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PRESS RELEASE

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1378th meeting of the Council

- RESEARCH -

Brussels, 15 and 16 December 1989

President:

Mr Hubert CURIEN

Minister for Research
and Technology
of the French Republic

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FRAMEWORK PROGRAMME FOR RESEARCH AND TECHNOLOGICAL DEVELOPMENT (1990-1994)

The Council continued its discussion of the proposal for a Decision concerning a framework programme for research and technological development in the period 1990 to 1994. Following lengthy discussion, it reached political agreement on the basis of a Presidency compromise.

The compromise provides for a total of ECU 5 700 million, broken down as follows:

- ECU 2 500 million for 1990-1992;
- ECU 3 200 million for the financing in 1993 and 1994 of activities begun in the period 1990 to 1992. If this amount is covered by any financial perspective fixed for 1993 and 1994, it is deemed to be confirmed. In any other circumstances, the Council should as soon as possible take, in accordance with the Treaty, the decisions deemed necessary to ensure the continuity of the present framework programm.

During the third year (1992), the Commission will assess the programme's progress by reference to a number of criteria, and will in particular carry out an overall evaluation. After the Council has examined its findings, the Commission will submit to it appropriate proposals for a revision of the framework programme.

The Commission considers the cost of the measures which, following this revision, might be carried out in 1993 and 1994 could amount to at least ECU 2 000 million.

The framework programme is broken down into the following activities:

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	in million of ECU		<u>TOTAL</u>
	<u>1990-1992</u>	<u>1993-1994</u>	
I. ENABLING TECHNOLOGIES			
1. Information and communications technologies	974	1 247	2 221
- Information technologies	1 352		
- Communications technologies	489		
- Development of telematics systems of general interest	380		
2. Industrial and materials technologies	390	498	888
- Industrial and materials technologies	748		
- Measurement and testing	140		
II. MANAGEMENT OF NATURAL RESOURCES			
3. Environment	227	291	518
- Environment	414		
- Marine Sciences and technologies	104		
4. Life sciences and technologies	325	416	741
- Biotechnology	164		
- Agricultural and agro-industrial research (1)	333		
- Biomedical and health research	133		
- Life sciences and technologies for developing countries	111		
5. Energy	357	457	814
- Non-nuclear energies	157		
- Nuclear fission safety	199		
- Controlled nuclear fusion	458		
III. MANAGEMENT OF INTELLECTUAL RESOURCES			
6. Human capital and mobility	227	291	518
- Human capital and mobility	518		
TOTAL	2 500	3 200	5 700
	(5 700)	(2) (3)	

(1) including fisheries.

(2) including ECU 57 million for the centralized action of dissemination and exploitation provided for in Article 4, drawn proportionally from each activity.

(3) including ECU 180 million for 1990-1992 and ECU 370 million for 1993-1994 for the Joint Research Centre.

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The Council also adopted the following statement:

"As pointed out by the European Council meeting in Strasbourg, the Community and its Member States intend to support those Central and East European countries which have taken the path of democratic change.

Under its research policy, the Community can, through greater co-operation, make an additional contribution to the establishment of sound, prosperous economies and to the strengthening of freedom, pluralism, democracy and progress in those countries.

In that spirit, the Research Council states its willingness to consider arrangements for closer co-operation with those countries in the research field.

It considers that priority should be given to co-operation in areas of direct concern to the population, such as the environment and health, and also to initiatives aimed at developing exchanges and free movement of scientists.

It calls on the Commission to take account of these guidelines in the communication which it is to submit on co-operation with third countries in the research field."

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HEALTH: HUMAN GENOME ANALYSIS

The Council adopted a common position on a specific research and technological development programme in the field of health: Human Genome Analysis (1990-1991) with an allocation of ECU 15 million.

The objectives of the programme are as follows:

- to develop and disseminate the basic technologies concerning the study of the human genome, with the intention of improving knowledge of matters of medical importance;
- to increase the resolution of the human genetic map and improve the physical map by the creation of ordered clone libraries, as a basis for locating genes of medical importance on chromosomes and for a better general understanding of gene function;
- to organize networks and co-ordination, on a European and international scale, of researchers from all disciplines working in this field.

Achievement of the abovementioned goals requires the undertaking at Community level of action aimed at:

- filling some existing gaps in scientific and technological knowledge;
- encouraging co-operation between European research establishments with a view to further the development of existing technologies while promoting all research sectors capable of generating new lines of research.

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Simultaneously, measures must be taken to promote co-operation between the Community programme and similar ones developed in third countries or by international organizations.

The Commission will also see to it that there is wide-ranging and in-depth discussion of the ethical, social and legal aspects of human genome analysis. It will submit to the European Parliament and to the Council an annual report, possibly with legislative recommendations. To that end, the Commission will obtain advice from experts in different fields of science (including medicine), law, philosophy and ethics, together with representatives of patients' associations.

The financial allocation will be broken down as follows:

	<u>millions of ecus</u>
Improvement of the human genetic map	3,3
Physical mapping (ordered clone libraries)	3,4
Data processing and data bases	2,2
Improvement of the methods and basis for the study of the human genome	2,2
Training	1,9
Ethical, social and legal aspects	1,0
Management and staff	1,0
TOTAL	15,0

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MANAGEMENT AND STORAGE OF RADIOACTIVE WASTE

The Council formally adopted an R&D programme in the field of management and storage of radioactive waste (1990-1994) with an allocation ECU 79,6 million.

The programme is aimed at perfecting and demonstrating a system for managing radioactive waste, including unprocessed irradiated fuel where this is considered as waste, which will ensure, at the various stages, the best possible protection of man and the environment. In particular, research will be continued on the characterization and description of the various barriers considered, both engineered and natural (geological), and the findings will be used to evaluate the long-term safety of this waste disposal concept.

The funds allocated will be distributed as follows:

millions of ecus

Part A: Waste management and associated R&D projects

- Studies of management systems	5,4
- Treatment of waste	7,5
- Safety of the multi-barrier system of geological disposal	39,2

Part B:

- Construction and/or operation of underground facilities open to Community joint activities	27,5
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MISCELLANEOUS DECISIONS

Second Directive on credit institutions

The Council adopted a second Council Directive on the co-ordination of laws, regulations and administrative provisions relating to the taking up and pursuit of the business of credit institutions since the European Parliament had now reached a decision under the co-operation procedure and the Commission had submitted its re-examined proposal.

It should be noted that the Council adopted its common position on the draft of this Directive on 19 June 1989 and subsequently forwarded it to the European Parliament.

The Directive lays down the general framework for the co-ordination of banking legislation and expands on the first Directive adopted in 1977 so as to serve as a basis for the implementation of other more specialized instruments such as the recently adopted Directive (17 April 1989) on the own funds of credit institutions, the Directive establishing a Community solvency ratio (on which the Council is required to take a final decision on 18 December 1989) and the 1987 Recommendations regarding large exposures and the introduction of deposit-guarantee schemes.

All these measures are designed to provide, by the end of 1992 at the latest, a homogeneous structure for the financial services market by removing as many as possible of the disparities in national treatment and the differences in conditions of competition.

The authorization given by the competent authority of the headquarters Member State will have Community-wide application and will allow a credit institution to set itself up in the Community and provide services there without needing to subject itself to a further authorization procedure.

It is the authorities in the headquarters State which have to check on the institution's solvency. However, the institution may no longer site its headquarters in a State of mere convenience: it must actually operate there. The authorities in countries which are host to branches and services, once they are apprised of their arrival, play a complementary role inasmuch as they now need only ensure that the rules which protect the general good are complied with (according to the Court of Justice's strict interpretation), such as the protection of savings, or assume monetary policy responsibilities.

The Directive lays down a set of conditions to govern the authorization of banks such as the requirement of a minimum initial capital of ECU 5 million. However, it also makes provision for a range of specific adjustments to these rules to assist small undertakings and those already in existence when these standards are adopted, lowering the limit to ECU 1 million.

The Directive establishes the principle, subject to a certain elasticity, of a limit on the holdings a credit institution may have in a non-financial institution. It restricts holdings in another institution to 15% of its own funds and to 60% of all its holdings.

It also makes subject to rules on the provision of information the acquisition of a holding in the capital itself of credit institutions by natural or legal persons taking up, abandoning or amending a shareholding position.

It establishes the possibilities for negotiating with third countries so as to promote principles of free and equal competition and makes it possible to combat certain forms of treatment which de facto or de jure put Community institutions at a disadvantage as compared with institutions from third countries which

continue to practise such discriminatory treatment despite the fact that the Community has welcomed their nationals.

Finally, the Directive lays down strict rules concerning the professional secrecy binding the authorities responsible for applying the Directive which to that end have been authorized to send each other information solely for the prudential supervision of credit institutions.

Insurance

Following the substantive agreement reached at its (Internal Market) meeting on 23 and 24 November, the Council adopted its common position on the Directive on the approximation of the laws of the Member States relating to insurance against civil liability in respect of the use of motor vehicles (see Press Release 10023/89 Presse 218 of 23/24.XI.1989).

Customs Union

The Council adopted Regulations:

- opening and providing for the administration of autonomous Community tariff quotas for certain agricultural and chemical products (1990);

- amending Regulation No 1135/88 concerning the definition of the concept of "originating products" and methods of administrative co-operation in trade between the customs territory of the Community, the Canary Islands, Ceuta and Melilla;

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- increasing the volume of the Community tariff quota opened for 1989 for a certain form of polyvinylpyrrolidone;

- opening and providing for the administration of autonomous tariff quotas for coffee, not roasted and not decaffeinated and for cocoa beans, whole or broken (1990).