal for a Council Directive on rental right and lending right and on certain rights related to copyright in the field of intellectual property

OJ C 128, 20.5.1992

Point 1.3.65

Council Decision 92/273/EEC of 29 April 1992 adopting specific research programmes to be implemented by the Joint Research Centre for the European Economic Community (1992-94)

OJ L 141, 23.5.1992

Point 1.3.66

Council Decision 92/274/Euratom of 29 April 1992 adopting specific research programmes to be implemented by the Joint Research Centre for the European Atomic Energy Community (1992-94)

Council Decision 92/275/Euratom of 29 April 1992 adopting a supplementary research programme to be implemented by the Joint Research Centre for the European Atomic Energy Community (1992-95)

OJ L 141, 23.5.1992

Point 1.3.73

Council Decision 92/272/EEC of 29 April 1992 on the dissemination and exploitation of knowledge resulting from the specific programmes of research and technological development of the Community

OJ L 141, 23.5.1992

Point 1.3.85

Council Regulation (EEC) No 1247/92 of 30 April 1992 amending Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community

OJ L 136, 19.5.1992

Point 1.3.86

Council Regulation (EEC) No 1248/92 of 30 April 1992 amending Regulation (EEC) No 1408/71 on

the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71
OJ L 136, 19.5.1992

Point 1.3.87

Council Regulation (EEC) No 1249/92 of 30 April 1992 amending Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71
OJ L 136, 19.5.1992

Point 1.3.126

Proposal for a Council Regulation (EEC) concerning the identification and registration of animals
OJ C 137, 27.5.1992

Point 1.3.135

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1799/87 on special arrangements for imports of maize and sorghum into Spain from 1987 to 1991
OJ C 138, 28.5.1992

Point 1.3.146

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 426/86 on the common organization of the market in products processed from fruit and vegetables
OJ C 116, 7.5.1992

Point 1.3.147

Proposal for a Council Regulation (EEC) establishing a special scheme for raspberries intended for processing
OJ C 113, 1.5.1992

Point 1.3.167

Commission notice pursuant to Article 93(2) of the EEC Treaty to the Member States and other interested parties concerning a draft Royal Decree

amending the Royal Decree of 31 July 1989 on compulsory contributions to promote sales of products covered by the Advisory Section for Poultry and Small Livestock set up within the Office national des débouchés agricoles et horticoles (Ondah) (*Moniteur belge* of 24 August 1989, p. 14616)
OJ C 142, 4.6.1992

Point 1.3.173

Proposal for a Council Decision amending Decision 89/631/EEC on a Community financial contribution towards expenditure incurred by Member States for the purpose of ensuring compliance with the Community system for the conservation and management of fishery resources
OJ C 138, 28.5.1992

Point 1.3.181

Amended proposal for a Council Directive on the approximation of Member States' laws, regulations and administrative provisions on advertising for tobacco products
OJ C 129, 21.5.1992

Point 1.6.7

Decision 92/251/EEC of the European Parliament of 8 April 1992 granting discharge to the Commission in respect of the financial management of the fourth European Development Fund for the 1990 financial year

Decision 92/252/EEC of the European Parliament of 8 April 1992 granting discharge to the Commission in respect of the financial management of the fifth European Development Fund for the 1990 financial year

Decision 92/253/EEC of the European Parliament of 8 April 1992 granting discharge to the Commission in respect of the financial management of the sixth European Development Fund for the 1990 financial year
OJ L 127, 13.5.1992

Point 1.6.8

Decision 92/250/ECSC of the European Parliament of 8 April 1992 granting a discharge to the Commission in respect of the European Coal and Steel Community accounts for the 1990 financial year
OJ L 127, 13.5.1992

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