

COUNCIL OF THE EUROPEAN COMMUNITIES  
GENERAL SECRETARIAT

PRESS RELEASE

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1382nd Council meeting  
- INTERNAL MARKET -  
Brussels, 21 and 22 December 1989

President: Mrs Edith CRESSON

Minister for European Affairs  
of the French Republic

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Paul DE KEERSMAEKER  
State Secretary for European  
Affairs and Agriculture

Denmark:

Mrs Anne-Birgitte LUNDHOLT  
Minister for Industry

Germany:

Mr Helmut HAUSSMANN  
Federal Minister for Economic  
Affairs

Mr Otto SCHLECHT  
State Secretary, Federal Ministry  
of Economic Affairs

Greece:

Mr THEOFANOUS  
Secretary-General, Ministry of  
Trade

Spain:

Mr Pedro SOLBES  
State Secretary for Relations with  
the European Communities

France:

Mrs Edith CRESSON  
Minister for European Affairs

Mrs Véronique NEIERTZ  
State Secretary for Consumer  
Affairs

Ireland:

Mr Desmond O'MALLEY  
Minister for Industry and Commerce

Italy:

Mr Pierluigi ROMITA

Minister for Community Policies

Luxembourg:

Mr Thierry STOLL

Deputy Permanent Representative

Netherlands:

Mr Ch. R. van BEUGE

Deputy Permanent Representative

Portugal:

Mr Vitor MARTINS

State Secretary for European  
Integration

United Kingdom:

Mr John REDWOOD

Parliamentary Under-Secretary of  
State, Department of Trade and  
Industry

Mr David MacLEAN

Parliamentary Secretary, Ministry  
of Agriculture, Fisheries and Food

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Commission:

Mr Martin BANGEMANN

Vice-President

Sir Leon BRITTAN

Vice-President

Mr Antonio CARDOSO E CUNHA

Member

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#### CONTROL OF CONCENTRATIONS BETWEEN UNDERTAKINGS

The Council adopted a Regulation on the control of concentration operations between undertakings.

One of the objectives for the establishment of the common market which the Treaty sets the Community is "the institution of a system ensuring that competition is not distorted". That system is essential for the completion of the internal market planned for 1992, given that the dismantling of internal borders is resulting and will continue to result in major corporate restructuring in the Community, particularly in the form of concentrations.

This Regulation treats this development as a healthy one in principle, since it meets the requirements of dynamic competition and is capable of increasing the competitiveness of European industry, improving the conditions of growth and in the long run raising the standard of living in the Community.

Nevertheless, the Council considers it essential to ensure that the process of restructuring does not result in lasting damage to competition. To this end, it is laying down provisions governing those concentrations which may significantly impede effective competition in the common market or in a substantial part of it. The new legislation also takes account of the fact that Articles 85 and 86 of the EEC Treaty are not sufficient to cover all operations which may prove to be incompatible with the system of undistorted competition envisaged in the Treaty.

The Regulation gives the Commission the power to take decisions establishing whether or not concentrations with a Community dimension are compatible with the common market.

A concentration, whether a merger of several undertakings or the gaining of control of a number of undertakings, has a Community dimension when:

- (a) the aggregate worldwide turnover of all the undertakings concerned is more than ECU 5 000 million, and
- (b) the aggregate Community-wide turnover of each of at least two of the undertakings concerned is more than ECU 250 000 000,

unless each of the undertakings concerned achieves more than two-thirds of its aggregate Community-wide turnover within one and the same Member State.

The thresholds, as well as certain other instruments in the Regulation, will be revised by the Council on a proposal from the Commission before the end of the fourth year following that of the adoption of this Regulation.

The Commission's appraisal of whether or not a concentration is compatible will be based on criteria laid down by the Regulation. The Commission must declare compatible with the common market those concentrations which do not create or strengthen a dominant position as a result of which the maintenance or development of effective competition would be significantly impeded in the common market or in a substantial part of it; if the opposite is true, then it must declare them incompatible with the common market.

In order to ensure effective monitoring, undertakings will be obliged to give prior notification of concentrations with a Community dimension. If there is no doubt about their compatibility with the common market, the Commission will formally declare them compatible. If, however, it finds that a concentration

which has been notified raises serious doubts as to its compatibility with the common market, it will decide to initiate proceedings, which should normally be completed within a maximum of four months.

National authorities will have the power to authorize operations which do not have a Community dimension. However, under this Regulation a Member State may ask the Commission to intervene in respect of such an operation in order to guarantee effective competition on its territory.

In addition, the Commission may refer a notified concentration with a Community dimension to the competent authorities of the Member State concerned in certain circumstances, namely when a concentration threatens to create barriers to competition on a specific market within a Member State, be it a substantial part of the common market or not.

The Regulation also makes provision for the Commission to make proposals to the Council for measures in relation to third countries, if on the basis of information from the Member States the Commission finds that Community undertakings are encountering general difficulties on the markets of third countries.

In order to protect legitimate interests, Member States may apply national legislation on competition under certain circumstances. Legitimate interests means public security, caution rules and the plurality of the media.

The Regulation will enter into force nine months after the adoption of the position, that is on 21 September 1990, in order to allow the undertakings concerned, the authorities and the social partners enough time to become familiar with the new system.

RIGHT OF RESIDENCE

Subject to further consultation of the European Parliament, the Council arrived at a political agreement on the content of the three Directives on right of residence. The Directives, which should enter into force by 30 June 1992, represent a crucial step towards the free movement of citizens throughout the Community.

Their main provisions are as follows:

Right of residence for non-active persons

Member States shall grant the right of residence to nationals of Member States who do not enjoy this right under other provisions of Community law and to members of their families provided that they themselves and the members of their families are covered by sickness insurance in respect of all risks in the host Member State and have sufficient resources to avoid becoming a burden on the social security system of the host Member State during their period of residence.

The right of residence shall remain for as long as beneficiaries of that right fulfil the conditions laid down in this Directive.

Right of residence for employees and self-employed persons who have ceased their occupational activity

Member States shall grant the right of residence to nationals of Member States who have pursued in the Community an activity as an employee or self-employed person and to members of their families provided that they are recipients of an invalidity or early retirement pension, or old age benefits, or of a pension in respect of an industrial accident or disease of an amount sufficient to avoid

becoming a burden on the social security system of the host Member State during their period of residence and are covered by sickness insurance in respect of all risks in the host Member State.

The right of residence shall remain for as long as beneficiaries of that right fulfil the conditions laid down in this Directive.

#### Right of residence for students

The Member States shall take the necessary measures to facilitate the exercise of the right of residence in order to guarantee access to vocational or professional training in a manner free from discrimination. Accordingly they shall recognize the right of residence of any student who is a national of a Member State and who does not enjoy this right under other provisions of Community law, and of the student's spouse and dependent children, where the student vouches to the relevant national authority by means of a declaration or by such alternative means as the student may choose that are at least equivalent, that he has sufficient resources to avoid becoming a burden on the social security system of the host Member State during their period of residence provided that the student is enrolled in a recognized educational establishment for the principal purpose of following vocational or professional training courses there and that they are covered by sickness insurance in respect of all risks in the host Member State.

The right of residence shall be restricted to the duration of the course of studies in question.

This Directive shall not establish any entitlement to the payment of maintenance grants by the host Member State on the part of students benefiting from the right of residence.



MAJOR TRANS-EUROPEAN NETWORKS

At the close of its discussions on this item of the agenda, the Council reached agreement on the following Resolution:

RESOLUTION ON TRANS-EUROPEAN NETWORKS

Having regard to the Treaty,

Considering the conclusions of the Strasbourg European Council on 8 and 9 December 1989 with regard to this area,

Considering that the process of the completion of an area without frontiers provided for in Article 8a of the Treaty has reached a stage of irreversibility,

Considering that citizens, businesses and administrations must be able to use communication infrastructures which enable them to encourage free movement within the Community,

Considering that the development of trade and the movement of persons and the requirements of economic and social cohesion may necessitate the improvement and extension of communication networks, including the creation of networks where none at present exist,

Considering that, insofar as infrastructures are currently planned and developed principally at national level it is necessary to solve the problems of compatibility and inter-operability which may affect their efficiency, inter alia by the development, where appropriate, of standards,

Considering that, in a number of sectors, infrastructure networks are provided by competing private sector operators, and that the Commission should take account of this in its proposals,

Considering that particular infrastructure projects need to be evaluated against firm criteria, including their economic viability, respect for the natural environment, the special attention which needs to be paid to the situation of the peripheral regions in the context of economic and social cohesion and the possible effects on free circulation,

Considering that Community projects which have already been adopted or are being implemented should not be impaired,

the Council has adopted the following Resolution:

1. The Council considers that special priority should be given, paying particular attention to situations arising at the Community's limits in the context of economic and social cohesion, to the development and inter-connection of trans-European networks, notably in the areas of air traffic control, energy distribution, transport infrastructure and in particular the most efficient surface communications links, and telecommunications, in particular the linking of the main Community conurbations by broad-band telecommunications networks, and the implementation of existing Community training programmes.
2. The Council invites the Commission to submit to it, before the end of 1990, a work programme and proposals for appropriate measures, taking into account the possibility of extending such action to the whole of the Community and without prejudice to the distribution of work among the various formations of the Council. The Commission will submit an initial progress report during the first half of 1990.

The Council notes that the Commission intends to organize its future work programme around the following points:

- verification as to whether Community intervention is justified or whether projects should rather be carried out by other public or private bodies;
  - the establishment of a timetable for completion;
  - the identification of any obstacles and shortcomings;
  - the evaluation of financing problems; and
  - the provision, if needed, of a consultation procedure to precede the establishment of projects.
3. The Commission will convene, whenever necessary, a working party comprising the persons responsible designated by each Member State to co-ordinate the work on the realization of trans-European networks.

The Council considers that the preparation of this programme entails broad consultation with a view to drawing up the report which the Commission is to submit before the end of the first half of 1990.

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IMPLEMENTATION OF THE LEGAL ACTS REQUIRED TO BUILD THE SINGLE MARKET

The Council held an exchange of views on the Commission communication concerning the implementation of the legal acts required to build the single market, at the close of which it drew the following conclusions:

"THE COUNCIL

- considers that the completion of the single market in accordance with the objectives laid down in the Treaty presupposes not only the adoption of all the Community measures planned for that purpose but also the adoption, within the prescribed time-limits, of implementing measures in the Member States;
- notes the concern expressed by the Commission in its communication of 7 September 1989 at delays in adopting these measures;
- welcomes the additional information which the Member States have supplied, at the Commission's request, on the stage reached in their respective timetables;
- welcomes, too, the exchange of views and experience to which the Commission's enquiries gave rise on the general problems arising and the solutions found to them in the various Member States;
- considers it desirable that all the Member States continue this clarification and exchange of experience in their dialogue with the Commission so that constant track can be kept, in particular, of the enactment of Directives in national law, also taking account of implementation of the judgments of the Court of Justice, in order to obviate any delay in completion of the single market;
- welcomes the Commission's intention to take all necessary steps to that end, and in particular:

- . to ensure, for the benefit of the Member States and businesses, constant transparency of measures to enact Community rules in national law;

The Council considers in particular that systematic dissemination of such measures is necessary.

Here it notes with satisfaction the creation of the INFO 92 base and hopes that it will be made more easily accessible to the widest possible public.

- . to co-operate as necessary with Member States in examining plans for national measures for the enactment of Community legislation in national law in good time.

In the areas covered by the "new approach" this co-operation would include a look at the progress made in adopting European standards and setting up at national level, where necessary and possible, a system of certification, monitoring and market surveillance.

- proposes, at least once a year on the basis of regular information from the Commission, to:

- = examine the stage reached in implementing the various instruments for completing the internal market;

- = hold further exchanges of views and experience on the problems arising in this area and the solutions to be applied."

STATUTE FOR A EUROPEAN COMPANY

The Council held a brief exchange of views on the progress made on the proposals for a Regulation and an additional Directive on the Statute for a European Company submitted by the Commission on 25 August 1989.

The proposals replace the earlier proposals submitted in 1970 and 1975 and follow on from the memorandum forwarded in July 1988.

Under the proposals, the adoption of the Statute, while remaining optional, would give undertakings the opportunity of resorting to a structure directly based on Community law. Provision has been made for extensive reference to the Directives already adopted in connection with companies or to those on which negotiations appear to be well advanced, and to the law of the State of registered office.

After noting that discussions had been proceeding at a steady rate and in a constructive spirit, the Council instructed the Permanent Representatives Committee to step up the pace so that it could make progress on this dossier at its forthcoming meetings.

BUSINESSES IN THE "ECONOMIE SOCIALE" SECTOR AND EUROPE'S FRONTIER-FREE MARKET

The Council held an exchange of views on the Commission communication entitled "businesses in the Economie Sociale sector and Europe's frontier-free market".

This communication:

- defines and describes the Economie Sociale sector by giving a brief overview of the branches in which its enterprises are active in all Member States
- identifies the prospects opening up for enterprises in this sector in the Europe of 1992 and shows to what extent they are taken into account in Community policies
- adumbrates the framework for Community action to ensure that enterprises in this sector enjoy access to the frontier-free market on the same footing as other enterprises.

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PROCUREMENT PROCEDURES OF ENTITIES OPERATING IN THE WATER, ENERGY, TRANSPORT AND TELECOMMUNICATIONS SECTORS

On the basis of an overall compromise proposal by the Presidency, the Council held an in-depth discussion on essential questions arising with regard to this important Directive opening up markets hitherto excluded from Community legislation on public contracts to genuine competition throughout the Community.

The discussions centred in particular on the scope and the provision made for different treatment for certain areas because of their specific nature, the dates of transposition and application accompanied by transitional provisions for some Member States, and the external aspect, namely the possible introduction of special provisions for the award of supply contracts when the bid includes products manufactured outside the Community or originates from a third country which does not allow Community businessmen access to its market.

At the close of the discussion, the President noted that clarifications had been made and substantial progress achieved on all the above issues thanks to the extremely constructive co-operation of all the delegations, but that some delegations still needed to consider in particular the content of the Article on the external aspect.

The Council will therefore be able to continue its discussions on the matter under the Irish Presidency on the basis of the guidelines which emerged on this occasion, deriving from the compromise proposals submitted by the Presidency and the Commission. With this in view, the Permanent Representatives Committee was instructed to press on swiftly with its preparation of the dossier.



APPROXIMATION OF THE LAWS ON ACTIVE IMPLANTABLE ELECTROMEDICAL DEVICES

The Council arrived at a common position on the substance of an initial proposal on medical devices, aiming to contribute to the achievement of a single market in these devices.

The proposal relates to medical devices using a source of energy and implanted in the human body, of which the best known example is the pacemaker.

CERTIFICATION

The Council held a discussion on harmonizing conformity assessment. At the close of the discussion, the Council:

- adopted a resolution on a global approach to conformity assessment (set out below),
- arrived at a joint guideline on the substance of a draft Decision on which the Opinion of the Parliament is awaited.

The Decision stipulates that the procedures for conformity assessment which are to be used in the technical harmonization directives relating to the marketing of industrial products will be chosen from among the modules listed in the Decision and in accordance with the criteria set out therein.

The Decision considers that the introduction of harmonized methods for the assessment of conformity and the adoption of a common doctrine for their implementation are likely to facilitate the adoption of future technical harmonization directives concerning the placing on the market of industrial products and thus be conducive to the completion of the internal market by 31 December 1992.

COUNCIL RESOLUTION on a global approach to conformity assessment

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

RECALLING its Resolution of 7 May 1985 on a new approach to technical harmonization and standards in which it stated that the new approach should be accompanied by a policy on the assessment of conformity;

RECALLING the objectives of the Single European Act, including the strengthening of economic and social cohesion;

STRESSES the importance of a global approach in this area, as outlined by the Commission in its communication of 15 June 1989, with the aim of creating the conditions which will enable the principle of mutual recognition of proofs of conformity to operate in both the regulatory and the non-regulatory sphere;

TAKING INTO CONSIDERATION the basic lines of that approach;

HEREBY ADOPTS the following guiding principles for a European policy on conformity assessment:

- a consistent approach in Community legislation should be ensured by devising modules for the various phases of conformity assessment procedures and by laying down criteria for the use of those procedures, for the designation and notification of bodies under those procedures, and for use of the CE mark;
- generalized use of the European standards relating to quality assurance (EN 290000) and to the requirements to be fulfilled by the abovementioned bodies concerned (EN 450000), the setting up of accreditation systems and the

use of techniques of intercomparison should be promoted in all Community Member States as well as at Community level;

- the promotion of mutual recognition agreements on certification and testing between bodies operating in the non-regulatory sphere is essential for the completion of the internal market; the setting-up of a flexible, unbureaucratic testing and certification organization at European level with the basic role of promoting such agreements and of providing a prime forum within which to frame them should significantly contribute to the furtherance of that objective;
  
- possible differences in levels of development in the Community and in industrial sectors with regard to quality infrastructure (especially calibration and metrology systems, testing laboratories, certification and inspection bodies, and accreditation systems) such as are likely to have an adverse effect on the operation of the internal market should be studied with a view to the preparation of a programme of Community measures, possibly including budgetary measures, as soon as possible;
  
- in its relations with third countries the Community will endeavour to promote international trade in regulated products, in particular by concluding mutual recognition agreements on the basis of Article 113 of the Treaty in accordance with Community law and with the Community's international obligations, while ensuring in the latter case that:
  - . the competence of the third country bodies is and remains on a par with that required of their Community counterparts;

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- . the mutual recognition arrangements are confined to reports, certificates and marks drawn up and issued directly by the bodies designated in the agreements;
- . in cases where the Community wishes to have its own bodies recognized, the agreements establish a balanced situation with regard to the advantages derived by the parties in all matters relating to conformity assessment for the products concerned.

The Commission is requested to submit recommendations to the Council as soon as possible for detailed negotiating directives under Article 113 of the Treaty.

The Council also calls on the Commission to prepare the measures necessary to put this Resolution into practice.

#### DIRECT LIFE ASSURANCE

On the basis of an overall compromise proposal, the Council reached a policy agreement, subject to the Opinion of the European Parliament, on the whole of the second Directive on the co-ordination of rules governing direct life assurance.

The purpose of this Directive is to supplement the "first" Directive on life assurance (Directive 79/267/EEC) and to facilitate the effective exercise of the freedom to provide services in this area, thereby granting policy-holders the full freedom to have recourse to as wide a market as possible. This proposal for a Directive is the counterpart to the "other than life" Directive adopted by the Council on 22 June 1988.

As for the main content of the Directive, it:

- lays down specific provisions relating to the taking-up and pursuit of activities by way of freedom to provide services, providing for two different sets of rules according to whether the initiative comes from the insurer or the policy-holder;
- stipulates the powers and means of supervision available to the supervisory authorities with regard to activities by way of provision of services;
- in order to protect the policy-holder, provides for a right to cancel the contract during a fixed period after its conclusion;
- given the extension of its field of application to group assurance and the need to guarantee the independence of brokers in all the Member States, provides for the possibility of differential application as between group assurances on the one hand and the free provision of services through brokers on the other;
- in order to avoid sources of distortion of competition, the tax rules applicable are those of the Member State of the commitment, i.e. that of the policy-holder.

Specific transitional provisions are laid down for certain Member States for which the Directive is particularly onerous, in view of their economic situation.

#### LEGAL PROTECTION OF COMPUTER PROGRAMS

The Council had a policy debate on a proposal for a Directive on the legal, protection of computer programs.

This proposal provides that the Member States shall grant copyright protection to computer programs as literary works.

Points raised in the discussion were concerned with:

- the extent of protection with regard to the specification of interfaces, and
- the analysis of programs without the consent of the right holder (reverse engineering).

The Council instructed the Permanent Representatives Committee to proceed with its discussions.

With regard to the two specific points above, it asked the Commission to carry out an in-depth study to provide full information on which it could base its decision.

PACKAGE TRAVEL

The Council adopted a common position on the substance of an amended proposal for a Directive on package travel including package holidays and package tours.

This proposal harmonizes national provisions on essential aspects of this subject, with the aim of encouraging the free circulation of packages and avoiding distortions of competition between operators established in different countries, thereby also improving consumer protection; in particular, it provides that:

- the description of the package given in the brochure supplied by the organizer or the retailer to the consumer must indicate in an understandable and accurate manner both the price and certain key information. These particulars are binding on the organizer or the retailer;
- the contract must contain all the clauses which are essential for the package under consideration; a list of such clauses, which are to be supplied to the consumer before the conclusion of the contract, is annexed to the Directive. The prices laid down in the contract shall not be subject to revision except on the conditions stipulated by the Directive and under no circumstances any later than 20 days before departure;
- the organizer and/or retailer party to the contract must be responsible to the consumer for ensuring the satisfactory fulfilment of the obligations arising from the contract whether such obligations are to be fulfilled by themselves or by other providers of services,
- the organizer and/or retailer party to the contract must provide sufficient evidence of ability, in the event of insolvency, to refund money paid over and to repatriate the consumer.

The Member States will have to comply with the provisions of the Directive by 31 December 1992.

#### NUTRITION LABELLING

The Council reached a substantive agreement on a common position concerning a proposal for a Directive on nutrition labelling rules for foodstuffs intended for sale to the ultimate consumer.

The proposal follows on from the "Communication on the completion of the Internal Market: Community legislation on foodstuffs" and is intended to improve consumer information and prevent barriers to trade caused by differences in nutrition labelling in the different Member States.

The proposal introduces specific rules which must be applied by manufacturers when they employ nutrition labelling and which would:

- provide a uniform and stable framework for national information and education programmes
- prevent consumers from being misled
- contribute, through general compatibility with the Codex, to a reduction in the costs borne by manufacturers exporting to non-member countries.

The Council instructed the Permanent Representatives Committee to continue studying a second Directive on the introduction of compulsory nutrition labelling of foodstuffs intended for sale to the ultimate consumer.



FOODS AND FOOD INGREDIENTS TREATED WITH IONIZING RADIATION

The Council discussed a proposal for a Directive on the approximation of the laws of the Member States concerning foods and food ingredients treated with ionizing radiation.

The proposal is intended to ensure the free movement of products treated with ionizing radiation while guaranteeing a high degree of protection to the consumer.

To achieve this, it is based on the following principles:

- only categories of foods which appear on a positive list may be subjected to treatment with ionizing radiation,
- the ionization units for foods must be subject to prior authorization by the responsible authorities, as designated by each Member State,
- the installations and procedure and the foods treated with ionizing radiation must be subject to official controls,
- irradiated foods must comply with specific labelling rules requiring detailed information,
- irradiated foods from third countries may be admitted into the Community provided that they comply with the provisions of the Directive.

After noting that there were still differences of opinion over the substance and the whole principle of the Directive, the Council instructed the Permanent Representatives Committee to continue its discussions with the aim of finding a basic compromise for future deliberations in the Council.

VETERINARY MEDICINAL PRODUCTS

Pending receipt of the European Parliament's Opinion, the Council noted that there was a general policy position in favour of a proposal for a Regulation laying down a Community procedure for the establishment of maximum residue limits of veterinary medicinal products in foodstuffs of animal origin.

The proposal is intended to set limits for residues considered to be without any toxicological hazard for human health as expressed by the acceptable daily intake (ADI), or on the basis of a temporary ADI that utilizes an additional safety factor. It also takes into account other relevant public health risks as well as food technology aspects.

RECOGNITION OF PROFESSIONAL EDUCATION AND TRAINING

The Council reviewed the progress of discussions on the proposal for a Directive on a second general system for the recognition of professional education and training.

The proposal concerns all regulated professions which are not covered by a specific Directive or by the first general system for the recognition of higher education diplomas (Directive 89/48/EEC).

The Presidency stated that it attached great importance to this proposal as it was a key element in the completion of the internal market and the People's Europe.

The Council instructed the Permanent Representative Committee to expedite the examination of this dossier.

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The Representatives of the Governments of the Member States which had not hitherto signed the instruments opened for signing in Luxembourg on 15 December 1989 at the conclusion of the Conference on the Community Patent signed them at the present meeting. The instruments involved were:

- the Agreement relating to Community patents
- the Protocol on a possible modification of the conditions of entry into force of the Agreement relating to Community Patents
- a Joint Declaration by the Governments of the Member States.

(See Press Release 10901/89 Presse 247)

MISCELLANEOUS DECISIONS

Relations with the German Democratic Republic

The Council adopted a Decision authorizing the Commission to negotiate an Agreement between the EEC and the GDR on trade and commercial and economic co-operation.

Relations with the EFTA countries

The Council adopted Decisions concluding agreements between the EEC, the Republic of Austria, the Republic of Finland, the Republic of Iceland, the Kingdom of Norway, the Kingdom of Sweden and the Swiss Confederation on trade electronic data interchanging using the communications networks (TEDIS).

Relations with Czechoslovakia

The Council adopted a Regulation implementing certain provisions of the EEC-Czechoslovakia Agreement with a view to transferring Annexes I, II and III to the Combined Nomenclature and abolishing certain quantitative restrictions under Articles 4 and 5 of the Agreement.

Relations with Yugoslavia

The Council adopted Regulations implementing

- Decision No 3/89 of the EEC-Yugoslavia Co-operation Council of 27 November 1989 amending, as a consequence of the introduction of the Harmonized System, Protocol No 3 concerning the definition of the concept of "originating products" and methods of administrative co-operation

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- Decision No 4/89 of the EEC-Yugoslavia Co-operation Council of 27 November 1989 amending, on account of the accession of Spain and Portugal to the European Communities, Protocol No 3 concerning the definition of the concept of "originating products" and methods of administrative co-operation.

#### Chernobyl accident - Imports of agricultural products

The Council decided to extend for three months Regulation No 3955/87 on the conditions governing imports of agricultural products originating in third countries following the accident at the Chernobyl nuclear power-station, which expired on 30 December 1989.

#### Other decisions concerning the Internal Market

##### Technical barriers

The Council adopted

- a Directive amending Directive 75/106/EEC on the approximation of the laws of the Member States relating to the making-up by volume of certain pre-packaged liquids
- a Directive amending for the eighth 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
- a Directive amending Directive 76/769/EEC relating to restrictions on the marketing and use of certain dangerous substances and preparations (Committee procedure)

- a Directive amending for the fifth time Directive 76/768/EEC on the approximation of the laws of the Member States relating to cosmetic products (Committee procedure)
  
- a Directive on the approximation of the laws of the Member States relating to personal protective equipment. This Directive aims to lay down the conditions for placing on the market and free movement within the Community together with the essential requirements which PPE must satisfy in order to preserve the health and ensure the safety of users. This is the sixth Directive based on the Resolution of 3 May 1985 on a new approach to technical harmonization
  
- Directives:
  - = amending Directive 77/536/EEC on the approximation of the laws of the Member States relating to the roll-over protection structures of wheeled agricultural or forestry tractors
  
  - = amending Directive 87/402/EEC on roll-over protection structures mounted in front of the driver's seat on narrow-track wheeled agricultural and forestry tractors
  
  - = amending Directive 86/298/EEC on rear-mounted roll-over protection structures for narrow-track wheeled agricultural and forestry tractors
  
- common positions with a view to the adoption of Directives:
  - = on the approximation of the laws of the Member States relating to appliances burning gaseous fuels (see Internal Market Press Release of 23/24.XI.89 - 10023/89 Presse 218)
  
  - = on the harmonization of the laws of the Member States relating to non-automatic weighing instruments (see Internal Market Press Release of 23/24.XI.89 - 10023/89 Presse 218 - agreement as to substance)

### Public contracts

The Council adopted a Directive on the co-ordination of the laws, regulations and administrative provisions relating to the application of rules on procedures for the award of public supply and public works contracts.

The aim of the Directive is to ensure compliance with Community provisions relating to public contracts with a view to such contracts being opened to Community competition.

The Directive provides for contractors and suppliers to have effective review procedures making it possible to punish, at any stage in the procedure for awarding the contract, any illegalities which may be committed in relation to Community rules on public contracts by a contracting authority.

### Company law

The Council adopted

- the eleventh Directive on the harmonization of disclosure requirements in respect of branches opened in a Member State by certain types of company governed by the law of another Member State

In order to protect persons who deal with companies through the intermediary of branches, the Directive regulates the disclosure required in the State where the branch is located. In addition to the basic information on the branch itself, including address and activities, the Directive refers in respect of the other information - entry in the commercial register, name and legal form of the company, its representation, accounting documents, etc. - to the data to be published by the parent company in accordance with the rules applying to companies under Directive 68/151/EEC.



- the twelfth Directive on company law concerning single-member private limited-liability companies

The aim of the Directive is to encourage the creation and development within the Community of small and medium-sized undertakings through the introduction at Community level of single-member limited-liability companies or single-member limited-liability undertakings.

French overseas departments

- Decisions

- = establishing a Programme of options specific to the remote and insular nature of the French overseas departments - POSEIDOM

- = on the DOCK DUES arrangements in these departments

Commercial policy

The Council adopted

- the common positions with a view to the adoption of Regulations
  - = on the information provided by the customs authorities of the Member States concerning the classification of goods in the Combined Nomenclature
  - = amending Regulation (EEC) No 1031/88 determining the persons liable for payment of a customs debt
- a Regulation on the security to be given to ensure payment of a customs debt

This Regulation lays down the provisions on the security which may be required of persons by whom a customs debt has been or may be incurred with a view to ensuring payment of the debt.

Among other things it lays down the rules on the manner in which the security may be given, the forms of security and the conditions for releasing the security. It thus completes the whole range of measures already adopted at Community level concerning customs debt: definition of the customs debt of the person making the customs declaration, the debtor, the entry of the debt in the accounts.

#### Economic and financial questions

Following the substantive agreement reached by the ECOFIN Council on 18 December 1989, the Council adopted a Decision adopting the 1989-1990 annual report on the economic situation in the Community and establishing economic policy guidelines to be followed in the Community in 1990.

The Council went on to adopt a Decision authorizing the French Republic to apply the sixth Directive 77/388/EEC on the harmonization of the laws of the Member States relating to turnover taxes.

#### Agriculture

The Council adopted Regulations

- fixing, for 1990, the quota (312 tonnes) applicable for imports into Portugal of certain live swine from the Community as constituted on 31 December 1985.
- on scrutiny by the Member States of transactions forming part of the system of financing by the Guarantee Section of the European Agricultural Guidance and

Guarantee Fund and repealing Directive 77/435/EEC. A policy guideline was established on this subject at the last Agricultural Council meeting on 11 and 12 December (see Press Release 10482/89 Presse 238).

- extending, until 31 January 1990, Regulation (EEC) No 3310/75 on agriculture in the Grand Duchy of Luxembourg.

#### Telecommunications

The Council adopted its common position on the Directive on the establishment of the internal market for telecommunications services through the implementation of open network provision (ONP) (see Telecommunications Press Release of 7.XII.89 - 10479/89 Presse 235 - political agreement).

#### Transport

The Council adopted Regulations

- on the elimination of controls performed at the frontiers of Member States in the field of road and inland waterway transport (see Internal Market Press Release of 23/24.XI.89 - 10023/89 Presse 218 - agreement as to substance)
- on the fixing of rates for the carriage of goods by road between Member States
- laying down the conditions under which non-resident carriers may operate road haulage services within a Member State (cabotage) (see Transport Council Press Release of 4/5.XII.89 - 10311/89 Presse 230 - agreement on substance)

and

- the Directive on vocational training for certain drivers of vehicles carrying dangerous goods by road (see Transport Council Press Release of 4/5.XII.89 - 10311/89 Presse 230 - Adoption as to substance)

#### Health

The Council and the Ministers for Health of the Member States of the ECSC adopted the Resolution on the fight against AIDS.

#### ECSC

The Representatives of the Governments of the Member States adopted Decisions on

- certain measures to be applied, in respect of State-trading countries, to trade in iron and steel products covered by the ECSC Treaty
- the opening of two zero-duty tariff quotas for flat-rolled products of silicon-electrical steel for Spain
- the opening of a zero-duty tariff quota for flat-rolled products of silicon-electrical steel for the Federal Republic of Germany
- the opening of a zero-duty tariff quota for flat-rolled products of silicon-electrical steel for Benelux

#### Assent

The Council gave its assent pursuant to Article 56(2)(a) of the ECSC Treaty to

- Mediocredito Lombardo (Italy)
- Coca-Cola & Schweppes Beverages Ltd (United Kingdom)
- Welsh Development Agency (United Kingdom)
- Investors in Industry (United Kingdom)
- Banque Bruxelles Lambert (Belgium)
- Barclays Bank PLC (United Kingdom)
- Bank für Gemeinwirtschaft A.G. (FRG).

Appointments

The Council appointed Mr ANDROUTSOPOULOS, Mr CAREY, Mr FRIEDMANN, Mr MIDDELHOEK, Mr STRASSER, Mr THOSS as members of the Court of Auditors for the period from 21 December 1989 to 20 December 1995 inclusive.

The Council then replaced

- three members of the ECSC Consultative Committee
- an alternate member of the Committee of the European Social Fund, and
- two full members of the Advisory Committee on Vocational Training.

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BRUXELLES, LE 22 DECEMBRE 1989.  
BIO(89)399 AUX BUREAUX NATIONAUX  
CC. AUX MEMBRES DU SERVICE DU PORTE-PAROLE

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INTERNAL MARKET COUNCIL DECEMBER 21 (MICHAEL BERENDT)  
Mergers Regulation

THE COUNCIL OF MINISTERS TODAY ADOPTED THE MERGERS REGULATION, FIRST PROPOSED BY THE COMMISSION SOME 16 YEARS AGO. THE DECISION WAS TAKEN IN THE COUNCIL FOLLOWING A SERIES OF INTENSIVE MEETINGS OVER THE COURSE OF THE LAST FEW WEEKS DESIGNED TO RESOLVE THE OUTSTANDING ISSUES. THE NEW REGULATION WILL COME INTO EFFECT ON SEPTEMBER 21 1990, NINE MONTHS AFTER THE COUNCIL'S ADOPTION. AN OUTLINE OF THE WORKINGS OF THE REGULATION IS GIVEN IN MEMO 77/89. SIR LEON BRITTAN DESCRIBED THE DECISION AS A HISTORIC BREAKTHROUGH IN THE CREATION OF A SINGLE EUROPEAN MARKET AND PAID TRIBUTE TO NATIONAL DELEGATIONS - ALL OF WHOM HAD MADE COMPROMISES - AND TO THE SPANISH AND FRENCH PRESIDENCIES. HE SAID HE WAS GRATEFUL FOR THE TRUST WHICH HAS BEEN SHOWN IN THE COMMISSION, WHICH WILL BE RESPONSIBLE FOR IMPLEMENTING THE REGULATION. 'I AM CONSCIOUS OF THE GRAVITY OF THE TASK WITH WHICH WE HAVE BEEN ENTRUSTED - A TASK WHICH WE APPROACH WITH PRIDE, BUT ALSO WITH HUMILITY. 'FOLLOWING THIS DECISION THE COMMUNITY WILL HAVE A SINGLE FRAMEWORK WITHIN WHICH TAKEOVERS AND MERGERS OF A COMMUNITY DIMENSION CAN BE DEALT WITH, RECOGNISING THE IMPORTANCE OF MAINTAINING FAIR COMPETITION THROUGHOUT THE SINGLE MARKET. SEVERAL MEMBER STATES WILL NOW HAVE, FOR THE FIRST TIME, A CLEAR LEGAL FRAMEWORK GOVERNING MERGERS AND TAKEOVERS.'

LIFE ASSURANCE DIRECTIVE  
THE COUNCIL REACHED A POLITICAL AGREEMENT ON THE SECOND DIRECTIVE ON LIFE ASSURANCE (A FORMAL COMMON POSITION MUST AWAIT AN OPINION FROM THE EUROPEAN PARLIAMENT).  
UNDER THE TERMS OF THE AGREEMENT, INDIVIDUALS THROUGHOUT THE COMMUNITY WILL HAVE THE RIGHT TO TAKE OUT LIFE ASSURANCE CONTRACTS OFFERED BY INSURERS IN OTHER MEMBER STATES IE WITH THE CONSUMER TAKING THE INITIATIVE. WITHIN THREE YEARS OF THE DIRECTIVE COMING INTO FORCE THEY WILL ALSO HAVE THE RIGHT TO DO SO THROUGH

