

ECONOMIC AND SOCIAL CONSULTATIVE ASSEMBLY

ANNUAL REPORT 1990



EUROPEAN COMMUNITIES
ECONOMIC AND SOCIAL COMMITTEE

EN

ECONOMIC AND SOCIAL COMMITTEE
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ECONOMIC AND SOCIAL
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Preface

The work of the Economic and Social Committee in 1990 kept pace with the radical changes occurring both within the Community and in Europe as a whole.

The steady progress of Member States towards economic and monetary union has been backed by Committee Opinions generally favourable to Commission proposals and in line with the decisions of the Madrid Council.

Preparations for the December intergovernmental conference on economic and monetary union and political union have moved with an increasing sense of urgency, bringing with them far-reaching proposals for reform of the institutional framework. A considerable part of the work of the Committee Presidency during the year was thus directed towards ensuring that the intergovernmental conference would consider a proposal to recognize the ESC as an institution thereby enabling it to fulfil its allotted task of providing the Council, Commission and European Parliament with Opinions on the feasibility of Community policy drawn from the practical experience of the representatives of economic and social organizations who are its members.

The desire of the President, Mr Barón Crespo, and many Members of the European Parliament to see the Committee better integrated into the decision-making process was spectacularly manifested in Parliament's decision to associate the ESC with the work of the interinstitutional preparatory conferences leading up to the intergovernmental conferences.

A revision of the Committee's status, while in no way affecting the purely advisory capacity prescribed for it in the Treaties, would give it the functional freedom needed to keep up with the ever-increasing demands of Council and Commission. In 1990 183 ESC Opinions were adopted, compared with 171 in 1989 and only 100 in 1985.

An insight into the influence of ESC work is provided by an overall survey of action taken by the Council on the basis of ESC Opinions during the period from October 1988 to September 1990. This suggests that the Council accepts the Opinion of the Committee in about 60% of cases.

The Presidency and members are grateful for expressions of support from successive Presidents of the Council of Ministers and for their attendance at Plenary Sessions and section meetings.

Throughout the year the Committee's efforts to improve its effectiveness were fully supported by the President of the Commission, Mr Delors, and by Ms Papandreou, the Commissioner charged with relations with the Economic and Social Committee. Working relations with the Commissioners in specific policy areas have been generally cordial. The Committee particularly appreciates the Commissioners' readiness to explain new policies and answer questions both in section meetings and in Plenary Session.

Despite the speed with which the Committee responded to the Commission's call for a Community Charter of Fundamental Social Rights, subsequent progress in this area has been slow. By the end of November 1990 only three proposals arising from the previous year's social action programme had been referred for Opinion: atypical work, the protection of pregnant women at work, and the reorganization of working time. At its December session the Committee fully endorsed Commission guidelines for the organization of a European Year of Safety, Hygiene and Health Protection at Work.

In March, some 20 years after the idea was first considered, a large majority of ESC members voted in favour of a European Company Statute. The agreement of both employer and worker representatives to this Opinion give it added weight.

Events on and beyond the Eastern borders of the Community have been the subject of profound consideration. Work initiated by the Committee itself offers the continuing help of all organizations represented among the membership in the creation of homologous socio-professional groupings in the countries of Central and Eastern Europe.

Developing relations with these countries also figured on the agenda of the 20th Joint Meeting with the EFTA Consultative Committee in Göteborg in June. Participants stressed the need to integrate the role of social partners into the final treaty establishing a European economic area.

Representatives of ACP economic and social interest groups, emerging from the workshops on basic education and literacy, and training in rural areas into which the 14th annual meeting had divided, concluded that every effort should be made to widen the spread of information to all socio-economic organizations and NGOs on the possibilities contained in the Lomé Convention, and to improve existing cooperation mechanisms.

In the coming year the Economic and Social Committee will continue to use its unique ability to contribute dynamically to every aspect of Community strategy for economic and social development, and to trust that the quality of its work will persuade the governments of Member States to agree to grant it institutional status in the interests of a democratic representation of all categories of economic and social activity.

A. Masprone
Chairman 1988-90

CHAPTER I

Presence and influence of the Economic and Social Committee¹

1. THE CONSULTATIVE FUNCTION OF THE ECONOMIC AND SOCIAL COMMITTEE

During the reference period, the Economic and Social Committee produced 185 consultative documents, of which 172 were Opinions requested by the Commission or the Council, 11 were Own-initiative Opinions and two were Information Reports (see Appendices B, C and D).

Some of these Opinions which had considerable external impact should be mentioned here :

- (i) The development of economic and trade relations between the Community and Latin America, adopted unanimously on 1 February (Rapporteur: Mr Vasco Cal - Portugal - Workers).
- (ii) European Company Statute, adopted on March 1990 by 105 votes to 25, with 24 abstentions (Rapporteur: Mr Jens Peter Petersen - Germany - Employers).
- (iii) The European Community's economic relations with Eastern Europe, adopted unanimously (apart from 7 abstentions) on 28 March 1990 (Rapporteur: Mr Walter Briganti - Italy - Various Interests).
- (iv) Prevention of use of the financial system for the purpose of money laundering, adopted on 19 September 1990 by 113 votes to 11 with 10 abstentions (Rapporteur: Mr Robert Pelletier - France - Employers).
- (v) The Community and German unification, adopted unanimously on 20 November 1990 (Rapporteur: Mr Jens Peter Petersen - Germany - Employers).

Chapter II gives details of this important ESC contribution to Community activity.

¹ A list of the main public figures met by the Chairman and Vice-Chairmen of the Committee is attached (Appendix A).

2. INSTITUTIONAL REFORM AND THE FUTURE OF THE ECONOMIC AND SOCIAL COMMITTEE

The European Council held in Madrid on 26 and 27 June 1989 decided that the preparatory work should be done for holding an intergovernmental conference to determine the final stages in achieving economic and monetary union: the European Council held in Strasbourg on 8 and 9 December 1989 decided that an intergovernmental conference to amend the Treaty under the terms of its Article 236 should be held before the end of 1990.

In an official statement following the Strasbourg European Council, the Committee Chairman, Mr Masprone, expressed the Committee's satisfaction with the convening of an intergovernmental conference to speed up the Community's development towards European union.

As a result of a European Parliament initiative, several meetings of the interinstitutional preparatory conference (IPC) were organized throughout 1990 to prepare for the two intergovernmental conferences (IGCs) on political union and economic and monetary union which began on 15 and 16 December 1990 in Rome.

The European Parliament, the Council, the Commission and the ESC took part in the meetings which were held on 17 May 1990 in Strasbourg, on 8 October in Luxembourg, on 23 October in Strasbourg and on 5 December in Brussels.

On the European Parliament's initiative, Mr Masprone, his successor as Chairman, Mr Staedelin, and the Secretary-General, Mr Jacques Moreau, were associated on behalf of the Committee with the work of the IPCs.

The Committee was invited to attend the meeting of the European Parliament delegation to the interinstitutional preparatory conference held in Strasbourg on 14 May. The Chairman, Mr Masprone, presented the Economic and Social Committee's viewpoint on institutional matters.

At an extraordinary meeting on 17 September, the Committee Bureau adopted a position on the institutional future of the Economic and Social Committee.

On 19 November the full Committee adopted a Resolution on the role and position of the Economic and Social Committee as a fully-fledged institution with a consultative function in the Community institutional system.

The representatives at the intergovernmental conference asked the Committee Chairman to give the Committee's view on the future of the consultative function.

3. INSTALLATION OF THE NEW COMMITTEE

The four-yearly renewal of the ESC took place on 17 October 1990 (term of office: October 1990 - September 1994). François Staedelin (France - Workers) was elected Chairman for two years. The Committee also elected the two Vice-Chairmen, Filotas Kazazis (Greece - Employers) and Susanne Tiemann (Germany - Various Interests).

On the previous day the Committee's three Groups had elected their Chairmen: Philip Noordwal (Netherlands) for the Employers, Thomas Jenkins (United Kingdom) for the Workers, and Beatrice Rangoni Machiavelli (Italy) for Various Interests.

The following attended the inaugural Plenary Session:

Mr Bonferroni, Italian Secretary of State for Industry, Commerce and Crafts, representing the Council Presidency;

Mr Barón Crespo, President of the European Parliament;

Ms Papandreou, Member of the Commission;

HE Ambassador Federico di Roberto, Italian Permanent Representative to the European Communities;

Mr Aldo Angioi, President of the Court of Auditors of the European Communities;

Mr Ludovicus Meulemans, Vice-President of the European Investment Bank;

Mr A. Fouarge, Secretary of the ECSC Consultative Committee;

Mr Joachim Muller-Borle, Head of the EIB's office in Brussels;

Mr Anders Wollter, Representative of the EFTA Consultative Committee;

Mr Thomas Ouchterlony, Head of the Brussels office of the Council of Europe;

Mr Fonteneau, Director, Brussels representative of the ILO.

4. REVISION OF THE RULES OF PROCEDURE OF THE ECONOMIC AND SOCIAL COMMITTEE

Under Article 61 of its Rules of Procedure, the Committee can decide by an absolute majority of its members to revise those Rules.

On the suggestion of its Chairman, Mr A. Masprone, the Committee entrusted the revision of the Rules of Procedure to the Rules of Procedure Panel (Rapporteur-General: Mr P. Noordwal (Group I); Chairman: Mr T. Jenkins (Group II)).

The revised draft of the Rules of Procedure was submitted to the 277th Plenary Session of the Committee on 31 May 1990, in accordance with Article 61 of the Rules, which requires an absolute majority of Committee members for adoption of the new provisions. They were adopted, using the vote-by-name procedure, by 116 votes to 3 with 7 abstentions.

However, under the terms of Article 196(2) of the EEC Treaty and Article 168(2) of the ECSC Treaty, the new Rules will enter into force only after being unanimously approved by the Council of Ministers.

The two aims underlying the proposed amendments were: greater control by the Committee of its own Rules of Procedure, and more effective operation through improvement of working methods.

With the first aim in mind, the Committee transferred a number of provisions included in the Rules of Procedure to the implementing provisions.

Both were adopted by the Plenary Session, given that this procedure was enough for the implementing provisions of the Rules of Procedure to enter into force and that those Rules had also to be submitted to the Council for approval.

Once this had been obtained, the Bureau would draw up working procedures of which it would inform the Plenary Session.

The second aim led the Committee to consider improving working methods.

Amendments to the Rules of Procedure concerning the Bureau related not to its composition but to a better distribution of the workload likely to increase its decision-making capacity.

The Bureau retains political responsibility for general management of the Committee, by virtue of its mandate from the Plenary Session. But decisions on the distribution of referrals among the Sections and the agenda of the Plenary Session will from now on be taken in greater consultation with Group and Section Chairmen.

Other major changes which should be mentioned are:

- (i) a desire to monitor the follow-up to Committee Opinions (Article 8);
- (ii) adaptation of the Rules to the practice followed in the Study Groups (Article 14);
- (iii) creation of the necessary legal basis for the existence of Committee delegations responsible for relations with socio-economic organizations in non-Community countries (new Article 18);
- (iv) admission of the public to the meetings (Articles 52 and 53);
- (v) greater autonomy in the appointment of Heads of Division and Directors (Article 57);
- (vi) methods of voting (Article 45);
- (vii) abolition of the option for a Section to issue a Supplementary Opinion (deletion of Article 23).

At a later stage, the Committee will further analyse the financial provisions, the rules on the distribution of responsibilities among sections and the question of meetings held away from Brussels.

5. RELATIONS BETWEEN THE COMMITTEE AND THE COUNCIL

The 'Memorandum on upgrading the role of the Economic and Social Committee in the run-up to 1992' was debated in depth in the Council. In its reply of 25 April 1990, the Council Presidency expressed its agreement on the following points:

- (i) reminder of the need to distribute the Economic and Social Committee's Opinions to the Council Working Parties and include them in the files of the Coreper and the Council;
- (ii) mention of the essential points of Committee Opinions not dealt with by the Working Parties in the latter's reports;
- (iii) attention to be drawn to the follow-up to certain Committee Opinions of special importance on the occasion of hearings by the Council President, and on his initiative.

Irish Presidency

In the first six months of 1990, the main contacts with the Council Presidency were the following:

Plenary Session of 1 February 1990

The Irish Minister for Foreign Affairs, Mr Gerard Collins, presented the programme of the Council Presidency for the first six months of the year.

Official visit to Ireland from 6 to 10 March 1990

A delegation from the Committee, comprising Mr Alberto Masprone, Chairman, Mr Thomas Jenkins and Mr Hovgaard-Jakobsen, Vice-Chairmen, and Mr Jacques Moreau, Secretary-General, paid an official visit to Ireland.

The delegation was received by Dr P.J. Hillery, President of Ireland, Mr Charles Haughey, Taoiseach (Prime Minister), Mr Gerard Collins, Minister for Foreign Affairs, Mr A. Reynolds, Minister for Finance, Mr M. Woods, Minister for Social Welfare, Mr B. Ahern, Minister for Labour and Mr J. Walsh, Minister of State.

Italian Presidency

Italy held the Presidency of the Council of Ministers of the Community in the last six months of 1990. In this period the main contacts with the Council were as follows:

Visit to the Italian Presidency on 11 September 1990

The Chairman, Mr Masprone, and the Secretary-General, Mr Moreau, visited the Italian Presidency in Rome on 11 September. They were received by the Prime Minister, Mr Giulio Andreotti, and by the Minister for Foreign Affairs, Mr Gianni de Michelis.

Meeting of the Section for Transport and Communications on 18 July 1990

The President-in-Office of the Council of Ministers for Transport, Mr Carlo Bernini, was welcomed at a meeting of the Section for Transport and

Communications to present the programme of the Italian Presidency in the transport field.

Inaugural Session of 18 October 1990

Mr Franco Bonferroni, Secretary of State for Industry, Commerce and Crafts, made a speech on behalf of the Italian Council Presidency at the inaugural session of the Committee which took place in Brussels. He stressed the importance of the Committee's work and the need to strengthen its institutional role.

6. RELATIONS BETWEEN THE COMMITTEE AND THE COMMISSION

Working relations and cooperation with the Commission departments were at an excellent level in 1990, as in previous years.

On the initiative of Ms Vasso Papandreou, the Commissioner responsible for relations with the ESC, the trends which had begun in 1989 intensified in the reference period, particularly with regard to:

- (i) increased presence of Commissioners and Commission officials at meetings of the Economic and Social Committee;
- (ii) increasingly attentive follow-up to the Opinions and initiatives of the ESC;
- (iii) response to the ESC's requests for greater resources to carry out its task in the Community institutional system.

Participation of Commission Members in the Plenary Sessions of the Economic and Social Committee in 1990

273rd Plenary Session
31 January and 1 February 1990

31 January 1990

Mr Cardoso e Cunha
Member of the Commission
Debate on Energy Opinion

1 February 1990	Mr Delors President of the Commission Ms Papandreou Member of the Commission Presentation of the Commission's work programme
274th Plenary Session 28 February and 1 March 1990	
1 March	Mr Mac Sharry Member of the Commission Adoption of the Opinion on farm prices
275th Plenary Session 28 and 29 March 1990	
28 March	Mr Fitchew Director-General at the Commission (representing Mr Bangemann) European Company Statute
29 March	Mr Pandolfi Vice-President of the Commission Use of agricultural and forestry resources
277th Plenary Session 30 and 31 May 1990	
30 May 1990	Mr Dondelinger Member of the Commission Action programme for the development of the European audiovisual industry
280th Plenary Session Inaugural Session 9th four-year term 16, 17 and 18 October	Ms Papandreou Member of the Commission

7. RELATIONS BETWEEN THE COMMITTEE AND THE EUROPEAN PARLIAMENT

There has been a constant increase in the exchange of information and contact between secretariats, rapporteurs and chairmen in relation to the

preparatory work of the Parliamentary Committees and the specialized sections of the ESC.

Several chairmen of Parliamentary Committees were asked to speak at Committee section meetings. On other occasions, Committee section chairmen and rapporteurs took part in meetings, conferences and hearings organized by the European Parliament.

In the context of intensification of preparatory work for revision of the Treaty, the meetings of the Parliament's Institutional Committee were followed up in a precise way by the Economic and Social Committee. The Chairman, Mr Masprone, and the Secretary-General, Mr Moreau, had contacts with Mr Oreja (Chairman of the European Parliament's Institutional Committee), Mr Colombo and Mr Martin (Rapporteurs of the Institutional Committee). The Parliament's resolutions on the intergovernmental conferences in the context of the European Parliament's strategy for European union (Rapporteur: D. Martin) and on the constitutional bases of European union (Rapporteur: E. Colombo) include several references to the Economic and Social Committee.

The Committee's General Secretariat is taking part in the meetings of the Working Group on Interinstitutional Coordination set up following the entry into force of the Single Act to foresee and coordinate legislative procedures between the various institutions.

The Committee's General Secretariat is also invited to meetings of the enlarged Bureau of the European Parliament for points relating to the planning and organization of the Parliament's work. In Brussels on 1 February Mr Masprone and Mr Moreau took part in the joint meeting of the enlarged Bureau, the Political Committee, the Committee on External Economic Relations, and the delegation for relations with Poland, on the occasion of the visit by Mr Mazowiecki, Prime Minister of Poland.

It is also thanks to the intervention of the European Parliament that the Committee had some of its budgetary demands for 1990 met — particularly those on staff policy, buildings, reassessment of members' allowances and the financing of its information technology programme.

Finally, as regards the future of the Committee, the President of the European Parliament, Mr Barón Crespo, who was invited to attend the inaugural session of the Economic and Social Committee on 18 October, spoke in favour of strengthening the weight and authority of the Committee, destined to become and remain the central body for economic and social consultation in the Community framework, and the institutional

forum within which representatives of economic and social life could express themselves.

8. CONFERENCES, MEETINGS AND VARIOUS CONTACTS

Relations with EFTA

20th joint meeting of the ESC and the EFTA Consultative Committee at Göteborg (Sweden) on 12 June 1990, organized on the initiative of the EFTA Consultative Committee.

Subjects:

- (i) the European social area and basic social rights;
- (ii) the special role of the EFTA Consultative Committee and the Economic and Social Committee in the development of relations between the Community and EFTA in a European economic area (EEA);
- (iii) relations between Western and Eastern Europe.

Relations with the ACP countries

14th annual meeting of the ACP/EEC economic and social organizations, on 12, 13 and 14 November 1990 in Brussels, organized under the aegis of the ACP/EEC Joint Assembly by the Committee.

Subjects:

Education and training, linked with investment and employment, in the framework of Lomé IV.

Fact-finding visit to the German Democratic Republic (GDR)

The Chairman of the Committee, accompanied by the two Vice-Chairmen, the three Group Chairmen and the Secretary-General paid a fact-finding visit to East Berlin on 28 and 29 June 1990.

They held talks with the Minister of State in the Prime Minister's office, the Minister for Foreign Affairs, the Minister for Labour and Social Affairs, the Minister for Economic Affairs and the Minister for Health. They also had extensive discussions with representatives of the newly organizing associations and trade unions. The delegation was also received by the Mayor of West Berlin (Senator for Social Matters) and the West Berlin Senator for Economic Affairs.

Relations with certain economic and social bodies

The Secretaries-General of the Economic and Social Councils of Member States and the Secretary-General of the ESC of the European Communities met twice in Dublin on the invitation of the Irish National Economic and Social Council.

At these two meetings (18 May 1990 and 5 October 1990) the following points were examined:

- (i) report prepared by the Economic and Social Councils on unemployment in Europe;
- (ii) reaction of the Economic and Social Councils to the events which had taken place in Central and Eastern European countries;
- (iii) role of the Economic and Social Councils in the transmission of economic and social information for the use of the social partners;
- (iv) organization of the second international conference of Economic and Social Councils to be held in Quebec in May 1991.

Other events were:

7 March 1990: visit of a delegation from the regional Economic and Social Council of Languedoc Roussillon

28 March 1990: visit of a delegation from the Consiglio Nazionale dell' Economia e del Lavoro (Italy)

19 april 1990: visit by a delegation from the regional Economic and Social Council of Nord-Pas de Calais

7 to 11 May 1990: meeting of the Chairman and Vice-Chairmen of the ESC with Réunion Economic and Social Council

21 June 1990: visit by a delegation from the external relations section of the French Economic and Social Council

8 October 1990: visit by a delegation from the Auvergne Economic and Social Council

5 and 6 December 1990: visit by a delegation from the labour section of the French Economic and Social Council

9. VISITORS' GROUPS AND PUBLIC EVENTS OF EUROPEAN INTEREST

In the period under review, interest in the Community's institutions and activity continued to benefit from the dynamic generated by the Single Act and the prospect of completion of the internal market.

Compared with 150 groups of visitors in 1988 and 198 in 1989, the Committee received 232 groups of visitors in 1990, representing a total of 7 646 people.

The increase in requests from national and regional administrations on the one hand, and universities on the other, which began in 1989, continued in 1990.

In general, an information visit involves a talk on the role of the ESC in the Community institutional system, followed by an exchange of views on current Community subjects which are usually presented by members or officials of the Committee.

As regards public events of European interest, the ESC was represented at the following events by a stand and by general documentation on its role and consultative work:

on 23 and 24 March at Alcanena (Portugal) on the occasion of a seminar on the environment organized by the Confederação Geral dos Trabalhadores Portugueses (CGTP)

from 11 to 15 April, in Madrid (Spain) on the occasion of the National Congress of the Union General de Trabajadores (UGT)

from 19 to 24 April, in Gdansk (Poland) on the occasion of the 2nd National Congress of Solidarnosc

on 16 and 17 May, in Montpellier (France) on the occasion of a conference on the role of socio-economic consultative bodies in a modernized democracy, organized by the Languedoc-Roussillon Economic and Social Committee

on 24 May, in Athens (Greece) on the occasion of the 40th anniversary of the Schuman Declaration

on 14 June, in Orléans (France) at a conference on the subject of 'Firms and regions, Passport for the Europe of the Twelve', organized by the local Euro Info Centre

from 28 August to 2 September, in Bergerac (France), at the invitation of the Chamber of Commerce and Industry, at the annual fair which was devoted in 1990 to various aspects of Europe

from 8 to 13 September, in Rome (Italy) on the occasion of the 40th anniversary of the Unione Italiana Lavoratori (UIL)

from 16 to 22 September, in Madrid (Spain) for the General Assembly of the International Cooperative Alliance

from 3 to 5 October 1990, in Paris (France) for the Forum of Works Councils

from 15 to 17 November, in Porto (Portugal) for a seminar on the subject of 'Europe and banking and financial questions', organized by the Sindicato dos Bancarios do Norte.

10. PUBLICATIONS

Following its four-yearly renewal, the Committee published a new brochure in all the working languages, combining all the useful information on its structure for the period 1990-92.

With the assistance of the Publications Office, the Committee also published its annual report for 1989 (in nine languages) as well as 10 issues of the monthly bulletin on its activities (also in nine languages).

These two publications are available, normally on subscription, from the Office for Official Publications of the European Communities, 2 rue Mercier, L-2985 Luxembourg.

The following brochures have also been published in the period under review:

Index

Historical guide to the archives (French)

Competition policy (nine languages)

Citizens' right to free movement (nine languages)

EDI Conference (English)

Contribution to a European environment policy (nine languages)

Economic and monetary union (nine languages)

The future of the rural world (nine languages)

Consumer information (nine languages)

The European Company Statute (German, English and French)

Acts of the 13th ACP/EC annual meeting (French, English)

These publications can be obtained free of charge from the Division for Information, Publications, and Relations with Socio-economic Groups, which also arranges information visits and participation by the ESC in public events of European interest.

CHAPTER II

Work of the Committee

1. AGRICULTURE, FORESTRY, RURAL DEVELOPMENT AND FISHERIES

As could have been expected, 1990 witnessed radical, complex challenges on both the political and economic fronts and highlighted the increasingly imperative need for European agriculture to make the decisive transition from sector to system through a restructuring process, coordinated with the entire economic, productive and financial machinery, to ensure a major quantum leap and the requisite cohesion.

The key aim must therefore be to create the prerequisites for the emergence of agriculture as both a pillar of rural society and a dynamic protagonist within the system as a whole.

With this in mind, the Committee's work throughout the year has focused on a variety of areas encompassing markets and structures, European and international issues, pinpointing solutions and indicating strategies, in line with the role assigned in the Treaty.

The Committee reiterated its support for the plan to rationalize Community agriculture further and target farm spending more effectively—further to the budgetary and monitoring decisions taken at the summit of Heads of State or Government in 1988—so as to create an integrated agri-food network which is more competitive internationally.

As the GATT negotiations moved into their final phase, the Committee confirmed its full endorsement of the agri-food aims being pursued by the Uruguay Round, namely to improve the balance of world markets.

The Committee stressed that it laid great store by the success of the Uruguay Round so as to avoid the collapse of the multilateral economic order. However, the Community could not abandon the principles or instruments of the CAP. Greater international competitiveness, to be achieved through rationalization of production and better-targeted spend-

ing, is therefore a *sine qua non* for EC participation on a free world market, subject to the specific constraints of the agricultural sector.

This aim cannot be achieved purely and simply by reducing Community prices and dismantling external protection of Community agriculture. Quite apart from denoting surrender to pressures from certain large non-EC farm producer countries, such moves are not fully justified by the situation on Community or world markets and seem to be prompted by recent changes on the world scene, regardless of the need to identify interactions with a view to drawing the requisite operational conclusions.

That does not mean, in the Committee's view, a return to steady, indiscriminate increases in farm output. Instead agricultural policy must be shaped with the necessary flexibility to alleviate the straitjacket of regulations which could force Community agriculture along a path which would lead to the gradual expansion of disadvantaged regions, placing serious strain on farm incomes and resulting in totally subsidized agriculture throughout much of the Community area.

The Committee does not endorse the idea of simply aligning EC prices gradually on international prices, dictated by a residual world market on which only marginal quantities of products are traded. Prices should instead take account of the need to cover both production costs and farmers' income requirements. Should agriculture no longer be able to count on prices as an essential component to ensure its economic viability, it would become necessary to introduce more intervention instruments and increase direct production aid or income support. That would place even greater pressure on the Community budget, without guaranteeing a proper response to all eventualities, and would mean a significant increase in management problems and red tape.

The Committee therefore called for a rational prices and related measures policy to restore, among other things, the intervention mechanism's original role as a safety net to be used solely in cases of exceptional distortion of market balance.

For the above reasons, the Committee voted (by a substantial majority of 72 to 8, with 5 abstentions) against the Commission's proposals on the fixing of common agricultural prices for 1990/91. In this connection, it also advocated continuous osmosis between the Guidance and Guarantee Sections of the EAGGF, whilst at the same time maintaining their separate identities, so as to guarantee the financing of specific measures.

Lastly, the Committee recommended the suspension, or even dismantling, of the basic co-responsibility levy system for all products to which it is

applied, accompanied by more flexible administration of stabilizers and, in the specific case of the dairy sector, quotas.

It is clear that Community agriculture will be unable to rely on either constant price increases or maximized production. It will therefore have to turn away from saturated sectors and quantitative options and concentrate on new processes, products and services, as well as new (e.g. non-food) outlets with a high technological and quantitative input.

The Committee therefore welcomed the Commission's proposal on organic farming methods. While acknowledging that organic production is difficult to regulate and will only appeal to a small number of farmers anyway, the Committee felt that an effective monitoring system was necessary to protect consumers convinced of the benefits of organic produce and prepared to pay higher prices.

Non-food uses of agricultural products prompted extensive, in-depth debate triggered by the Commission's proposal to grant farmers taking part in the farmland 'set-aside' scheme a premium for the production of cereals for non-food purposes on an area not exceeding half the land withdrawn from production.

After studying the proposed system, the Committee unanimously voted to urge the Commission to revise substantially both the aims and thrust of its proposal, on the following ground:

- (i) The proposal does not fully meet the request made by the European Council on 11 and 12 February 1988 to investigate all possible ways of increasing the use of agricultural commodities in the non-food sector. Yet the Commission itself states in its explanatory memorandum that 'the new system should encourage more farmers to apply for set-aside' in an attempt to achieve greater take-up of a measure which producers have not hitherto found attractive.
- (ii) The proposal rests *inter alia* on the consideration that 'possibilities for non-food use are sufficiently advanced, technically and economically, in the case of cereals'. The Committee considers this an over-optimistic view of the situation.
- (iii) If the proposal's aim is to 'contribute towards helping farmers adapt to the new market reality and towards alleviating the effects which the new market and prices policy may have, in particular, on agricultural income', it is unacceptable to include amounts produced for non-food use in the calculation of the maximum guaranteed quantities.

In the Committee's view :

- (a) the system must be open to both traditional and new crops, particularly the latter. It should not rule out the production, on land which has not been 'set aside', of varieties grown under the 'agro-industrial fallow system' ;
- (b) the amounts produced must not be included in quotas and maximum guaranteed quantities ;
- (c) the producer premium must be set at the same level and applied in the same way in all Member States, production potential being equal ;
- (d) provision must be made, if necessary, for appropriate incentives for users ; the user is crucial to the success of attempts to develop non-food agricultural production.

To encourage the development of non-food uses of agricultural commodities the Commission lists three possible approaches. These are not mutually exclusive. The Committee strongly supports the first approach, namely that technical developments which would make a given agricultural product, or transformation process, more competitive should be speeded up. Under the second approach one would bring forward, through pump priming, the commercialization of a new product or process which was very close to becoming competitive. The Committee believes that production aids, possibly in the form of deficiency payments, and investment grants for processors would be appropriate instruments. In the third approach one would subsidize production or transformation processes even though there was no prospect of economic viability in the foreseeable future. The Committee believes that, until there have been new technical breakthroughs, one would have to resort to this approach if agricultural produce is to be transformed into products which would have to compete with mineral oils.

Lastly, the Committee supports the Commission's view that permanent aid for processors or producers should only be envisaged in specific and justified cases, such as in the case of sugar or starches, or where strategic or environmental considerations are of overriding importance.

On individual sectors of production, the Committee adopted an Opinion on the renewal of the existing measures relating to organization of the sugar market.

Bearing in mind :

- (i) the trends emerging from the multilateral GATT negotiations on agriculture ;
- (ii) the uncertainty of the current world sugar market situation ;

- (iii) the fact that substantial changes in the common organization of the sugar market cannot be conceived without taking into account its relationship with other sectors (cereal and oil seeds in particular) whose stabilizing mechanisms will shortly be reviewed,

the Committee considers that the Commission proposal currently strikes a balance between the different interests at stake and therefore deserves to be approved pending an overall review of the organization of the sugar market which will enable the aspirations of producers, manufacturers and consumers to be reconciled more fully.

However, since the sugar production industry requires long-term planning and investment at all levels the Committee feels that the limits for Community sugar production should be laid down as soon as possible and for longer than the proposed two years.

In line with its repeatedly stated view that agriculture's modern role is inextricably linked with rehabilitation of the rural environment, the Committee welcomed the Commission's proposals on (a) the setting up of a model scheme for information on rural development initiatives and agricultural markets (Miriam project) and (b) laying down guidelines for integrated global grants for which the Member States are invited to submit proposals in the framework of a Community initiative for rural development (Leader project).

In 1990 the Committee also adopted a large number of Opinions in the sphere of veterinary and zootechnical legislation prompted by the set of proposals presented to the Council by the Commission in connection with the programme set out in the White Paper.

With the exception of its Opinions on the health conditions proposed for rabbitmeat and game meat and health inspection rules for trade in fresh poultrymeat and fresh meat of reared game birds, the Committee gave its unanimous approval, subject to certain specific adjustments, to the following Commission's proposals: animal health conditions governing intra-Community trade and imports from third countries of fresh meat and poultrymeat; financial measures for the eradication of infectious haemopoietic necrosis of salmonids, brucellosis in sheep and goats and enzootic bovine leucosis; harmonization of the rules governing placing on the market of animal fats and, generally speaking, products of animal origin (fresh milk and heat-treated milk); health conditions governing the disposal, processing and placing on the market of animal waste.

In another veterinary Opinion, the Committee noted with interest the proposed regulation laying down the principles governing the organization

of veterinary checks on products entering the Community from third countries. While it acknowledged the importance of these rules, which were the logical follow-up to the directive on veterinary checks within the Community, the Committee pointed to a number of difficulties that needed to be tackled and stressed that great care would be needed in organizing services to ensure that the planned measures were conducive to the aims of the regulation.

Lastly, the Committee approved the proposal on framing of the financial instruments required to press ahead with the veterinary legislation programme, bearing out the determination to respect the undertaking to implement the measures contained in the White Paper by the set deadlines.

On plant health, the Committee endorsed the Commission's proposal to complete the set of legislation in this field by reconciling the aim of free movement with the need to avoid the introduction and propagation of harmful organisms in areas which were still uncontaminated or where the presence of such organisms was not endemic.

In contrast, the Committee disagreed with the proposals concerning the marketing of young vegetable plants, ornamental plants and fruit plants. The proposed legislation could, in the Committee's unanimous view, have a restrictive effect on producers' freedom for manoeuvre and spirit of initiative, to the serious detriment of the user. These proposals were therefore both inappropriate and impracticable.

Lastly, the Committee welcomed the proposal on Community plant variety rights, pointing out that the Commission had drawn extensively on its earlier Opinion on legal protection of biotechnological inventions.

In the fisheries sector, the Committee generally welcomed the Commission proposal amending Council Regulation No 4028/86 in extending it to coastal fishing vessels. It is important to recognize the economic and social significance of coastal fishing—as it accounts for 57 711 vessels, 65% of the Community fishing fleet, 300 000 fishermen, between 20 and 25% of Community production measured in tonnes and much more in terms of the economic value of the fish caught. Coastal fishing also provides a large number of jobs in coastal areas. The Committee therefore feels that flexible criteria should be applied to the adjustment of capacities, with regard to both laying-up and final cessation of activity and suggests that the Commission should make it possible for both exploratory fishing operations and joint ventures to be embarked on with all countries, whether or not there is an existing fishing agreement.

The Committee welcomes the setting up of redeployment operations and joint enterprises also and stresses that particular attention should be paid to actions for the management of coastal waters with a view to preserving their ecological function.

The Committee regrets that the Commission proposal contains no indication of the sums to be made available or the criteria to be applied by the budget authority, bearing in mind that some of the headings are new. It is felt therefore that estimates of the sums to be earmarked for the various priorities should be drawn up. The extension of structural policy to small-scale fishing will require additional funding to meet the needs of a different kind of fishing. The Commission will have to take appropriate measures to this end.

In conclusion, the Committee examined the proposals relating to the animal health conditions governing the production and placing on the market of fishery products, aquaculture animals and products and live bivalve molluscs. Apart from a number of specific comments on each of these three texts, the Committee welcomed the Commission proposals and endorsed the aim of eliminating health barriers still impeding trade in the fisheries and aquaculture sector.

2. TRANSPORT POLICY AND TELECOMMUNICATIONS

The Committee's Opinions on rail policy and on the second phase of liberalization in air transport were the highlights of its work on transport. Both were general Opinions covering several aspects of rail and air transport.

Air transport (second phase of liberalization)

In its February 1990 Opinion, the Committee recognized the importance of the Commission proposals as a further step towards the more liberal system of air transport in Europe supported by the Committee in earlier Opinions. The Committee also considered that the incorporation of these proposals in a comprehensive air transport policy would bring a people's Europe much nearer.

The Opinion pointed out that air transport was an integral part of the transport system and was linked to other modes such as rail and road. It called for measures which

- (i) avoided the negative effects of deregulation in the USA;

- (ii) took account of the experiences of liberalization elsewhere in the world;
- (iii) enabled Community airlines to compete effectively worldwide.

The Committee also commented on a number of matters of vital importance for a Community air transport policy, placing particular emphasis on safety, infrastructure, congestion, environment, development of air freight services and harmonization measures. Lastly it commented on the Commission's specific proposals, and especially those relating to fares, access to markets, airports, fifth freedom rights, cabotage, capacity sharing, application of the rules on competition, external policy and State aids.

Mutual acceptance of personnel licences

The Committee approved the broad lines of the proposal's mobility and safety objectives and the drawing-up of minimum professional standards to secure these objectives. However, it had reservations about the proposed consultation process; bypassing the institutions or setting up *ad hoc* consultative bodies could be wasteful and arbitrary.

Air freight

The Committee approved the proposed liberalization of air freight services provided that account was taken of the conditions specified in the Committee Opinion on the second phase of the liberalization of air transport. Furthermore, this liberalization would:

- (a) provide scope for EC airlines to compete with the so-called 'integrators' offering door-to-door services;
- (b) extend the possibility for industry to benefit from faster city-to-city links;
- (c) benefit trade over longer distances and to and from island Member States on the periphery of the central marketing areas;
- (d) encourage the creation of jobs within European airlines and the expansion of the aircraft industry.

Passenger compensation

The aim of the proposal was to solve the problems caused by overbooking on scheduled flights by laying down minimum standards for passenger compensation.

The Committee pointed out that overbooking was an anomaly which should not be encouraged. A wholly adequate response to the problems suffered by air passengers would be to limit the practice of airlines denying permission to board by eliminating the root causes.

The Council has just approved the Commission proposal, stipulating that the passenger is entitled to choose between (a) full reimbursement of the price of the ticket for the part of the journey not completed, (b) transport to the final destination as soon as possible, or (c) transport at a later date at the passenger's convenience.

Predatory practices

The aim of this proposal was to ensure that the rules of competition would be speedily and effectively applied to prevent anti-competitive and exploitative practices which, if left unchecked, would negate the benefits of more open competition.

The Committee welcomed the proposal provided that the Regulation made it entirely clear that its use should be envisaged only in the case of solid proof that recourse to the normal procedure would be likely to result in irreparable damage to the service or carrier if the normal time scale were adhered to.

Common rail policy

In its July 1990 Opinion, the Committee approved the Commission proposals, albeit with reservations. It considered that the proposals were an essential part of the efforts to build a common railway system enabling railway companies to compete fairly.

On the more essential points of the proposals, the Committee was in favour of:

- (a) a more precise definition of the future role of railways and the role of the Member States in relation to them;
- (b) a high-speed rail network (provided that the 'conventional' network was not neglected and the environment suffered no damage);
- (c) a strict differentiation between infrastructure and operating accounts, with the Member States bearing financial responsibility for infrastructure;

- (d) a more thorough examination of the Commission's interesting proposal on outside companies' access to networks;
- (e) a more detailed study of the social questions connected with the rail sector.

The Committee believed that it would not be easy on all Community networks to have separate private or public companies to manage the infrastructure and run the services.

Other Committee Opinions on transport

Road transport

— Community quota

The Committee approved the proposed 40% annual increases in the Community quota for intra-Community road haulage in 1990, 1991 and 1992. This is in line with previous Committee Opinions on the matter. In 1986 and 1987 the Committee did in fact agree in principle with the gradual liberalization of intra-Community road haulage during the transitional period, though it underlined the need to introduce a number of support measures relating to operating and working conditions at the same time.

The Council of Ministers has just endorsed this increase in the Community quota as well as the measures to be taken in the event of a crisis in the road haulage market, as called for by the Committee in its Opinion.

— Vehicles hired without drivers

The Committee welcomed the proposed deletion of two restrictive clauses in the 1984 Directive involving (a) the exclusion of own-account transport from the Directive's scope, and (b) the imposition of a minimum period of hire. The Committee felt that the deletion of these clauses would be commensurate with the real needs of the market and that both users and hauliers would benefit. The Committee also suggested that the question of vehicles hired with drivers be examined at the earliest convenience.

— Dimensions of road trains

The Committee welcomed the Commission proposal as a key step towards reversing the trend towards ever-larger vehicles and less cabin space for

drivers. These trends were to blame for the distortions affecting the whole of the road haulage market and had an adverse effect on safety, pollution levels and energy consumption. However, the Committee thought that, once again, the Commission proposal offered a piecemeal solution to the problem of commercial vehicles' weights and dimensions and should be placed in a wider context.

— Specific research and technological development programme in the field of transport (Euret)

The Committee underlined the need for a comprehensive transport research programme but was disappointed that the proposal failed to satisfy that need. The Committee was opposed to the general approach and imbalance of the Euret programme, which suffered in particular from the fact that resources did not match needs. It urged the Commission to improve its document and especially the appendices thereto.

3. SOCIAL, FAMILY, EDUCATIONAL AND CULTURAL AFFAIRS

Social developments in 1989

In its Opinion on social developments in 1989, the Committee noted that, whilst employment in the EC had risen by 1.5% and unemployment had fallen from 10 to 9%, the situation had however been aggravated by long-term unemployment and precarious forms of employment.

1989 was also the year of the Community Charter of Fundamental Social Rights. The Economic and Social Committee rejected the concept of a Charter, and argued that it was the instruments and procedures specified in the Treaty which should be deployed to secure these basic social rights throughout the Community.

The social action programme for implementing the Charter had at least to achieve tangible results and be extended to cover more areas.

In 1989, the European Community undoubtedly acted as a political magnet and reference point for Eastern Europe in the often dramatic social, civic and democratic developments of that time. With its long-established machinery for social dialogue, the hallmark of democratic systems, it acted as a 'social market' model.

In the same way, the Community also provided a model for a people's Europe, in which civil standards and democratic behaviour are guaranteed

by the Rule of Law, by individual awareness and by social responsibilities.

1990 was clearly a key year in that the European Community as a whole consolidated its roots and extended its activities. It was vital that 'social Europe' should not miss this opportunity.

The Committee considered that the consolidation and extension processes had to be complementary, not conflictual. The social market model and people's Europe ethic, central to progress towards closer union were prime factors in the Community attractiveness to the emerging democracies in Eastern Europe and they provided firm anchorage for developing relations with the EFTA countries. Likewise, the embryonic cultural renaissance of Eastern Europe and its quest for protective democratic ties and renewed cultural and societal links with Western Europe, especially the European Community, should enrich and motivate the process of consolidation which the Community must develop in order to entrench the social and democratic unity which is so vital at this historic juncture.

EC social policy has a crucial role to play here. It must be allowed to do so on a firmer and clearer footing than hitherto. The intergovernmental conferences on adjusting the Treaties needed to take this into account especially in view of the unanimous policy approach established at the Madrid Summit. The final communiqué stated that 'in the course of the construction of the single European market, social aspects should be given the same importance as the economic aspects and should accordingly be developed in a balanced fashion'. In this light, the Committee again proposed that:

- (i) Article 100a indeed be used to tackle cross-border labour market impediments to the smooth operation of the single market;
- (ii) the use of Article 118a be further clarified in line with the Madrid European Council conclusions;
- (iii) an intergovernmental conference tackle the revision of the Treaty and the need for balance and parity between the social and economic aspects.

Likewise an authentic people's Europe needed to be granted a more tangible form parallel to the ever-broader Community horizon. This included:

- (a) early adoption of the draft Directive on local voting rights for Community nationals resident in another Member State;
- (b) a common legal framework agreed by the Member States on the free movement of non-EC nationals throughout the EC;

- (c) a trans-national demonstration of the Community's firm commitment to basic civic and democratic rights, e.g. EC accession to the European Convention for the Protection of Human Rights and Fundamental Freedoms—a fitting condition and protective rallying point for future membership;
- (d) ratification by all Member States of the ILO Conventions and recommendations.

In all this, the role of unions and employers' organizations, together with that of the plethora of socio-economic groups represented on the Economic and Social Committee, had to be highlighted.

Education and training

While endorsing the objectives of the Commission proposal on a second general system for the recognition of education and training, the Committee called on the Commission to present the proposal in clearer, more comprehensible terms; this applied particularly to the definitions used, as well as to the scope and application of the Directive.

The Committee also asked that account be taken of the differences between the Member States and the way this is reflected in their training and education systems.

The Committee approved the broad lines of the Community action programme for the development of continuous training—Force. It noted that continuous training was only one part of the overall training process. Trainees had to have adequate elementary education before embarking on basic vocational training. The Committee also stressed and commented on the important role of continuous training in adjusting to economic and social change.

In its Opinions on the establishment of a European training foundation and the Tempus programme, which deals with trans-European mobility in further education, the Committee endorsed efforts to narrow and, in the long-term, close the gap between Western Europe and the countries of Central and Eastern Europe, focusing particularly on education and training.

Exchange of young workers

The Committee welcomed the Commission proposal to extend by one year the third young workers' exchange programme (until 31 December 1991),

in order to synchronize the next programme with the new 'Youth for Europe' exchange programme.

Community actions for the elderly

The Committee welcomed the Commission's Community action programme for the elderly (1991-93) because it was the first official albeit limited EC initiative to benefit older people.

The Committee nonetheless urged the Commission to carry through its own stated line on the subject; this favoured a proposal which was more ambitious in scope and content, more rigorous in political commitment and timescale and more demonstrative of the 'importance' attached to older people's circumstances.

The proposal needed to concentrate more on supportive strategies for older people than on 'preventive' strategies on the challenges of ageing.

The Committee also urged a clearer, firmer commitment to establishing an effective European network on innovative experiences based on the 'clearing house' model.

Such a clearing house network would require the activities and studies outlined for increasing people's awareness of problems experienced by old people; it would clearly also have to be supplemented by real 'action' in the field by promoting and comparing properly-financed pilot projects concentrating on supportive actions for the elderly and including:

training and retraining for elderly workers;

retirement planning and pre-retirement education;

priority help for informal carers;

work on the role of, and participation in, voluntary community services for elderly people;

innovative, instructive experiences in the mental and physical health-care field;

work on the step-by-step transition towards frailty and dependence;

new, innovative projects on access to and design of buildings, accommodation for the elderly, transport services and the development of products intended to make life easier;

active participation of older people in cultural, educational, recreational, spiritual and sporting activities leading to a higher degree of integration and self-fulfilment.

'Action research' on pilot projects would clearly mean that the preliminary draft budget would have to be rescheduled and substantially boosted.

Workers' rights — health and safety

In welcoming the proposed directive on special forms of employment ('non-typical work'), the Committee reiterated the need to frame a Community regulatory framework governing this matter and stressed the need for political commitment, pursuant to Articles 118a and 100a of the Treaty. The proposed measures should not, however, undermine any more favourable conditions already laid down by national laws or in collective bargaining agreements.

Although the proposal complies in most respects with concerns already voiced by the Committee, it was felt that the proposals should have been presented in a single directive and should have encompassed sub-contracted employment. The Committee also took the view that special forms of employment should be resorted to only in exceptional cases and never be involuntary, which would amount to 'merely another aspect of under-employment'.

In approving the proposed directive on organization of working time, the Committee commented that limitation of the length of the working week is inextricably bound up with health in general. The Committee stressed that the weekly rest period was an important component of workers' health protection. In the light of developments on collectively-negotiated agreements and International Labour Organization Recommendation No 103, the Committee proposed a weekly rest period of 36 hours. An EC-ban on night working for young people was also considered necessary. In addition, the Committee recommended that 'night work' should be defined as 'any work carried out between 10 p.m. and 6 a.m.' and that the minimum daily rest period be increased to 12 hours. It referred to the EC Council recommendation of 1974 for a minimum EC standard of four weeks paid leave per year.

The Committee also endorsed the proposed directive on the protection at work of pregnant women, which rightly linked the protection of health and safety of pregnant women, or women who had recently given birth, with the maintenance of employment and income rights. In the Committee's view, the proposed measures form a coherent safety and health package. The obvious medical need for pregnant women to take maternity leave should not be subjected to, or nullified by, possible dismissal for reasons connected to their pregnancy. The same health and safety considerations, linked to employment right, applied to women who had recently given birth and who might temporarily require a more adaptable work schedule and an available alternative to night work. The Committee advocates that the directive should also apply to women employed on part-time or fixed-term contracts.

The Committee welcomed the draft Directive concerning medical treatment on board vessels, considering the provisions to be parallel and complementary to the ILO Convention which ought to be ratified by all Member States. The Committee stressed the particular range of risks on board ships, the need to have medical guides consistent with international standards, the need for more data on emergency treatment, the possibility to have annual checks for ships trading permanently away to be delegated to third parties, and the need for appropriate updating and quantifying of medicines listed.

The Committee endorsed the proposed amending Directive on the protection of workers from the risks related to exposure to asbestos at work and called again for the banning of blue asbestos (crocidolite). It also supported the proposed ban on the use of releasable asbestos products in building construction, and formulated a tighter definition on this point. Whilst restating that even a very low dose of exposure to asbestos can cause cancer and that the only truly 'safe' solution is thus to ban asbestos, the Committee nonetheless was prepared to endorse the lowering of action levels proposed by the Commission.

The Committee also supported the proposal for a Council decision on an action programme for the European Year of Safety, Hygiene and Health Protection at Work (1992), laying down key guidelines for the organization of the year.

Euroform — NOW — Horizon

The Committee approved the Community initiatives concerning new qualifications, new skills and new employment opportunities—Euroform initiative; promotion of equal opportunities for women in the field of employ-

ment and vocational training—NOW initiative; handicapped persons and certain other disadvantaged groups—Horizon initiative. However, it drew the Commission's attention to the potential risk of such useful initiatives being classed almost as peripheral in character and impact in the absence of a more demonstrative commitment to the EC cooperative strategy for growth and employment. The Committee at least hopes that the exemplary nature of some of the projects and partnerships envisaged will have a 'multiplier' effect throughout the Community. It also called on the Commission to be clearer about the groups targeted under the programmes and to ensure adequate information and publicity.

Social security — free movement

The Committee supported the Commission proposal concerning the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community, which seeks to incorporate a number of national legislative amendments into Community regulations.

4. ECONOMIC, FINANCIAL AND MONETARY POLICY

The economic situation in the Community in mid-1990

It is standard practice for the Committee to issue two Opinions on the economic situation in the Community each year.

The first is an Own-initiative Opinion while the second is in response to a Council referral and is based on a specific Commission document—the Annual Economic Report.

The Committee considers that the Own-initiative Opinion should reflect the Committee's views on the development of Community economic policy.

The aims of the Opinion on the first half of the current year are:

- (i) to brief the Council about economic and budgetary policy measures which representatives of economic and social interest groups in the Community propose and consider appropriate. By issuing its Opinion in the middle of the year, the Committee makes its views on economic policy known to the Economic Policy Committee and the Coordination Group sufficiently early for these to take the Committee's views into account in their final discussions on the preliminary budget;

- (ii) to alert the Commission to the social partners' different positions on economic issues at the time when the Commission is required to draft the Annual Economic Report;
- (iii) to brief the economic and social councils and the trade organizations of each Member State, via their representatives on the Committee, on the Committee's analysis of economic developments throughout the Community. It is hoped that sending the Committee Opinion to the national consultative bodies will permit them to take account of this European economic policy statement and possibly integrate it into their national budget proposals to their governments.

In conjunction with the report on the economic situation in the Community, the Section drafts a report on the economic situation in the Member State holding the Council Presidency for the first half of the year in question; in this case, this refers to Ireland.

In the context of a survey of the world economy in 1990, the ESC would firstly point out that the Community is entering the new decade with continuous progression in its main economic indicators. This reflects an increasing awareness among the Member States of the importance of economic policy for successful economic, financial, monetary and social integration. Secondly, moves to achieve such integration come at a crucial period in the Community's development; such integration is the most effective way to help Europe regain its pivotal role in the world economy as it moves into the twenty-first century.

The Commission's 1989/90 Annual Economic Report stated with regard to the major Community economic parameters that economic policy must enable it to meet two major challenges: consolidation of economic growth factors and greater convergence of economic and budgetary policies between Member States to increase stability and employment.

To achieve these objectives, firm measures are required to counter the risk that the unfavourable economic parameters of the past years might persist or deteriorate even further. Action is needed in some Member States to bring down high unemployment levels and ensure that the resurgence of inflationary expectations does not jeopardize current growth, and in other Member States to reduce substantial divergences in inflation, current-account balances and net budgetary positions.

The ESC believes that the integration of East Germany into the Community presents opportunities to investors from all member countries. German investments in the eastern parts of Germany and in the countries further to the East are bound to alleviate the discrepancy between the positive

German trade balance and the growth-restraining external deficits of many other Community countries.

It should be noted, in connection with economic and social cohesion, that although two problems (regional discrepancies and the possibility of more pronounced imbalances to come) are immediately obvious, the situation is particularly critical in the outlying regions of the Community located far from the main economic and political centres; consequently, transportation costs are higher and resources are allocated wastefully.

The 1990 structural reforms highlight the need for budgetary discipline and a review of the financial prospects up to 1992. New issues will also provide cause for concern, as Community solidarity with the changes in Eastern Europe will most certainly require the Community to shoulder new responsibilities. In a field where funds were always scarce and compromise not always easy, the necessary setting of priorities once again calls for careful thought and strategic planning.

The Committee feels that completion of the economic and monetary union (EMU) is already one of the keystones of the European edifice. With this in mind, the Committee urges that the utmost commitment be given to the various aspects of the first stage of economic and monetary union, soon to enter into force. The multilateral surveillance mechanism for economic policies, recently set up by the Council, is one initiative which merits special attention, given the need for sustained progress towards convergence of Member States' economic performance. In the same vein, liberalization of capital movements, further steps to strengthen the European Monetary System, and development of the ecu, a key issue, are all areas requiring well-planned study so that their economic and institutional implications can be fully understood. In more general terms, considerable thought will have to be put into preparation for the second and third stages of EMU, particularly the establishment of an independent European Central Bank charged with the maintenance of the value of money, if significant conclusions are to be reached at the intergovernmental conference to be held under the Italian Presidency in late 1990.

The Community employment rate seems to have settled into steady growth (1989 was the third consecutive year in which employment rose, by 1.5% on average) and this was reflected in the unemployment figures (down from 10% in 1988 to 9% in 1989). The discrepancies *vis-à-vis* our main partners' unemployment figures, however, remain considerable (5.2% in the United States, 2.3% in Japan, and an average of just over 2.5% in the EFTA countries).

It is major cause for concern that growth in employment has not been matched by a corresponding drop in unemployment; moreover, in 1991,

unemployment levels will fall more slowly than in the previous two years (see the Commission document on the budget, 1990-91, p. 1). With this in mind, the Committee reiterates its view expressed in the past that the employment growth rate should also be boosted by using suitable supply policies to bring supply into line with demand. Measures to reorganize and reduce working hours taking account of productivity must also be used to improve the employment situation.

Harmonization of duty rates — excise duty

New Commission approach

With regard to the new Commission approach, the Economic and Social Committee reaffirms the validity of the Opinions on excise duties delivered in 1988 whilst accepting that adjustments will have to be made because of the present situation.

The Commission's present communication requires substantial modifications before it can be approved.

To be able to make an accurate and thorough assessment of the excise duty proposals, we would also need to be familiar with the proposals on the collection of duties, the movement of goods, controls, bonded warehouse regulations, the marking of individual products and all other relevant aspects. The Committee believes that minimum and maximum rates need to be fixed for all categories of goods subject to excise duties. By doing so, rates will be confined within mandatory bands. Since significant changes in existing rates might cause problems for some Member States, convergence towards the new bands should be allowed to continue after the introduction of the single European market. In general, the minimum and target rates proposed by the Commission are too high. The bands mentioned in the present Opinion should be consolidated at a lower level, especially in the case of certain products.

The Committee has also delivered Opinions on individual proposals, providing more detailed and specific information.

Mineral oils

In the Committee's view, the harmonization of the excise duties on mineral oils must take account of not only the effects on national budgets, the need to abolish frontier checks and the impact on competition but also the great

importance of assisting the establishment of a Community energy policy, and the protection of the environment.

The main points of the Committee's Opinion on the previous Commission proposal (1987) should be summarized at this point:

- (a) there would seem to be a case for harmonizing excise duties on mineral oils at the lowest possible level, bearing in mind Member States' budgetary requirements;
- (b) it would be advisable to abolish all excise duties on heavy fuel oils used purely for production purposes;
- (c) it is questionable whether a specific tax on heating oil is acceptable and whether all energy sources should not be treated equally;
- (d) tax advantages already granted by Member States for some economic sectors or specific uses should be harmonized;
- (e) the taxation of vehicle fuels cannot be dealt with in isolation. Road tax and other charges relating to the possession and use of vehicles must also be taken into consideration.

The Committee feels that the Commission proposal's aim—but not its means—can be endorsed. The bands should be adopted for all products, with the compulsory maxima and minima being quite close to each other. Some derogations—albeit limited in time—could be provided for countries which run into serious difficulties because of their budgets or differences in the systems. The rates should be as low as possible, while making due allowance for general and ecological requirements. The inflationary effect of price variations is a point to be borne in mind also.

Alcoholic beverages and alcohol contained in other products

— Beer

The Commission admittedly sets a low figure for the minimum rate, but it would seem reasonable to propose that excise duty on beer be phased out altogether as soon as possible. It also has to be recognized that there are certain parallels between beer and wine consumption, although competition and substitution between the two products are probably not a problem.

— Still wine

This should not be subject to excise duty as it is an item of everyday consumption.

— Sparkling wine

The Committee rejects the Commission's argument in favour of a much higher rate of duty for sparkling wine than for still wine.

— Potable alcohol

The Commission advocates a very high rate of duty on potable alcohol. The obligatory minimum rate is to be 80% of the target rate (as against 50% for other products). This is unacceptable to the Committee: liqueurs would be beyond the means of consumers in many countries, and the traditionally less expensive products (such as brandy) would be priced right out of the market. The Commission proposals are lacking in logic in that they do nothing to address present problems in the market arising from differences in taxation. They require fundamental revision as far as potable alcohol is concerned.

In brief, the ESC feels that the proposals to merely fix minimum rates and recommend target rates, without any obligation to converge, are not commensurate with the aim of harmonization, and refers to its earlier Opinion on this question.

Rules on customs warehouses, methods of collecting taxes, transport, monitoring and prevention of fraud and tax evasion are also extremely important. It is very difficult to make a detailed assessment of the proposal without knowing the Commission's views on these questions. Lastly, the explanatory memorandum is inadequate, particularly as it fails to consider the implications for Member State budgets, consumption and inflation.

Tobacco and cigarettes

The Committee would draw attention to its Opinion on the original Commission proposal. Its comments on the need to know how the taxes are to be collected, controls, and the possible customs warehouse arrangements, all remain particularly relevant. The Committee remains especially concerned about the lack of documentation regarding the effects of the proposal on the structure of the tobacco industry, employment, agriculture, government revenue, and consumer spending.

The Community clearly lacks a coherent overall policy on tobacco. While some intervention instruments seek to help producers, taxation policy

tends to reduce consumption of Community tobacco without giving similar disincentives for the consumption of imported tobacco. Competition problems are also aggravated by a reduction in consumer price differentials and the need to set price levels in advance.

The Commission proposal allows all rates above the minimum to remain unaltered indefinitely, while it requires major changes to be made in cases where the rates are currently low. This in no way achieves the desired flexibility, and jeopardizes the goal of harmonization. The concern for consumer health which has led the Commission to propose considerably higher target rates than in 1987 seems too generic, and does not form part of a general health policy. The Commission proposals penalize cheaper products. This is unacceptable, not least because it would adversely affect Community tobacco-growing. It does not seem fair to particularly penalize the less well-off consumers who currently purchase the cheaper brands.

Finally, in the light of the above considerations, the Committee's overall opinion of the Commission proposal cannot be a positive one.

Transitional arrangements for taxation

The Commission proposal offers a way round the numerous problems besetting the harmonization of indirect taxation at the present time, and as such meets with the Committee's approval. This, however, is on the understanding that the suggestions and comments contained in its Opinion are taken on board. The Opinion repeats that tax policy as a whole is an essential component of all economic policy. It is crucial to achieving economic and social cohesion in the Community, improving living conditions in a balanced way and ironing out regional disparities.

On the other hand, the arguments raised during the political debate should not be forgotten or played down. The basic reasoning in the Opinions adopted by the Committee since 1988 on VAT and excise duties should also be kept in mind.

There is a clear need for a transitional period, as advocated by the Committee in its Opinion of 19 December 1989, during which sales of goods continue to be taxed in the country of destination. Member States must, however, be allowed sufficient time to prepare for the definitive arrangements.

When indirect taxation is finally harmonized, it should be harmonized sufficiently closely and steps taken to prevent any harmful effects on the

Member States' budget, economic and social policies, so as not to jeopardize the introduction of economic and monetary union in the Community. The Commission's efforts to persuade the Council to simultaneously approve the transitional phase and the definitive arrangements therefore deserve support.

In the Committee's view, this question has major repercussions on the entire economies of the countries concerned and in some cases calls for substantial revision of tax arrangements. The final arrangements are not therefore confined to indirect taxation: the whole system of taxation will have to be reformed if it is to be uniform and fair.

Member States which are net importers from the Community may also experience budgetary difficulties during the transition period: the Commission and the Council should therefore take the necessary steps to deal with problems which may ensue. It should also be remembered that an appropriate offset system will have to operate when the definitive arrangements are in place, while priority should be given to minimizing the scope for fraud.

The proposal for transitional arrangements should, lastly, be closely linked with the proposal for administrative cooperation in the field of indirect taxation.

Administrative cooperation in the field of indirect taxation

The Committee approves the content of a text which seeks to create a specific Community legal instrument for improving the effectiveness of administrative cooperation on indirect taxation (VAT and excise duties). The Committee's approval is nevertheless subject to the following provisos: (a) the burden of formalities on firms must be reduced; (b) checks must be even-handed and not excessively meticulous; and (c) the legal basis and form of the Commission proposal must be revised. The Committee argues for a directive rather than a regulation.

The Committee would stress that, in order to ensure the successful abolition of tax frontiers on 1 January 1993, there must be neither discussion nor deferred decision in the Council on the package of three measures relating respectively to the transitional VAT arrangements, administrative cooperation in the field of indirect taxation and statistics relating to the trading of goods between Member States. The three proposals are closely interlinked and the relevant discussions and decisions should occur simultaneously.

Assuming that Directive 79/1070/EEC of 6 December 1979, even if duly amended, will be unable to cope with the situation prevailing after 1 January 1993 (when there will be a system of *ex post facto* tax controls, following the abolition of checks on intra-Community cross-border traffic), it is necessary and indeed essential to step up mutual assistance and administrative cooperation in the field of indirect taxation. Subject to the above comments, the Committee therefore endorses the Commission's proposals on the assumption that definitive solutions will eventually be found in the fields of taxation, administrative cooperation and intra-Community trade statistics, thus ensuring that tax revenue is justly and equitably allocated to the entitled parties, i.e. the Member State where the goods in question are finally consumed, without a complex, expensive compensatory mechanism on which the Committee expressed such strong reservations in its Opinion (CES 742/88) of 7 July 1988.

Statistics relating to the trading of goods

The Committee stresses the need for the new Intrastat system to be usable and for the reliability, quality and exhaustiveness of the statistics collected to be ensured in all respects.

Nor is it possible to ignore the fears, expressed in various quarters, that the simplification of data collection and statistical back-up services will lead to the impoverishment and even deterioration and dismantling of a mechanism which should be available in the future to all sorts of users (be they economic operators or government departments) for all sorts of purposes. Users claim that, when the single market comes into force, the collection of detailed data will be not less but more necessary than ever before. They also underline the importance of making it obligatory to indicate the country of origin.

Finally, they share doubts about whether the new Intrastat system will be functional, exhaustive and reliable, unless of course there is evidence to the contrary once the system has started operating.

The Committee acknowledges further that, even if all its remaining doubts and reservations can be dispelled, the authors of the revamped proposal will still be reproached for having initially ignored the comments and suggestions in the ESC's previous Opinion of 26 April 1989.

However, it is equally true that the authors of the present proposal have endeavoured to make a useful contribution towards the abolition of frontier checks by making it possible for Intrastat to operate without information from tax sources, despite the retention for the time being of taxes—in the form of VAT—on imports in the country of destination (the chargeable

events in the single market being known henceforth as 'acquisitions' instead of imports).

Indirect taxes on the raising of capital

The Economic and Social Committee has already pointed out on various occasions that, in its view, there is no place in a rational tax system for an indirect tax on the raising of capital. It therefore called for the abolition of capital duty and repeats this call here.

However, as total abolition does not seem possible at this time, it is absolutely essential that care be taken to ensure that a tax which in any case is inopportune does not also lead to distortions of competition or social inequalities. The Commission's proposal should prevent such results arising from the duty on the raising of capital. The Economic and Social Committee therefore supports it as a second-best solution failing a total abolition of capital duty.

Statistical classification of economic activities in the European Communities

The draft Regulation (EEC) on the introduction of the NACE Rev. 1 Community classification is undoubtedly one of Eurostat's most important initiatives aimed at giving formal and binding force to the statistical standards required in connection with completion of the internal market on 1 January 1993. Only by using uniform statistical standards will it be possible to collect and supply comparable statistics quickly enough and much more efficiently than at present.

The revised classification, which the Member States are required to use as the basis for their national classifications, is undoubtedly an important step towards the creation of an integrated statistical system which will permit the essential comparison of data on products, economic activities, external trade, etc.

While approving the draft Regulation, however, the Committee cannot but reiterate its request that the Advisory Committee provided for in Article 7 be replaced by a management committee. The Committee would also emphasize its comments on the question of secrecy of statistics and the confidentiality of information provided, pending application of a corresponding *ad hoc* Community regulation.

Finally, echoing fears previously expressed, for example in its Opinion of 26 April 1989 on the proposal for a new system of statistics on the trading of goods between Member States, the Committee wishes to express its concern that the abolition of intra-Community frontier controls may lead to a decline in the quality of statistics.

With reference to that Opinion, the Committee also feels that, in the current situation, parallel to the introduction of the new classification of economic activities, it would be a good idea for the Commission to provide technical training and financial assistance for the statistical services of those Member States which do not have adequate facilities or qualified staff.

Money laundering

The ESC cannot but support the stepping-up of action to combat serious crimes condemned by the international community, and particularly drug-related crime.

But, in the light of the explanations given at the hearing of senior Interpol officers, the Committee feels that one cannot simply deal with the question of money laundering without tackling the whole issue of drug use and the marketing of drugs. It is essential that the Commission proposal be backed up by the harmonization of laws and practices designed to prevent drug consumption. It would be much easier to stamp out money laundering if, from the outset, there were not major differences within the EEC as regards the level of drug sales and consumption and the methods used for preventing and stopping them, differences which are incompatible with the UN Convention of 1988.

Provision should also be made for extending the rules on using the financial system for money laundering to include territories which are under the influence of the Member States without being legally in the EEC and the EFTA countries, and it is essential that there be close cooperation with countries where capital is allowed to move freely.

The effective suppression of this sort of crime is, beyond any doubt, hampered by the existence of financial circuits outside the EEC, or even the OECD, which accept all types of financial flows, including laundered money.

The Committee suggests that the Commission start negotiations with the IMF on an international convention to be drawn up by the latter in collaboration with the UN, whereby any credit or other financial institutions

which refuse to abide by the terms of the Vienna Convention will be excluded from the international financial community and the world payments system. This exclusion would take the form of a breaking-off of international financial relations with the relevant institutions. There is little doubt that such a convention would have a decisive impact on cleaning up the international financial system.

Several converging initiatives have resulted from the international community being mobilized to stamp out drug trafficking, such as:

- (a) the UN International Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances concluded in Vienna on 20 December 1988;
- (b) the Basle Declaration of Principles of 12 December 1988 by the banking supervisory authorities of the Group of Ten;
- (c) the setting-up of a Financial Action Task Force against money laundering after the Heads of State or Government summit in July 1989, which led to the Task Force report in February 1990 with its 40 recommendations;
- (d) the draft Convention of the Council of Europe dated 25 April 1990 on the combating of crime, Article 6 of which says that countries should make laundering a punishable offence.

The draft Directive is sometimes less precise than the Task Force's recommendations. The Committee wonders if it would not be useful to include some of the recommendations in the directive in a more binding form than that set out by the Task Force, especially that which prohibits financial institutions and their employees from warning their customers that they have been the subject of a declaration to the law enforcement authorities or that which calls for a particularly careful examination of operations with countries which do not apply the recommendations.

The Committee wonders about the legal basis of the proposed Directive. It is up to the Commission to propose another basis, such as Articles 100, 100a or 235 of the Treaty. If the Commission considers it should propose to the Council a directive dealing with criminal law and penal procedure, it should make specific and strict proposals which are really designed to ensure the desired approximation of Member States' laws in this field. Following the above reasoning, the scope of the directive would be limited to 'credit institutions' and 'financial institutions', but it should be extended to any person subject to the law.

The concept of a 'serious crime' has no meaning in criminal law. It is therefore insufficient to ensure an approximation of Member States' laws.

Similarly the concept of a 'crime' without any other definition is also insufficient to ensure the desired approximation of Member States' laws, as in criminal law a crime is not defined by the nature of the offence but by the nature of the penalty laid down for it. The offence of money laundering must therefore be defined in a strict manner conducive to equivalent application in all the Member States.

The Directive lays down a basic principle which is contrary to normal law and practice. It releases credit institutions from the obligation of professional secrecy and sets up an exceptional procedure for cooperation with the authorities competent for criminal matters. The Committee feels that a more binding formula would be preferable.

Finally, the Committee feels that the proposal must be given a clearer and more specific aim, by taking the Task Force's recommendations and making them binding, in line with the decision of the Houston Summit of July 1990.

European Advisory Committee on statistical information in the economic and social spheres (CEIES)

The Committee supports the proposal to establish a European Advisory Committee on statistical information in the economic and social spheres (CEIES). The Committee is pleased that the CEIES is to include 'leading representatives of the various economic and social categories', echoing the wording of Article 193 of the EEC Treaty concerning the Economic and Social Committee, and that the annual report on the progress of economic and social statistical information is to be sent to the Committee.

Committee on Monetary, Financial and Balance-of-payments Statistics

It is in this same basically positive spirit which was the basis of the groundbreaking Opinions on the creation of a European financial area, the Delors Report on economic and monetary union and on economic convergence and collaboration between the central banks of the Member States, that the ESC welcomes the proposal for a Council Decision establishing a Committee on Monetary, Financial and Balance-of-payments Statistics. The setting-up of a Committee on Monetary, Financial and Balance-of-payments Statistics forms a logical part of the measures which must accompany the gradual achievement of economic and monetary union.

5. REGIONAL DEVELOPMENT AND TOWN AND COUNTRY PLANNING POLICY

The workload of the Section for Regional Development and Town and Country Planning more than doubled in 1990, with the adoption of nine Opinions in eight months. This reflects the new dynamism which Community regional policy has gained thanks to the reform of the structural Funds and the doubling of their resources.

There has been a corresponding drop in the Section's own-initiative work, as eight of the Opinions were issued in response to Commission referrals. Seven of them concerned the new Community-initiative programmes which mark an important step in moves to iron out regional imbalance.

Alongside the large-scale national and regional programmes established under the Community support frameworks, Community measures provide specific assistance for special problems in given sectors, the abiding aim being to boost the economic potential of the less-favoured regions. The Committee broadly endorsed these measures.

The referrals concerned Envireg, a programme designed to protect the environment while creating jobs and investment; Interreg, to boost cooperation between border areas; Stride, a research and development programme for regions; Regis, to assist the most remote regions of the Community, including the islands; Regen, to improve energy distribution; Telematique, to set up telecommunications networks in remote regions short of resources; and finally Prisma, to help small firms to improve their product quality and creativity by providing easier access to certification facilities and to public procurement contracts.

In each Opinion, however, the Committee stressed that, however worthwhile the programmes, their funding was insufficient to eradicate regional imbalance.

In the own-initiative field, the Committee contributed to the European Year of Tourism with an Opinion and Report on tourism and regional development. The Committee concluded that properly planned tourism could create jobs and wealth while respecting the environment.

6. INDUSTRIAL POLICY

Customs Union

In 1990 the Committee adopted a number of Opinions on the Customs Union, and more particularly customs legislation and procedures for the movement of goods.

Community transit

The Community transit procedure applies to the movement of all goods within the Community. Two distinct procedures are involved: an external procedure applicable to third country goods; and an internal procedure applicable to Community goods.

From 31 December 1992, goods falling within the scope of the internal market must be able to move from one point in the Community to another without any formalities or customs controls.

One effect of the free movement of Community goods within the Community will be to eliminate the internal Community transit procedure in most cases. This internal procedure will however continue to apply in a number of specific areas.

The external Community transit procedure will clearly remain fully applicable.

The reforms linked to the completion of the internal market have given the Commission the opportunity to consolidate Regulation (EEC) No 222/77 on Community transit in a new updated Regulation.

The Committee welcomed the Commission's proposal but raised points of principle. For example it considered that continuing to subject intra-Community movements of Community goods to a customs procedure was incompatible with the internal market. The Committee was strengthened in this belief by the Commission's admission that such movements of goods were not to be subject to customs controls and formalities in the future.

If other administrative controls (e.g. in the tax field) prove to be necessary after 1992 for the direct transport of goods with Community status between two or more Member States, solutions should be found outside the field of customs law.

Customs code

The Committee endorsed the Commission proposal which was aimed at consolidating customs legislation. The Code became the legal cornerstone of Customs Union following the consolidation of the relevant legislation, the revision of the underlying concepts and content of provisions, and the harmonization of legislation not yet enacted at Community level. The Committee nevertheless emphasized that a conclusive evaluation of the impact of the Code's provisions would not be possible until the implementing provisions had been scrutinized. They should therefore be presented as soon as possible, the Committee said.

Transit carnets

The Committee welcomed the Commission proposal as a natural follow-up to the abolition of the Community's internal frontier on 1 January 1993. The proposal aimed to change the way the TIR and ATA Conventions were implemented within the single Community territory.

Temporary use of goods

The Committee endorsed the Commission proposal which had two objectives:

- (a) to extend the arrangements for temporary use, under the cover of the Community carnet, to carpet samples, and
- (b) to ensure that works of art were covered by the Community carnet arrangement, whether or not they were accompanied by their authors or their agents.

Single administrative document

The Committee welcomed the proposal which updates the rules on the single administrative document to take account of the lifting of internal frontiers on 1 January 1993.

Whilst approving the Commission proposal the Committee nevertheless expressed reservations about the following provisions:

- (i) the cancellation or correction of the declaration made by the declarant;
- (ii) the application of computerized and other procedures of computers;
- (iii) the powers and operation of the Single Administrative Document Committee.

Elimination of baggage checks

The Committee approved the Commission proposal that apart from security checks in air and sea transport, no controls or formalities should be carried out in respect of the cabin and checked baggage of passengers taking an intra-Community flight or the baggage of passengers making an intra-Community sea crossing.

Technical harmonization

Conformity-assessment procedures

This draft decision, which was accompanied by a memorandum, set out a genuine European policy on standardization which, based on criteria that were objective and universally recognized, would create the necessary confidence to enhance the homogeneity and transparency of national activities (public or private certification, testing and inspection measures) designed to assure consumers that a product deserved a quality label.

This would facilitate a 'contract of confidence' and enable economic operators to make savings by reducing the number of costly, repetitive tests and trials currently needed for EC and international approval. This contract of confidence would prevent the emergence of new barriers to trade in the EC for new products, due to different certifications which were not reciprocally recognized.

The Commission was proposing the creation within the European standardization bodies (CEN/Cenelec) of a real network which would allow mutual recognition of the various national public or private sector laboratories and the use of criteria established by CEN/Cenelec for evaluating the quality of a laboratory. A similar recognition procedure was envisaged for third countries who negotiated and concluded reciprocity agreements with the EEC.

The Committee endorsed the overall objectives of the Commission communication, together with the proposal for a Council Decision, and approved:

- (a) the modular approach to testing and certification;
- (b) the emphasis on transparency and the creation of confidence in the regulated sector through the use of the new CEN/Cenelec standards (EN 45000 series) as a means for Member States to ensure equivalence and independence in their nomination of laboratories and certification bodies;
- (c) the promotion of quality assessment by the use of the CEN/Cenelec (EN 29000 series) standards;
- (d) the emphasis on mutual recognition of products legally placed on the market in the different Member States;
- (e) the concept of the global approach which required an infrastructure for certification and testing which would inspire trust and confidence and guarantee access to the market under similar conditions;

(f) the concept of a European Organization for Testing and Certifications (EOTC).

The Committee believed that the Commission's conformity assessment proposals needed to give further attention to overall policy for third countries.

Machinery, simple pressure vessels, lifts, electrical equipment for use in a potentially explosive atmosphere

The Committee expressed its views on the 'new approach' Directive. The Opinion on machinery was concerned with the extension of the scope of the Directive on machinery to mobile machines whose use created specific hazards.

All these technical Opinions took into consideration the need for a single market with high levels of product safety, consumer health protection and environmental preservation.

Glazing/motor vehicles, masses and dimensions, tyres

The ESC adopted Opinions on three major Directives implementing EEC type-approval for motor vehicles and their trailers. In addition to certain technical observations the Committee trusted that Community type-approval would be implemented without adverse consequences for employment; declared that it could not approve the introduction of a new procedure which would give the Committee on Adaptation to Technical Progress a purely consultative role; and recommended that the Commission took special care with the transitional provisions so as to avoid, as far as possible, extra costs resulting from a two-fold approval of EEC and ECE regulations.

Vehicles/air pollution

Directive 89/458/EEC introduced anti-pollution standards for cars rated below 1 400 cm³. Such standards were considered to be at least as stringent as those of their US counterparts. The Commission was proposing a new Directive aimed at aligning emission standards for cars with higher engine capacity on standards for cars below 1 400 cm³. Furthermore, these standards were to be adapted, for all car categories, to the improved European test procedure.

At the same time the Commission was proposing to introduce stricter standards for particulate emissions from diesel passenger cars.

The Committee approved the Commission proposal but called for continuing efforts to further reduce emissions of exhaust gases and particulate pollutants. It also raised the question of the quality of fuels and said that petrol specifications should be more precise. The Committee also stressed the importance of developing lean-burn engines and electric vehicles under a future anti-pollution programme.

The Opinion reiterated the Committee's earlier recommendation for regular checks on the efficient operation of catalytic converters in vehicles.

Vehicles/air pollution (diesel motors)

Directive 88/77/EEC on the approximation of legislation on measures to combat gaseous pollutant emissions from diesel engines introduced the control of carbon monoxide, hydrocarbons and nitrogen oxide emissions. Article 6 of this Directive committed the Community to consider a further reduction of the limit values for the three named pollutants and the introduction of the control of particulate emissions.

The Committee approved the measures proposed to the Council but foresaw that the deadlines for the two stages might only be attained if the specification for an improved diesel fuel was decided upon swiftly and the Member States each took fast positive action to facilitate the necessary testing and certification.

An updated Directive on the sulphur content of diesel fuel was necessary as a matter of urgency, bearing in mind that the new diesel fuels would need to be available for new model vehicles two years prior to the deadline called for.

The Committee recommended that the final Council decision should take account of the test procedures and emission standards specified in Regulation 49 of the ECE in order to secure uniformity of emissions requirements in a European context.

Public health and safety, as well as an improvement of the environment, were dependent on the enactment and implementation of all existing vehicle Directives together with the exhaust-emission limit value provisions being considered by the Council. This could only be achieved by each Member State giving proper regular attention to control of emissions

from vehicles already in use, as well as safety factor requirements. The Council was called upon to ban second-hand imports from third countries not complying with the standards.

Competition

Control of concentrations

The Committee adopted with one abstention an additional Opinion on the draft regulation implementing the regulation on the control of concentrations between undertakings. It considered that the implementing regulations were at least as important as the basic regulation itself.

The committee was critical of the contents of the questionnaire for reporting a merger. The number of questions needed to be limited, if only to prevent the investigation procedure being dragged out until it was no longer relevant.

In view of the considerable costs involved in planning a merger, and the attendant risks, companies needed a high degree of legal certainty and calculability. Legislation should take account of this need.

Unlike the concentration form of joint ventures, the treatment of the cooperative form was legally unsatisfactory, since it was not covered by the group exemption regulations that had already been adopted. Also, the merger control regulation covered joint ventures only to a small extent. This was one of the weaknesses of the basic regulation, which would be remedied only in part by a Commission notice. It was therefore all the more important, the Committee thought, to lay down at least procedural rules for all joint ventures; this would provide the companies in question with a minimum degree of legal certainty. This included first and foremost the introduction of examination deadlines which could be based on the deadlines for the Community control of concentrations. Companies would thus be informed within a reasonable period of how their plans were affected by competition law.

19th Report on Competition Policy

The Committee said that it was pleased with the results achieved over the year under review.

It went on to say that Community and national rules on competition should not be separated by rigid, uncrossable boundaries; they were flexible

elements of a competition policy which, under the principle of subsidiarity, could and had to retain its original spirit, pursue the objectives of the Treaty, and be applied consistently throughout the Community.

The Committee considered that the criteria and parameters governing merger controls should now fit into a broad geographical and temporal perspective. Any definition of 'relevant market' would have to take account of not only current but more importantly future potential competition, not just in the Community but more especially at international level.

The Committee also considered that, in the service sector, as in the case of mergers, the application of Community rules was not enough. Action had to be taken on national regulations which impeded effective competition in certain sectors.

Turning to State aids, the Committee insisted that public aid always had to be transparent and degressive.

Although this should be the guiding principle and the final goal, some aid might nevertheless, under clear-cut conditions, still be compatible with the continuing process of Community integration.

In the Committee's view, prices had as a rule to be determined by the market, i.e. by the free play of economic forces. Competition policy had to ensure that this was achieved with respect for the roles of all the socio-economic partners, for consumer interests and for environmental legislation (to cite the most topical and significant example).

Accordingly, neither companies nor national authorities had to play an undue part in price formation or price levels. Their task was to administer the few remaining exceptions, which in any case were governed by national control/monitoring systems.

As full market integration had not yet been achieved, national laws still had a role to play in controls designed to avoid abuses and, in certain cases, to ensure a degree of price stability.

The Committee Opinion also considered other aspects of competition policy. It stressed the need:

- (a) to pay special attention to dumping;
- (b) for close cooperation between the Commission and the national governments on the application of competition rules;

- (c) to bolster the aggregate resources of DG IV;
- (d) to strengthen international relations in the field of competition policy.

Public procurement/excluded sectors (water, energy, transport and telecommunications)

The draft Directive seeks to introduce the same adequate remedies and control procedures in the hitherto 'excluded sectors' as existed in the general field of public procurement. Only such guarantees would ensure that the Community rules on contract procedures were in practice respected and that the Community's fundamental objectives in this area of the internal market programme were realized.

The Committee welcomed the proposed implementing Directive.

It welcomed Article 1 of the proposed Directive, which struck a sound balance between differing traditional national practices and the need for some degree of Community-wide conformity on rules concerning access to remedies.

The Committee welcomed the proposed facilities for (a) a speedy hearing of urgent cases in the shape of interim measures to halt alleged infringements, and (b) setting aside unlawful decisions. The specific clause allowing the award of damages to persons harmed by an infringement was also a source of satisfaction. In claims for damages connected with the preparation of a bid, claimants would only need to show that the infringement adversely affected their chance of being awarded the contract—not that they would have been awarded the contract in the absence of the infringement.

The Committee noted with satisfaction that the Commission had responded to the ESC call for arbitration machinery.

However, the Committee believed that the Commission's proposal was marred by the provision of an alternative procedure ('attestation' procedure) whereby contracting entities having obtained attestation were exempted from the provisions on suspension of contract award procedures or setting aside of unlawful decisions, including unlawful specifications.

The Committee was unable to accept the equal efficiency and validity of *ex post* damages awarded on a basis of attestation and suspension of illegal procedures before they had led to the conclusion of invalid contracts.

In the Committee's view, it was also unacceptable that different judicial procedures should apply depending whether the entity responsible in the sectors concerned was 'public' or 'private'.

Shipbuilding

In the field of shipbuilding the Committee took a stance on the extension of the sixth Directive. The Committee was unable, however, to support the proposed increased emphasis on the principle that aid should be progressively reduced. The Commission's desire to strengthen degressivity was also expressed in the proposed reduction of shipbuilding aid for vessels completed more than three years after the signing of the contract. Apart from the technical issues involved—and it should be borne in mind that the Commission itself was pressing for a switch-over to more sophisticated vessels—the proposed reduction would further disadvantage EC shipyards.

The life of the new Directive (which it was proposed should run for just two years) should logically depend on the state of the market. Market developments were, however, still uncertain and conditions were far from being profitable. Furthermore, account had to be taken of the fact that the shipbuilding industry had a long business cycle and was still undergoing restructuring. There was also the question of the industrial implications of major events in the political sphere.

Medicinal products

The Committee adopted several Opinions on medicinal products.

The first, which concerned a proposal for a Council Directive on the wholesale distribution of medicinal products for human use, had three main objectives:

- (i) wholesalers had to be registered, and had to observe certain administrative requirements;
- (ii) wholesalers had to follow certain rules in their work and had to have suitable storage premises manned by qualified staff;
- (iii) wholesalers had to keep detailed records of their transactions and stocks, conduct checks on these records and make them available to the competent authorities.

The Committee approved the Commission proposal but considered that Community legislation on medicinal products should remain flexible by adapting to socio-economic trends and taking account of traditional habits in the Member States.

The Committee alerted the Commission to the need for Member States to set up monitoring mechanisms to ensure that procedures were followed uniformly throughout the Community in order to prevent discrepancies leading to unfair competition.

The second Opinion concerned a proposal to extend the scope of current legislation on medical products to homeopathic products.

At the same time, it introduced a simplified registration procedure for homeopathic medicines which were considered safer whilst, for other products, the existing arrangements for allopathic or traditional medicines would continue to apply.

The Committee welcomed the proposal but noted that, since there was no provision for back-dating, the proposed directive would not cover current registers for products on sale in Member States which had approved them.

Company law

European Company Statute

The Committee adopted an Opinion on this important legislative instrument by a recorded majority vote. The Committee considered that allowing Community firms to adopt a supranational legal form in the shape of a European Company Statute was a suitable instrument for improving cross-frontier cooperation between firms and promoting economic integration in the Community.

It was necessary, with the European Company Statute, to create a system of company law which was as uniform and independent of national law as possible.

As regards the collective representation of employees' interests within firms and the involvement of employees in certain company decisions, the Committee had repeatedly confirmed and emphasized its support for the principle that the involvement of employees was an important prerequisite for the development of a democratic society. The decision as to which participation system to adopt had to be the subject of consultations

between the trade unions represented in the companies or their in-company representatives (works councils etc.) and the management of the company concerned.

The Committee wondered whether it was advisable, in an area which had such significant implications for the social dimension of the future internal market, to split up the rules into two legal acts with different legal status (a regulation on the statutes of the EC and a complementary directive on the place of workers) and push through decisions of principle on worker participation and taxation policy by a qualified majority.

Cooperative, mutual and non-profit sectors

In 1990 the Commission consulted the Committee on a wide-ranging study of 'économie sociale' enterprises. More precisely the Committee was invited *expressis verbis* to state its views on:

- (a) the diversity of legal forms of 'économie sociale' enterprises in the Community;
- (b) the role which the European Economic Interest Grouping (EEIG) could play, given the above diversity, in encouraging cooperation between 'économie sociale' enterprises;
- (c) the feasibility of a European Company Statute for persons, making provision for mergers, the establishment of a holding company or common subsidiary by 'économie sociale' enterprises; and the possible nature of such a statute (a framework statute or a specific statute reflecting the particular characteristics of each area or sector of the 'économie sociale');
- (d) the operating conditions for a European non-profit body statute which would permit the direct establishment of non-profit associations not engaging in economic activity.

In its Opinion the Committee said that, although it was impossible to arrive at a single legal definition of an 'économie sociale' enterprise, the undertakings concerned were nonetheless part of a movement which gave high priority to the individual and which freely embraced the following principles:

- (i) free association;
- (ii) a democratic management structure;
- (iii) solidarity;
- (iv) fulfilment of members' potential and/or promotion of the general interest.

With regard to the role of the European Economic Interest Grouping (EEIG) and the European company, the Committee considered that, although the EEIG was at present the only Community legal instrument governing transfrontier links, it nonetheless had considerable limitations:

- (a) its objective was ancillary to the economic activity of its members, i.e. the Grouping's activity could not be substituted for that of its members;
- (b) the unlimited joint liability of its members, i.e. members had unlimited joint responsibility for the Grouping's debts (without being able to limit such responsibility to any money which may or may not have been paid in by members);
- (c) its inability to raise public funding, i.e. the impossibility of issuing securities or bonds for sale to the public.

With regard to the European Company Statute which would be available to all firms operating on a Community scale, the Committee felt that it would be wrong to offer the mutual/cooperative-sector enterprises only this vehicle for European integration since such enterprises could only set up a European company by way of a joint subsidiary, i.e. they could not do so via a holding company, merger or the conversion of a national company.

It was, therefore, essential to set up an alternative, optional European legal framework for mutual/cooperative-sector enterprises, as they had features which needed to be preserved, and which were not adequately catered for by the EEIG or the European company.

The fact that, while sticking to their principles, mutual/cooperative sector enterprises would increasingly be competing in the internal market with conventionally capitalized firms, clearly reinforced the need for an optional subsidiary legal statute.

The Committee, therefore, called upon the Commission to take account of the differences between the various components by drafting separate statutes for cooperatives, mutual associations and non-profit bodies; these could perhaps be incorporated into a single instrument with a common preamble or a common core.

The Committee felt that it would be appropriate to draft a single Community legal statute for all Community non-profit bodies. The Commission or the Court of Justice could always exclude certain non-profit activities which did not fulfil the criterion of the second paragraph of Article 58 from application of this statute (participation in economic life).

Communication technologies/RACE programme

This specific programme is an integral part of the approach embodied in the third framework programme; it focuses on eight priority areas including the provision of verification techniques and facilities. It concentrates on areas which required the collaboration of two or more telecommunications sector organizations in the common interest of the Community.

The priority areas are:

- IBC (integrated broadband communications) R&D;
- intelligence in networks/flexible communications resource management;
- mobile and personal communications;
- image and data communications;
- integrated services technologies;
- information security technologies;
- advanced communications experiments;
- test infrastructures and interworking (horizontal R&D area supporting the other priority areas).

The Committee Opinion stressed that the rate of development of telecommunications would depend on the general context rather than on technical considerations alone. In this connection, a crucial factor would be the willingness of European telecommunications administrations and companies, industry, the universities and research institutes to cooperate in developing a uniform network architecture and to harmonize national provisions, standards and economic arrangements. This process could be promoted by privatizing the most important services.

The Community's ambitious aim of coordinating the introduction of IBC with ISDN now being developed and national implementing strategies, with the aim of achieving Community-wide services by 1995, seemed likely to increase the technological gap between highly-developed and less-advanced regions.

The speedy establishment of the Communications infrastructure would therefore depend on the definition of such specifications by the relevant Community committees (e.g. CEPT, Ectel, SOG-T, ETSI), as far as possible on the basis of international standards.

An increasing level of interconnection and, in some cases, worldwide availability of data sources raised the problem of distinguishing between confidential personal data and public information.

The Committee therefore stressed the importance of developing effective coding systems to prevent the abuse of private and commercial data.

It regretted that the specific programme did not expressly provide for basis and further training. Efforts should be made to achieve coordination with the corresponding Community telecommunications-technology training programmes.

Information technology (Esprit)

This specific programme was based on the guidelines of the third framework programme for research and technological development and constituted a new phase of the European strategic programme for research and development in information technology (Esprit), focusing on new technologies.

The programme encompassed five areas:

- (i) micro-electronics;
- (ii) information processing systems and software;
- (iii) advanced business and home systems; peripherals;
- (iv) computer integrated manufacturing and engineering;
- (v) basic research.

Accompanying measures comprised technology transfer and training activities in each of the areas. They included special actions which aimed at increasing the potential for participation in Community R&D on information technology by organizations in peripheral regions, and likewise their ability to make use of the results.

The Committee endorsed the proposed R&D programme.

Logically, however, the proposed funds should be used for those projects which were expected to be particularly effective in boosting transborder R&D cooperation in the Community.

The second phase of Esprit and the new specific R&D programme overlapped for a certain period, but just how these two programmes were to be coordinated in terms of organization and projects was not made sufficiently clear.

In virtually all areas the problem of training qualified personnel arose. The Commission should therefore examine the feasibility of gearing this programme to the relevant Community training and further training programmes (such as Eurotecnec, Comett II, Erasmus II).

7. EXTERNAL RELATIONS, TRADE AND DEVELOPMENT POLICY

Alongside domestic developments in the Community in 1990, events outside the Community opened up new prospects for the EC's external relations.

In the Committee's view, the implementation of the Single Act and the attention focused on the rapid developments in some regions (notably Eastern Europe) should not lead the Community to neglect its responsibilities towards the rest of the world.

In expressing its concern that this might be the trend, the Committee noted that the various spheres of community cooperation with Latin America, for example, stood at a crossroads.

Trade between the two areas was declining in percentage terms; humanitarian aid, development aid and economic cooperation split over a large number of budget headings, accounted for an average of ECU 4.5 million per year. The Community's agreements with Latin American countries were hampered by the lack of financial protocols. Progress towards democracy in the region, to which the Community should contribute, was threatened by worsening economic and social problems.

The Council Resolution of 22 June 1987 calling for a consistent overall strategy for relations between the two areas had had little practical follow-up. In the medium term, a framework agreement would offer a means to step up cooperation and put relations on a more orderly institutional footing.

The Committee Opinion also considered more specific aspects such as the impact of the internal market, international agricultural trade, the priorities for economic, financial and technical cooperation, training of managerial staff, support for sub-regional integration, and the environment.

The Committee was not only concerned about trends in EC-Latin America cooperation, but was very much to the fore in the field of Community cooperation with non-EC Mediterranean countries. Nevertheless—and more is said about EC-Mediterranean policy below—the events that undoubtedly attracted most Committee attention were those taking place

in Central and Eastern Europe. The year under review saw not only the disintegration of the former Eastern bloc with falls in production and living standards and mass emigration where borders were thrown open, but also the unification of the Federal Republic with the German Democratic Republic. The Committee gave an early, if general, response to the economic and institutional developments that were taking place in the various countries of Eastern Europe. The importance of these developments was in its view, incalculable, both for the countries involved and for the rest of the world; they are still in rapid evolution.

The Committee was of the view that the historic events in Eastern Europe and the policies to be adopted towards them must in no way jeopardize or impede the process of Community integration: the completion of the internal market and the achievement of economic and monetary union, with all the measures and deadlines agreed by the Twelve, are commitments which must be respected with the utmost rigour and conviction. Furthermore, German unification and the implications of German economic and monetary union must be incorporated into the overall blueprint for European integration, and must fit in with the rules underpinning this vital object.

Before the year was out the Committee had been consulted by the Council on the proposed transitional measures and technical adjustments applicable following the unification of Germany on 3 October 1990.

The Committee's views on German unification follow, but reference must first be made to further work which the Committee undertook in June: an analytical information report on the countries of Central and Eastern Europe. This mid-year report contained separate accounts of the economic and social situation prevailing in these countries, as of mid-1990.

Returning now to German unification and the challenges and opportunities that it will bring in its wake, it should be noted that the Commission consulted the Committee on the contents of its communication 'The Community and German unification'.

The communication contained a whole range of legislative proposals on the technical adjustments and transitional measures needed to ensure the harmonious integration of the German Democratic Republic into the Community. These proposed measures constituted an overall package. Politically, the Commission document was an attempt to ensure the smooth adaptation of the legislation in force in the former GDR to the Community patrimony. The information report referred to above had already pointed out that the gradual incorporation of five new *Länder* pursuant to two inter-German *Staatsverträge* would extend federal law,

which is in conformity with Community legislation, to these new areas. In that way, Community rules and regulations would become part of the united Germany's legal system. The communication submitted to the Committee for Opinion confined itself to the immediate impact of unification on the Community's responsibilities and secondary legislation and the economic consequences of the incorporation of the former GDR into the Community.

The Committee's November Opinion gave broad approval to the Commission communication, praising it as an important and indeed essential contribution to the rapid incorporation of the former GDR into the Community. The process of European integration should not be allowed to suffer under any circumstances in the wake of German unification, the Committee said. On the contrary, the Committee argued that European integration would be speeded up. It felt, however, that the positive macro-economic effects forecast by the Commission in the form of growing demand for Western consumer and capital goods and services was not likely to materialize in the near future, given the impending difficulties facing the transformation process. The Committee, therefore, made a general call for more generous transitional periods so as not to jeopardize the success which it thought the adjustment process was likely to score in the medium term. Derogations and transitional arrangements—and here the ESC agreed with the Commission—had to be objectively necessary and limited in time, cause minimum disruption to the operation of the common market and lead in the end to the acceptance of the *acquis communautaire*.

Effective checks were, however, necessary and the Committee expressed its apprehension in this respect saying that it was at the former border between the two German States that there was a particular danger of transitional rules being circumvented. In order, for example, to ensure that goods that did not comply with Community requirements remained within the territory of the former GDR, the Committee called for strict on-the-spot checks. The aim here was to pre-empt any calls for special labelling of such goods and additional formalities at the borders between Member States. It would be disastrous, the Committee felt, if the single market were to be watered down in this way.

The Committee said, as regards agricultural policy, that strict production quotas were called for as well as more set-aside and food aid for East European countries. This would prevent the expected rise in production from jeopardizing the sensitive Community agricultural market. The Commission proposals for intensifying agriculture were also to be rejected on ecological grounds.

As for the effect on Member States of measures to fund German unification, the Committee stressed that the measures taken to integrate the former GDR into the Community must not penalize existing programmes and funds for other structurally weak regions. The impact on the world economy and monetary policy depended to a decisive extent on whether the immense unpredictable costs were to be met in the main by borrowing or by raising taxes. The Committee felt that it was incumbent on the Federal Republic to explain its fiscal policy decisions to the European Council and spell out the macro-economic effects, e.g. higher interest rates. Such a step would dispel a number of fears and go a long way towards fostering even closer cooperation between Member States.

Economic cooperation between the Community and the six EFTA countries has been forging ahead for some time. The prospect of a European economic area (EEA) arose out of the Luxembourg Declaration of 1984. This cooperation affected more than 20 sectors, ranging from transport and financial services to energy and environment. Since well before 1984, however, the ESC has been holding informal talks with the EFTA Consultative Committee on trade matters as well as on a wide range of other questions such as R&D and transport.

A new situation arose, however, in 1989 with the Delors initiative, followed by the Oslo process, the Joint EC/EFTA ministerial meetings of March and December 1989 and the exploratory talks between the Community and the EFTA countries which took place between these meetings.

The Committee's Opinion in the spring tried to determine what the Community's future relations with EFTA countries should be, given these new circumstances, and weighed up carefully the benefits the Community might expect and the cost of what it might have to surrender. The exploratory talks between the EEC and EFTA had thrown up a number of technical difficulties. The Commission was faced with the dilemma of going for an EEA agreement with EFTA countries, or else welcoming those interested in becoming members of the Community. Secondly, there were the institutional aspects to take into account. The latter, an important item in its own right in the EC/EFTA negotiations, is also an important consideration for the Committee itself, as regards its future working relationship with the EFTA Consultative Committee.

The Opinion on EC/EFTA relations, just prior to the Council's adoption of the Community negotiating mandate to the Commission, and the start of negotiations proper in June 1990 set out the issues somewhat clinically. It felt that the concept of a European economic area which had evolved over the course of time, now had to take account of the effects of the Community's internal market on EFTA. It would be wrong, however, to see

the EEA merely as the extension of the EC to EFTA. On the contrary : at the present stage in the process, it was felt that the EEA negotiations had to succeed if the Community was to achieve its own fundamental goals as enshrined in the Single Act, and secure lasting and dynamic relations with its main trading partner.

Nor should the EEA be seen as an extension of the internal market to cover the 18 countries. The completion of the internal market involved a number of factors which some of the EFTA member States were, or had so far been either unwilling or unable to contemplate (a Customs Union; common trade, agricultural and fisheries policies; approximation of indirect taxation; free movement of workers and other citizens; free movement of capital and free establishment of services).

On the institutional aspects of negotiations, and the role of the Community's and the EFTA countries' respective consultative bodies, the Committee hoped that the position of the Consultative Committee would be brought into line with that of the ESC as swiftly as possible, so that it could then issue Opinions on economic and social matters relevant to EFTA, in particular the proposed Treaty establishing the EEA.

This would give Consultative Committee members the advantage of taking part in the consultative process and of keeping themselves fully informed on Community initiatives. Such a development, institutionally, would help to create a kind of osmosis in the shaping of decisions affecting the future EEA, thereby facilitating a subsequent formal approval by the body or forum which would provide a platform for social partners from both EFTA and the EC. The Committee did, however, express certain reservations: there was the danger that the European economic area could in fact delay acceptance of the accession applications of EFTA countries which had already applied for membership or planned to do so. These countries were European partners with democratic governments. The Committee was aware of the difficulties involved in setting up an EEA. However, it called for coordination of policies throughout the EEA area in order to reinforce their effectiveness with regard to Europe's main competitors.

The External Relations Section has also acted as the Committee's channel for developing contacts with representatives of US socio-economic organizations. These contacts culminated in the holding of two Section hearings on problems still outstanding in the field of EC-US relations. Speakers on both sides concluded that regular contacts should be kept up so as to increase mutual awareness.

At multilateral level, the GATT talks provided the main focus of ESC attention. Several Opinions and reports were issued on the continuing

Uruguay Round negotiations. The report issued in April 1990 sought to take stock of the negotiations as they reached a critical stage in which the most controversial issues had to be tackled.

The Section's information report reviewed progress in the 15 areas under discussion, grouped under three main headings:

- (i) dismantling of trade barriers and market access;
- (ii) framing of rules on international trade;
- (iii) new themes being negotiated within GATT.

Of all the above issues, agriculture was proving a particular stumbling block in the Uruguay Round, creating controversy particularly between the United States and the European Community. Other subjects, especially the new themes (intellectual property, trade-related investment measures and services) had triggered discord between the developing and the industrialized countries. Lastly, there were a number of areas where the positions of the industrialized countries still differed sharply.

The report concluded that these conflicts might be solved only in the final phase of the negotiations. Meanwhile GATT had already embarked on new activities such as the regular monitoring of the major countries' trade policies and the establishment of informal relations with the IMF and the World Bank to take account of the monetary and financial aspects of international trade. This new momentum could result in GATT being transformed into an 'international trade organization', as originally envisaged at the end of the Second World War.

Just three months before the GATT/Uruguay Round negotiations were due, as had been decided at the mid-term review, to conclude in Brussels, the Committee addressed an Opinion to the institutions on the major issues facing the Community in the final stage of the negotiations.

The main thrust of the Committee's Opinion concerned the steps taken by the USA, Japan and the less-developed countries (LDCs) respectively within the Uruguay Round and *vis-à-vis* the EEC.

The USA's trade strategy, which while advocating stricter discipline within the international trading system through the extension of GATT rules, had in the mean time introduced protectionist national legislation incompatible with the General Agreement, was hardly conducive to a successful outcome to the Uruguay Round.

The situation was further aggravated by moves to force through bilateral agreements designed to open up third countries' markets to US exports

(Japan is the most recent example). Japan, in its turn, had deployed aggressive trade practices which had slowed down the process of dismantling quantitative restrictions and barriers in other countries. Concurrently Japanese producers' standards and administrative formalities had made its markets inaccessible to other countries' goods and services. The final stage of the Uruguay Round would give Japan an opportunity to further the success of the negotiations and the consolidation of GATT.

The LDCs had not so far made an active contribution to the negotiations. On the whole they would have liked to extract maximum advantage from GATT without offering any quid pro quo. In addition, their economic circumstances differed substantially, with the result that some LDCs were perfectly capable of gradually opening up their domestic markets. Other, more disadvantaged LDCs should receive preferential treatment and be given more time to comply with joint international trade rules. The Committee felt that the more countries that signed the GATT agreements, the greater the advantages to be reaped by all the contracting parties.

The Committee's consideration of Mediterranean policy began in 1989 with the issue of an Own-initiative Opinion supplementing the Commission's work on the subject.

The Council's exploratory debate on 5 February 1989 led it to ask the Commission to draft operational proposals. The Committee's additional Opinion was designed to provide further recommendations and to comment on some of the Commission's proposals.

The Opinion stressed the need for a policy of convergence and integration of the Euro-Mediterranean area; the six action areas proposed by the Commission under the new Mediterranean policy would only be effective and mutually consistent if they fell within a wider joint development strategy.

While supporting the Commission proposals, the Committee felt that three further measures were both necessary and possible:

1. the establishment of a Mediterranean cooperation council and a Mediterranean forum;
2. the conclusion of pilot development agreements;
3. cooperation with sub-regional groups (such as the Arab Maghreb Union and the Arab Cooperation Council), with whom the next financial protocols could be signed. However, before the Commission's six proposed action areas (each of which was considered in the Opinion) could be implemented, consideration would have to be given to solving the Mediterranean countries' foreign debt problems.

Contacts with socio-economic organizations in third countries

ACP countries

The 14th in a series of meetings of the ACP/EEC economic and social interest groups organized by the Economic and Social Committee was held in Brussels in November 1990. As has been the case for several years, these meetings represent the major, if not the only consultation of the economic and social organizations which the Joint EEC/ACP (parliamentary) Assembly undertakes—a consultation procedure provided for in the Lomé Convention.

Education and training in relation to investment and employment under Lomé IV was the general topic of discussion—tackled from three distinct angles: basic education and the elimination of illiteracy—a key prerequisite for economic development; training in rural areas geared to investment and employment in the agricultural and cooperative sectors; and vocational training geared to investment and employment in industry and the services sector.

The Joint EEC/ACP Contact Group, responsible for organizing and following up the annual meetings, met in Port Moresby, Papua New Guinea, in March. It was at the Joint Assembly, with members of the Contact Group meeting alongside, that the topic for the 14th meeting was decided upon.

The final declaration contained 33 points setting out the essentials of the issues raised and recommendations for action, which were addressed to the ACP/EEC joint bodies, the institutions of the European Communities, and ACP and Community economic and social operators.

EFTA

Periodic meetings between delegations from the ESC and members of the EFTA Consultative Committee date back to 1975. Between the 17th such ESC-EFTA meeting in Berlin in October 1988, and the 18th joint meeting in Kristiansand, Norway, in June 1989, joint ESC and EFTA Consultative Committee working groups drew up reports on EC-EFTA cooperation in the fields of financial services and transport respectively. At the 19th joint meeting held in Paris in November 1989, the ESC and EFTA Consultative Committee delegations focused their joint attention on the problems that will be encountered in introducing a social dimension to the European

economic area, to parallel what is being done by the Community in this respect in connection with the completion of its own internal market.

During 1990 the ESC-EFTA Joint Contact Group and a small joint working group held a number of meetings, alongside the Community-EFTA exploratory talks, on how the EEA can be strengthened, as a backcloth.

The joint Contact Group's deliberations led to the two consultative bodies addressing identical letters to the appropriate Community institution and to the respective EFTA governments, requesting, effectively, that the two bodies be formally invited to indicate how the social partners can best be involved, in a consultative capacity, in the decision-making procedures to be laid down in the EEA Treaty.

The 20th Joint Annual ESC-EFTA Consultative Committee meeting was held in Gothenburg, Sweden, in June 1990. The main item for discussion was a draft paper, drawn up by a joint working group, on the problems that would be encountered in introducing a social dimension to the European economic area. After a wide-ranging discussion of 'The European social area and basic social rights' it was agreed that the document should be forwarded to the Presidents of the respective Councils as being the respective consultative bodies' current conclusions and options regarding the European social area and basic social rights. At the beginning of the negotiations, this would signal agreement among the social partners not only that the EEA must include a social dimension but also that discussion on specific aspects would continue. The document argued that a remedy to unacceptably high unemployment in Europe should be sought in coordinated—not harmonized—economic policies and that the creation of the EEA could foster that goal.

A prerequisite here was a good balance between economic and social aspects, i.e. industry and production on the one hand, and training throughout working life and mutual recognition of diplomas on the other; this would provide a basis for the free circulation of persons and workers and a harmonious development between the regions. Close cooperation with the EEA on health and safety questions was required, with the dual purpose of guaranteeing safe working places and equal conditions of competition throughout the EEA. Countries with high standards must be able to maintain them during the phase of general upward alignment, the document concluded.

8. ENERGY POLICY, NUCLEAR QUESTIONS AND RESEARCH

1990 saw an increase in the Section's workload, in contrast with the downward trend of the previous year.

The majority of Opinions concerned Commission proposals for implementing two earlier key documents: (i) the internal market in energy (presented in May 1988), and (ii) the third framework programme of Community activities in the field of research and technological development for 1990-94, issued in 1989.

Both documents had previously been carefully scrutinized by the Section.

The breakdown of work in the Section's three subject areas was very uneven in 1990. Only one referral was received on nuclear issues against four on energy policy and 11 on research.

The Committee was consulted on the 15 specific programmes covered by the third framework programme for research and technological development. Thirteen referrals arrived on 6 June, one on 16 September and one on 12 October. Eleven of these were referred on to the Energy Section. Although the last of the Committee's Opinions (on thermonuclear fusion) will not be ready until March 1991, nine were completed in 1990, along with the preparatory work on the other two (nuclear fission safety and thermonuclear fusion).

A. Nuclear matters

The only Committee Opinion issued on this subject concerned the Commission proposal on basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation as regards prior authorization of shipment of radioactive waste (Article 31 of the Euratom Treaty). The Opinion, adopted at the Plenary Session of 25 and 26 April, fully endorsed the basic principle underpinning the Commission proposal. The Committee nonetheless recommended a number of ways of simplifying the technical arrangements and health protection cover against all forms of radioactive waste.

Two of the 11 Opinions on the specific programmes included in the framework programme also covered nuclear matters.

B. Energy policy

In line with its guidelines for a common energy market and its May 1988 paper on the internal energy market, the Commission presented three draft Directives and one draft Regulation.

The three draft Directives concerned :

a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users ;

the transit of gas through the major system ;

the transit of electricity through transmission grids.

The other proposal concerned :

an amended Regulation on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors.

The Committee's Opinions were adopted at the Plenary Session of 31 January and 1 February. The Opinion on price transparency was adopted unanimously, and the other three Opinions all won overwhelming support.

All four Opinions stressed the importance of protecting market freedom and strengthening security of supply; these are vital preconditions for the future Community energy market.

The differences between the electricity and natural gas markets prompted the Committee to make further specific comments on each case.

The Opinion on gas transit recommended that a body be set up to represent the organizations responsible for high-pressure networks in order to help the Commission implement the Directive. Since the proposal was only the first part of a three-stage plan outlined by the Commission in its communication 'Towards the completion of the internal market for natural gas', the Committee felt it too soon to state its views on the question of third-party access to the Community gas grid. The Committee also considered that although an open, flexible supply system offered more advantages than drawbacks, other aspects had to be borne in mind before taking a decision on third-party access: the importance of security of supply, the obligations imposed by the technical limits of the natural gas market, and the high costs of prospecting and exploitation of gas fields.

Third-party access—the 'common carrier' question—was also considered in the Opinion on electricity transit. Here too the Committee was reluctant to adopt a definitive stance in the absence of an analysis of the problems posed by Community electricity supply in the single market and the introduction of a common carrier system which could affect the structure of that supply.

As electricity supply poses special problems, the Committee felt that the merging of national markets should be a cautious and gradual process.

Again considering the special nature of the electricity market and with a view to improving transit rights, the Committee urged the Commission to restrict the scope of its proposed obligation to notify it and the national authorities of any requests for transit. In the Committee's view, such an obligation was only acceptable in cases where no agreement could be reached between the supply companies.

Concern for market freedom was also apparent in the Committee's position on the creation of a procedure for notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors.

The Commission stressed the need for flexible consultation arrangements between Member States in order to ensure the greatest possible consistency of planned investments. The Committee noted that although the Commission did not intend to interfere with the investment policies of the persons and undertakings concerned, it was important that the information provided should remain strictly confidential.

The Committee's concern for market freedom also led it to express reservations about the proposal on price transparency. The Committee questioned the possibility, raised at the Energy Council of 11 May 1989, of extending transparency to cost structures and thereafter to price formation and tariffs.

The Committee was worried that such a step could create a precedent for Commission intervention in other economic areas.

The Committee also stressed that flaws in the system for fixing energy prices for the final consumer are linked to divergences in other areas such as the legal framework, fuel prices, indirect taxation, and national environmental regulations.

Commissioner Cardoso e Cunha attended the debate on the Opinions on 31 January.

The Irish Energy and Research Ministers, Mr Molloy and Mr Smith, also attended Section meetings during the Irish Council Presidency.

The Committee received two other Council referrals on energy policy. On 13 November it was consulted on efficiency requirements for new hot-water boilers fired with liquid or gaseous fuels; on 20 November it

received a referral on the promotion of energy efficiency in the Community (SAVE programme).

The proposal on hot-water boilers is designed to harmonize efficiency requirements at a high level, and falls within the package of measures contained in the SAVE programme—the subject of the second referral.

Both proposals should smooth the path towards an internal market in energy and are in keeping with the Commission's general guidelines.

The Section's work on the two referrals was well advanced by the end of 1990, and the Opinions should be adopted in early 1991.

The Section's work on energy and the environment deserves particular mention. It took the form of an Own-initiative Opinion tackling an extremely topical subject on which the Committee had not hitherto been consulted.

The problems which environmental issues pose for the energy sector have already been tackled in various communications and reports by the Community institutions, OECD, OPEC, the International Energy Agency, and socio-economic organizations.

In July 1985, the Section issued an information report on 'Energy options: environmental constraints and their implications for Community energy policy'. The report was a first in this field, and a number of points were taken up by the Commission in its subsequent communication to the Council on energy and the environment, presented on 8 February 1990.

The Section began its work on the subject on receiving Committee Bureau authorization in March 1990. However, the questions to be dealt with are so wide-ranging that the Opinion is unlikely to be adopted until late 1991.

C. Research

Section work in this area focused on two main subjects: the further implementation of the second framework programme of Community activities in the field of research and technological development (1987-91) and the establishment of the third programme (1990-94).

Under the second framework programme, the Committee was consulted on the adoption of a specific programme concerning the preparation of the development of an operational Eurotra machine translation system.

The Eurotra programme was launched by the Council in 1982. Its aim is to create an advanced machine translation system capable of dealing with all official Community languages.

The Eurotra assessment report confirmed that the implementation of the programme had been problematic, because of technological difficulties and the lack of qualified engineers in computational linguistics. The Committee therefore recommended whittling down the programme's objectives, while stressing the key role which translators would continue to play in the future.

The Committee also urged the Commission to draw lessons from European firms which have already developed monolingual translation programmes.

Work on the third framework programme has already been mentioned above.

The 11 specific programmes referred to the Section accounted for the bulk of its work in 1990, covering:

- development of telematic systems of general interest;
- industrial and materials technologies;
- measurement and testing;
- marine sciences and technologies;
- biotechnology;
- agricultural and agro-industrial research;
- life sciences and technologies for developing countries;
- non-nuclear energy sources;
- nuclear fission safety;
- controlled nuclear fusion;
- human capital and mobility.

In parallel with the adoption of the Opinions, the Section issued an internal memorandum discussing aspects common to all 11 specific programmes.

The Section welcomed the new framework programme as it would ensure the continuity of Community research work. However, the Section deplored the fact that the programme's budget was lower than that originally proposed by the Commission. In addition to this fundamental

reservation the Section also questioned the priorities used to allocate the limited funds available among the 15 specific programmes.

The Section Opinions stressed the need to take advantage of the programme review, scheduled for 1992, in order to make the necessary changes and rectify this initial underfunding.

Finally, special mention should be made of the Opinion on 'Increasing the use of agricultural and forestry resources in the non-food industrial and energy sectors: prospects opened up by research and technological innovation'. This Opinion was drawn up by a subcommittee from the Agriculture and Energy Sections, and was unanimously adopted at the Plenary Session of 29 March.

The Opinion makes a detailed examination of starch and sugars, oils and fats, bio-energy and forestry products, and outlines the steps which must be taken if these new R&TD prospects are to be fully developed.

The Opinion also calls for aid for experimental schemes beyond the research and development stage.

9. ENVIRONMENT, PUBLIC HEALTH AND CONSUMER AFFAIRS

Environment

The Committee was asked to draw up a series of specific Opinions on environmental protection, dealing in particular with issues such as waste management, dangerous substances and water quality. The Committee also highlighted the need, in the light of the seriousness of the environmental problems and the impending establishment of the single market, to examine such issues in a broader perspective by drawing up an Own-initiative Opinion on the links between environmental issues and the internal market and, in particular, the possible use of economic and fiscal measures to improve environmental protection.

After considering the impact on the environment of the establishment of the single market and the risk that the deterioration of the environment would gather pace, the Committee called in its Opinion for the introduction of a new policy on the environment which would involve, in addition to the traditional regulatory and supervisory instruments, environmental levies and taxes which would form part of a long-term strategy. The objective should be to bring about a reversal of the current trend, thereby promoting environment-friendly development.

The Committee put forward a series of proposals concerning the introduction of:

energy taxes;

taxes on discharges of SO₂, NO_x and dust into the atmosphere;

waste-water levies;

levies on certain types of packaging and on dangerous waste;

levies on artificial fertilizers in the context of an environmentally-orientated revamping of European agricultural policy;

a chlorine tax, as an incentive for the development of substitutes for chlorinated hydrocarbons.

In the light of the projected revision of the EEC Treaties, the Committee called for majority voting in the case of decisions taken under Article 130r and for the cooperation procedure with the European Parliament to apply to the field of environmental policy.

A further Opinion dealing with the development of the overall situation was the Opinion issued by the Committee on the research and technological development programme for the environment. The Committee noted with satisfaction that the new programme was not just a rehash of previous programmes. The proposed programme was innovative, covered much more ground and was much better funded; it provided for coordination at Community, European and international level; and its research proposals were practical and geared to protecting the environment and improving the quality of life.

An innovation particularly welcomed by the Committee was the introduction of a new research area, namely the 'economic and social aspects of environmental issues'. The Committee reiterated the need for economic and social interest groups and the organizations concerned to participate fully in deciding on specific lines of action, particularly at the stage when EC environment policy acquires economic and fiscal instruments in addition to the regulatory ones. If environment policy was to be fully integrated it had to make reference to issues which were high on today's agenda, such as how to incorporate environmental parameters into economic methodology, cost-risk benefit analysis and the concept of 'sustainable development'.

In its Opinion on the programme to develop regular official statistics on the environment, the Committee underlined the urgent need to bring into operation a genuine European environmental information network. The Committee also called for the European Environment Agency to take up its work without delay.

Furthermore, as the current system of reporting by Member States to the Commission on the implementation of Community Directives on the environment had proved unsatisfactory, the Commission had put forward a proposal to establish a new, more systematic reporting system.

The Committee endorsed the Commission's proposal but pointed out that: (a) the new reporting system should be as simple as possible to avoid the imposition of unnecessary work on national administrations; (b) the relationship between the new system and the question of free access to environmental information had to be more clearly defined; and (c) that if the new system proved effective, it might be adopted for use in other fields.

The EC environment action programmes made provision for measures regarding nature conservation. The Committee adopted several Opinions during the year on that subject.

In 1988, the Commission had first put forward a proposal for a Directive on the protection of habitats and wild fauna and flora, known as the 'Habitats Directive'.

The fundamental aim of that proposal was to establish by the year 2000 a network of protected wildlife areas throughout the Community, thus ensuring a more effective implementation of the Berne Convention on wildlife and natural habitats.

The proposal specifically covered the following:

- protection of habitats, including the identification of the 10 most important areas in the Community, and transfrontier management;
- environmental impact assessment;
- protection of species, particularly endangered species.

However, the original proposal did not include the annexes listing *inter alia* the types of habitats and fauna and flora to be protected, and the Committee (as well as the Parliament and the Council) declined to pronounce on the matter until they were provided.

The annexes were eventually received (in 1990) and the Committee then issued the Opinion agreeing to support the aims of the proposal but with a number of criticisms, principally the following:

- the proposal did not contain a clear statement of aims and therefore risked being ineffective;

the operation of the principle of subsidiarity in the context of habitats was not clear, and conflicts might arise with other Community measures and national measures;

there should be stronger emphasis on the European (including non-EC) aspects of the habitats and species listed;

the annexes should be shorter, and provision made for review;

many terms used in the proposal required definition to provide legal certainty;

the financial implications had not been fully worked out.

A further proposal in that field was the so-called Acnat proposal to provide funding in relation to the implementation of the proposed Habitats Directive and the existing 'Birds Directive' (79/409/EEC).

This proposal envisaged expenditure by the Community of ECU 160 million over the five-year period 1991-95, representing an average of ECU 32 million per annum, to be matched by an equivalent sum from the Member States.

As with the Habitats Directive, the Committee had serious reservations regarding the Acnat proposal, and pointed out that:

- (a) a proper management implementation plan needed to be drawn up;
- (b) the proposed funding was inadequate, even grossly inadequate;
- (c) several articles were too vague;
- (d) some changes in the application and implementation procedures were needed.

On a more specific wildlife protection issue, the Committee examined a rather controversial proposal to ban, as from 1 January 1996, the import into the Community of furs or fur products of eight listed species, which included the beaver, otter, coyote, wolf, lynx, bobcat, sable, and racoon, from countries where the leg-hold trap was still used or where the trapping methods being used did not meet internationally agreed humane trapping standards.

The Committee approved the Commission's proposal with two major changes:

- (i) the deadline date should be advanced from 1 January 1996 to 1 January 1994 plus a two-year period of grace during which derogations could be permitted;

- (ii) the list in Annex I of species to which the measures applied should be extended by the addition of nine species: coypu, muskrat, opossum, fisher, marten, red fox, grey fox, mink and squirrel.

On the subject of damage caused by waste, considerable discussion had taken place over the years on how the 'polluter pays' principle could be made to work in practice. With a view to clarifying that, the Commission had put forward a proposal for a Directive establishing a uniform Community system of civil liability for damage to the environment caused by waste.

The proposal basically stated that the producer of waste (the polluter) was to be liable under civil law for the damage and injury to the environment caused by the waste, irrespective of fault of his part (i.e. strict or 'no fault' liability).

It also provided that legal action could be taken against the waste producer for redress or compensation, in accordance with a number of specific conditions.

The Committee issued a detailed Opinion on that subject, approving it in principle but with a number of serious comments mainly of a juridical nature.

On another aspect of waste policy, the Committee issued an Opinion on a proposal for a Directive concerning municipal waste-water treatment.

The Commission's proposal provided for community action on the requirements for discharges from treatment plants; on control of particular industrial discharges, and on the phasing out of disposal of sludges at sea.

The Committee accepted the Commission's proposal with two significant observations. The financial burden for the proposed action would be extremely heavy, particularly in the poorer regions. The Committee therefore recommended aid through Community funding in certain circumstances, and the establishment of priorities for the timing of the planned measures so that deadlines could be staggered.

Furthermore, sewage treatment would be easier if less sewage were produced. Therefore economic and technical measures should be taken to reduce consumption of water.

The Committee also issued two Opinions formally approving the adhesion of the Community to the Basel Convention on the control of transboundary movements of hazardous wastes.

Turning to another international agreement in a different environmental field, the Committee also agreed that the Community should accede to the revised Montreal Protocol on the depletion of the ozone layer, with the objective of an 85% reduction in the use of CFCs and related products by 1999.

The Committee, in a detailed and informative Opinion, endorsed the Commission's proposal, urging that it be implemented as soon as possible but pointing out that the phasing-out of the last small percentage of CFCs would cause the greatest economic and social impact.

The Committee recommended action by the Commission under the following heads:

support for industries which carried out R&D to produce alternative products;

continuation of the policy of voluntary agreements on phase-out;

introduction of derogations: (i) for specific uses of carbon tetrachloride, and (ii) for uses of CFCs for which no substitute was yet available;

development of an adequate programme for recycling/recovery of CFCs;

financial assistance to SMEs in the phasing-out period;

establishment of a planned programme to deal with the social and economic consequences of the phasing-out;

continuation of the policy of delayed phasing-out for LDCs (less-developed countries);

clarification of the ground rules regarding competition between substitute products;

alterations in comitology procedure;

restructuring of Annex I (list of substances covered by the Regulation) to clarify nomenclature.

The Committee also adopted a series of Opinions on amendments to the Directives on dangerous substances.

The 10th amendment to Directive 76/769/EEC provided for a ban on the use of cadmium. In the Committee's view the Commission proposal constituted further progress in the integrated strategy to combat cadmium pollution. The Committee called for adequate involvement of the labour-market partners in defining exemptions on the grounds of safety and reliability.

In its Opinion on the 11th amendment to the dangerous substances Directive, setting out restrictions on the marketing and use of the products Ugilec 141, Ugilec 121 and DBBT, the Committee endorsed the Commission's proposal and called for the transitional period in respect of Ugilec 141 to be reduced to one year.

As regards the seventh amendment to Directive 67/548/EEC, the Committee considered that it reinforced the comprehensive, coordinated framework formed by the set of provisions regulating the notification, classification, packaging and labelling of dangerous substances. Whilst basically endorsing the proposal the Committee nonetheless put forward a series of proposals for simplifying the notification and labelling procedures with a view to reconciling the objectives of safety, on the one hand, and, on the other, the introduction of simple procedures that were easy and reliable to implement, bearing in mind the very different types of firms that would be called upon to comply with the procedures.

The Committee also approved a proposal to introduce an accelerated procedure for the adoption of limit values and quality objectives for dangerous substances discharged into the aquatic environment included in List I (the black list) attached to the original framework Directive 76/464.

The proposal listed a number of specific substances, mainly used as plant-protection products which would be examined on a priority basis under the amended procedure.

The Committee referred specifically to monitoring, the use of substitute products, the promotion of new techniques, and improved procedures.

The Committee expressed its approval for the draft Regulation on the Medspa programme (on the protection of the environment in the Mediterranean region) but was concerned about the low level of the proposed funding.

The Committee called for a substantial increase in the level of funding, bearing in mind also the possibility of future cooperation with non-EC Mediterranean countries. The Committee also urged that environmental protection criteria be inserted in the programmes being negotiated by the Commission as part of the renewal of the bilateral agreements.

In order to guarantee the effectiveness of the programme the Committee called for it to be published and urged that the results be monitored periodically. There should be close collaboration in that respect with the

proposed European Environment Agency. The Committee also called for socio-economic organizations and bodies to be actively involved.

Public health

In the context of the development of a European public health policy, the Committee adopted an Opinion on the prevention and treatment of acute human poisoning. The Committee called upon the Member States to ensure that adequate funding was available to set up the necessary monitoring and prevention infrastructure and to ensure that there were effective arrangements for the supply of antidotes.

The Committee also called for the compilation of a data base, to be used by poison control centres, indicating both natural poisons and commercially available chemical poisons. A system should also be set up to inform the public directly of the risks and action to be taken in the event of poisoning.

The Committee also considered it vital to promote consumer education and information, from school level onwards, and to give adequate publicity to poison control centres.

The Committee's Opinions on the package of proposals regarding medicinal products were of particular importance. In view of the imminent establishment of the single market the Commission was stepping up its work to complete the harmonization of measures in that delicate area. Consultations were being held with interested parties as the Commission sought to ensure a high level of protection as regards health, safety, protection of the environment and consumer protection.

The Committee approved the draft Directive on the legal provisions governing the supply of medicinal products for human use. The draft Directive laid down harmonized conditions governing the issuing of medicinal products to patients, particularly with regard to prescription-only drugs. The Committee was, however, concerned about the amount of leeway given to Member States as regards the interpretation of Article 4 and it called for the adoption of comprehensive rules at EC level covering the authorization of medicinal products. The Committee devoted particular attention in its debate to the question of the bodies responsible for dispensing drugs, in view of the very different traditions applying in the various Member States.

Turning to the draft Directive on the labelling of medicinal products for human use and package leaflets, the Committee welcomed the high level

of consensus achieved as a result of thorough prior consultations with all the interested parties, including consumer groups. The Committee recommended that guidelines be laid down for the wording of package leaflets, broadening guidelines referred to in Article 13 of the draft Directive. The Committee also called for correct application of the Directive to be enforced by imposing adequate penalties.

A further Commission proposal closely linked to the abovementioned proposals was the draft Directive on the advertising of medicinal products for human use. In the Committee's view the ban on advertising to the public of prescription drugs deserved particular endorsement. It also drew attention to the importance of proper health education in order to ensure the 'rational use of medicinal products' which advertising was supposed to encourage under the draft Directive.

Although advertising could be an information vehicle it was not the main one. It could in the Committee's view in no way replace the information contained on labelling and in the package leaflet, nor that provided by health professionals.

Finally, the Committee asked the Commission to examine possible ways and forums for achieving closer harmonization at European level of the instruments and bodies responsible for supervising pharmaceutical advertising.

The Committee also issued an Opinion on the specific programme of research and technological development in the field of biomedicine and health. The programme came under the third R&TD framework programme. The Committee drew attention to the special features of the proposed programme. Its intrinsic aim was to improve the quality of human life and health and it had to combine the principle of subsidiarity with that of economic and social cohesion.

The Committee wondered why the Commission had not explicitly mentioned socio-economic and ethical considerations among its criteria for research and had not included those areas in its areas of research. The Committee was particularly concerned that the new procedure should meet the special requirements of the human-genome analysis programme.

The Committee noted that its request to be sent the reports assessing the human-genome analysis programme had been met in the final Council decision and trusted that it would likewise receive the reports on the proposed new programme.

The Committee acknowledged that Community funding for biomedical and health research had increased considerably since the cautious start made by the pilot programmes. Funding was, however, in the Committee's view still inadequate to secure a real leap forward in the Community. Restricted funding made it necessary to concentrate on coordinating national activities whilst what was needed was to strengthen the instruments involved, ensure the participation of the best researchers, wherever they were, and focus on centres of excellence with a view to achieving a higher level of funding.

In the field of meat products and public health, the Committee examined a revised proposal to allow the importation into the EC from third countries of animal glands, organs and blood for the use of the pharmaceutical industry, and to establish the relevant conditions applicable in order to protect human health and animal health.

In November 1989, the Court of Justice declared void the original Directive on that subject on the grounds that the wrong legal basis was used. Accordingly, a new and revised proposal was submitted, which the Committee simply approved, reaffirming its previous Opinion on the same subject.

Finally, the Committee examined a proposal to harmonize the public health rules applying to minced meat, meat preparations and other comminuted meat by: (i) extending the application of existing legislation; and (ii) making certain technical amendments.

The Committee agreed with the proposal, subject to a number of technical comments and in particular the following:

- (i) the time-limit for the use of fresh meat (beef) for the production of minced meat should be extended from six to nine days;
- (ii) the temperature requirement for cooling minced meat was too strict at +2°C; +4°C should be sufficient;
- (iii) to prevent abuses, requests for derogations should be made public;
- (iv) detailed directives should be prepared on the inspection and supervision of meat-processing plants and on staff training;
- (v) as a general principle, health regulations should be the same whether the products were for direct consumption or for processing.

Consumer affairs

The main work of the Committee under this heading was in the field of general product safety.

In 1988 the Committee had issued an Own-initiative Opinion on that subject in which it maintained that it was essential for all those involved in the manufacture, supply and sale of goods to have a legal obligation to comply with a general safety requirement (see Annual Report 1988).

As a direct consequence of that Opinion, the Commission had subsequently put forward a proposal for a Directive requiring the Member States to ensure that only 'safe products' were placed on the market, i.e. products which during their foreseeable time of use and under normal conditions of use or consumption did not present an unacceptable risk for the user or consumer.

The proposal covered the following points:

- (a) obligations imposed on suppliers under the general safety requirement;
- (b) obligations on Member States in order to ensure compliance with the general safety requirement;
- (c) procedures to be followed by the Member States for the notification of market restriction measures in general and for the rapid exchange of information in cases of emergency;
- (d) intervention procedures in cases of emergency.

The Committee approved the Commission proposal, subject to the following comments:

the proposed general Directive should apply only where there were no adequate specific Community safety rules;

legislation should be introduced to cover safety services, in addition to products;

closer integration was needed with other Community measures, and in particular with:

- (i) the new approach to technical harmonization and standards;
- (ii) the Eclass programme;
- (iii) the 1986 Resolution on consumer education in schools;

the export of dangerous products to non-EC countries should be banned;

the right of redress for distributors/retailers required examination;

several of the definitions and terms used in the proposal needed clarification.

The Committee also approved a separate proposal by the Commission to amend an original decision of 1989 on a Community system for the rapid exchange of information on dangers arising from the use of consumer products by adding to it a provision for the establishment of an advisory committee.

Finally, under the heading of consumer affairs the Committee approved a Commission proposal for the codification of a wide range of Community legislation to date on foodstuff labelling.

One aspect not covered by the codification was batch labelling (lot identification), and the Committee was asked for its Opinion on a proposal to amend the basic Directive on lot identification of foodstuffs to allow an exemption in respect of individual portions of ice-cream which were consumed immediately on purchase.

The Committee considered individual lot marking to be very important and would prefer to see no exemptions. However, in view of the cost and technical problems involved, it accepted the Commission's proposal but would want to limit exemption to a few years only.

CHAPTER III

Press and media relations

The various papers which the ESC issued on basic social rights, and more particularly the Opinion of February 1989, meant that for a long time the Committee was systematically quoted in every article on the negotiation of the Social Charter, finally adopted in late December 1989.

Although in 1990 the Committee benefited less from the momentum generated by social rights issues and the Charter, media coverage of the Committee's work did not, however, slacken.

This is undoubtedly due to the fact that the Committee, like all Community institutions, has continued to benefit from the interest in all 12 Member States generated by the Single Act.

Every article about the Committee and every radio and television interview, however, has to face very stiff competition in Brussels, where the effective, heavy-weight Commission, Council and European Parliament press services are extremely active. This situation has prompted the Committee to look for a suitable strategy to make its voice heard.

For this reason it has increasingly opted for small press conferences on specific issues. Best results have been achieved when these press conferences have been held in a rapporteur's home country; Opinions have been chosen in advance on the basis of their importance and topicality. The Opinion on money laundering is a case in point. At the September Plenary Session there was a first-class debate on the subject. The Opinion, which was fairly outspoken, *vis-à-vis* the draft Directive, was adopted by a large majority. The press conference organized in Paris was attended by 11 economic journalists and media coverage as a whole was satisfactory.

When the Committee organizes a press conference abroad, it is quite often seen as representing the Community as a whole. Moreover, the Committee often receives moral and logistical support from the Commission services. For example, in May the Committee's Study Group on the

economic and social situation in Ireland benefited from two-fold media coverage: on the first day it was mentioned on the television news at 6 p.m. and 9 p.m. (an interview with the rapporteur and with the Minister who had addressed the Study Group); the following day articles (including one editorial) appeared in three of the five Dublin dailies, following a press conference given by the Study Group Chairman, Mr Margot.

Another type of press conference is beginning to emerge. In Rome in December, the Committee held a joint press conference with the press service of the ETUC. The conference featured two Committee rapporteurs (Mr Liverani on atypical work and Mrs Rangoni Machiavelli on the protection of pregnant women), as well as a European Parliament rapporteur (Mrs Salisch on atypical work). The Secretary-General of the ETUC, Mr Hinterscheid, and around 30 journalists from the European press also attended. A few weeks later in January of this year, the Committee, together with the European Parliament, organized a joint press conference between the two institutions' respective rapporteurs for the Opinion on organization of working hours.

Two new factors enabled the Committee to hold the press's interest during the second half of the year: the debate on the first draft Directives on the Commission's social action programme and the prospect of a reform of the Treaties; media interest was further heightened by the renewal of the Committee in October and the election of a new Chairman for 1990-92.

This four-yearly renewal naturally created a considerable stir in the media. The Committee's inaugural session was held on 17 October: it attracted 10 journalists and four TV crews.

It should be highlighted that 1990 was a turning point for the Committee, as the first computers were installed to help gather and disseminate information. This new technology will be developed in the coming months and should soon enable Committee Members and other interested parties in the Member States to receive direct information on the Committee's work. The press services in other Community institutions and the media in the Member States will also be able to send or receive information directly. These new communications links should, to a certain extent, offset the inadequacy of material and human resources at the Committee.

CHAPTER IV

The Groups

GROUP I — EMPLOYERS

Representatives at a high level of private and public industry, chambers of commerce, small business, wholesale and retail trade, transport, banking and insurance, agriculture and tourism, make up the membership of the Employers' Group — Group I.

The year 1990 has seen changes within the Group, many connected with the ending of the ESC mandate in September. Of the Group I members reassembling for the inaugural session on 16 October, 20 were newly appointed. The only teams who have kept all their previous employer members are those from Denmark, the Netherlands and Luxembourg. The Group again totals 58, two women and 56 men, and is still the weakest numerically (Group II: 67; Group III: 64).

The term of office of the Committee Chairman, Mr Masprone of Group I, also ended on 20 September, the post passing for the next two years to Group II, whose candidate, Mr Staedelin, was duly elected on 17 October. The Group I members of the Committee Bureau were also elected as follows: Committee Vice-Chairman, Mr Kazazis; Bureau members, Messrs Arena, Ceyrac, Giacomelli, Panero Florez, Pearson, Petersen, Schade-Poulsen, Tukker and Whitworth.

The extension of Mr Noordwal's term of office as Chairman of Group I had been recommended by the outgoing Group. He was thus unanimously re-elected, together with five Vice-Chairmen: Messrs Arena, Löw, Perrin-Pelletier, Proumens and Whitworth.

The Group proposed the following Chairmen of Sections, all of whom were subsequently elected: Mr Pardon, Economic, Financial and Monetary Questions; Mr Romoli, Energy, Nuclear Questions and Research; and Mrs Robinson, Industry, Commerce, Crafts and Services.

During the last year, Group I has again provided the rapporteurs for many of the most important opinions approved by the Committee. Their wide

range of interests and expertise enables Group I members to contribute from practical experience to all opinions, whether drafted in response to a request of the Council or the Commission, or at the ESC's own initiative.

Most of the proposals contained in the White Paper on the completion of the internal market have now come before the Committee, though many are still awaiting either Council adoption or implementation at national level. The general effort to implement these proposals within the time-frame proposed by the Commission has been strongly supported by Group I. In particular, the Group underlines the pressing need to abolish technical barriers to trade and to simplify customs formalities, and stresses the importance of ensuring that indirect taxation and excise duties are brought closer together. Group I is also keenly interested in the liberalization of services and the opening up of public purchasing procedures.

The Group is convinced that the freedom to trade resulting from completion of the internal market will enhance economic growth and increase employment opportunities, leading to greater prosperity in all regions of the Community. The Employers' Group will continue its cooperation with employees, consumers and other social groupings towards this goal of growth and stability.

The sudden opening of the countries of Eastern Europe has given rise to in-depth studies by the ESC of their situations and prospects for development. The response of Group I here is wholehearted and practical support for EC moves towards free market economies, the encouragement of investment, the restructuring and creation of industries, training measures, and the protection of the environment.

It is the view of Group I that a continuing steady progress of all Community Member States towards economic and monetary union is essential to world trade equilibrium. In this context it acknowledges the need to render more democratic Community political decision-making processes, fully supports the European Parliament's demands for increased legislative powers, and notes with satisfaction the improvements that are taking place in the coordination of work between the European Parliament and the ESC.

Institutionalization of the Economic and Social Committee's role as the unique forum for achieving a consensus between all socio-professional groupings on the feasibility of Community policies would seem to the Employers' Group a *sine qua non* of greater democracy.

The usefulness of ESC Opinions depends to a considerable degree on their technical accuracy. Group I maintains contact with a large number of trade and sectoral organizations at European level in addition to its close links with Unice (Union of Industries of the EC), CEEP (European Centre of Public Enterprises), Eurochambres (European Permanent Conference of Chambers of Commerce and Industry) and four wholesale and retail organizations: Fewita (Federation of European Wholesale and International Trade Associations), CECD (European Confederation of Retailing), CLD (Liaison Committee of the European Retail Associations) and Celcaa (Liaison Committee of Agro-alimentary Businesses).

GROUP II — WORKERS

On the renewal of the Committee, in October, membership of the trade union Group rose to 67, including 25 new members. Tom Jenkins (TUC-UK) was elected President of the Group, and Michael Geuenich (DGB-Germany) and Jose Maria Zufiaur (UGT-Spain), Vice-Presidents.

The former President of the Group, François Staedelin (CFDT-France) was elected ESC President, and the other representatives of the Group in the ESC Bureau are René Bleser (CGT-Luxembourg), Campbell Christie (TUC-UK), Jakob Draijer (FNV-Netherlands), Michael GEUENICH, Luis Gomez (CC.00-Spain), Lambros Kanellopoulos (GSEE-Greece), Giorgio Liverani (UIL-Italy), Patrick Murphy (ICTU-Ireland) and Bent Nielsen (LO-Denmark).

The three Section Presidents, drawn from Group II, are Vasco Cal (CGTP-Portugal) Social Affairs; Robert D'Hondt (CSC-Belgium) External Relations; and Eike Eulen (DGB-Germany) Transport and Communications.

An agreement, reached between the three Groups, to rotate the presidency of one of the Sections was applied for the first time. Geert Straetemans continues as Secretary to the Group.

During 1990 members of the Group took an active part in a panel which reviewed the Rules of Procedure of the Committee, with the principal aim of enhancing the status of the Committee as an EC institution, and of its members as representatives of economic and social life in the Community. The panel's conclusions were endorsed by the full Committee in May and are now being considered by the Council. Group representatives have pursued this and other matters in contacts with representatives of EC institutions, the European Trade Union Confederation and other bodies.

During the year the Group had continued to press for a strengthening, and deepening, of the Community, and look forward to a positive outcome of the intergovernmental conferences.

During the latter part of 1990 the Commission began to consult the Committee on proposals aimed at giving effect to the social action programme, and the Group has given high priority to this work which so far has included opinions on special forms of employment, working time organization, and NOW, for which Group members were rapporteurs, as well as on the protection at work of pregnant women and women who have recently given birth. Members of the Group have been rapporteurs during the year on a number of other subjects in the social field, including opinions on the social situation, training, occupational qualifications, and asbestos.

Concern has been expressed in the Group that employers should be as cooperative in advancing the social dimension of the internal market as trade unionists have been in discussions about economic integration, in line with commitments given. The promotion of industrial democracy remains a fundamental objective.

Representatives of the Group have played a leading part in external relations work, and acted as rapporteurs for discussions at meetings with EFTA and ACP representatives, as well as on relations with Latin America, the Mediterranean region, Hungary and the Czech and Slovak Federal Republic, and on the GSP.

Members of the Group have also drafted important Committee opinions on a wide range of other subjects, including declining industrial areas, medicinal products, the transport of radioactive waste, excises, standards, non-nuclear energy, vehicle weights and dimensions, machines, and insurance.

GROUP III — VARIOUS INTERESTS

The Various Interests Group embraces a wide range of:

- (a) economic, social and cultural functions and interests, bringing together representatives of the goods and services sectors: farmers, craftsmen, traders, small and medium-sized businesses and interests, the professions, consumers, family associations, the scientific and educational communities, conservationists and other specialists;
- (b) different forms of business: individual ownership, companies, and agents of the social economy (cooperatives and associations).

The division of ESC members into three Groups remains a controversial issue. The purpose is to enable the various economic, social and cultural currents to meet in an open forum—partly for administrative reasons, but primarily in order to define strategies taking account of the place, role and interests of all strata of society.

Those who represent every aspect of daily life are asked to play their part in European economic, social and cultural progress.

The Various Interests Group does not seek conflict with the two other Groups. The Group sometimes holds the casting vote—not necessarily unanimously—when the Employers' and Workers' Groups are deadlocked, but does not automatically support or oppose either of them. The Group's underlying philosophy is geared to dialogue, stemming from the varied, but consensual nature of its membership.

During 1990, Group III members have served as rapporteurs for numerous Committee Opinions falling within their various fields of competence. These include the Opinions on general product safety, recognition of qualifications, importation of certain furs, medicinal products, the elderly, air transport, Community rail policy and the protection at work of pregnant women or women who have recently given birth.

Group members have also acted as rapporteurs for ESC Own-initiative Opinions during the year, including those on EC relations with Eastern Europe, the use of agricultural and forestry resources in the non-food industrial and energy sectors, tourism and regional development, and environmental policy: a fundamental aspect of economic and social development.

At a special meeting held in March, a debate was initiated on the need to broaden the Community social dialogue. Given the complex nature of modern society and the emergence of new economic and social circumstances, members discussed the feasibility of establishing a new social dialogue in which all the citizens of Europe could have a real say. The debate continues.

At the same meeting, the Group defined its position on the intergovernmental conference and its implications for the ESC. The Group also held a meeting prior to the 14th annual meeting of representatives of ACP/EEC economic and social interest groups. A group delegation met their ACP counterparts in the run-up to the 14th annual meeting.

In addition to the agenda for the annual meeting, questions of particular relevance to Group members and their ACP counterparts were discussed,

including the relationship between agriculture and the environment. This encounter was recognized as an important aspect of the annual meeting, offering individual participants the chance to establish closer personal contacts.

The Committee began a new four-year term of office in 1990.

The Various Interests Group was reconstituted during the Committee's inaugural session held on 16 October 1990. Mrs Beatrice Rangoni Machiavelli was elected Chairperson and Mr Boisseree and Mr Rosein-grave were elected Vice-Chairmen.

CHAPTER V

Internal aspects of the Secretariat

1. STAFF

In 1990 the General Secretariat had 501 permanent posts. This represented an increase of seven posts or 1.42% over 1989.

2. BUDGET

Appropriations for 1990 totalled ECU 45 154 000 as against ECU 42 944 358 in 1989, an increase of 5.15%.

3. MEETINGS

There were 10 Plenary Sessions and 11 Bureau meetings in 1990.

Meetings of the various working bodies were as follows:

Sections	80
Study Groups	335
Groups I, II and III	82
Meetings of recognized sub-groups	188
Miscellaneous meetings	256
Visitors' groups	219

4. STRUCTURE OF THE GENERAL SECRETARIAT IN 1990

Chairman

Private office

Group secretariats

Financial control division

Secretary-General

Private office

Secretariat

- Press division
- MIS (Management information system)

Division for the Registry of the Assembly and Bureau and for Planning

- Assembly/Bureau unit, legislative planning
- Mail/archives/library/documentation

Division for information, publications and relations with socio-professional groups.

Directorate for Personnel, Administration and Finance

- Legal matters, archives, staff information, follow-up to heads of administrative meetings
- Socio-medical unit

Division for recruitment and personnel management

Specialized financial department

Directorate A — Consultative work

Division for economic, financial and monetary questions

Specialized department for social, family, educational and cultural affairs

Division for protection of the environment, public health and consumer affairs

Directorate B — Consultative work

Division for industry, commerce, crafts and services

Division for transport and communications

Specialized department for regional development and town and country planning

Directorate C — Consultative work

Division for agriculture and fisheries

Division for external relations, trade and development policy

Specialized department for energy, nuclear questions and research

Directorate-General for Coordination, Translation and General Affairs

Division for studies and conferences

Specialized department for informatics, office automation and telecommunications

Directorate for Translation, Document Production and Internal Affairs

Translation

Production

- Specialized department for document production and despatch
- Printing/despatch/distribution unit
- Meetings/reception

ANNEX A

Presence and influence of the Economic and Social Committee

MEETINGS WITH LEADING FIGURES IN 1990

1. Representatives of Member and non-member States

12 January	Mr Mihajlo Crnobrnja, Ambassador Extraordinary and new head of the Yugoslav mission to the EC
19 January	Mr. John H.F. Campbell, Ambassador Extraordinary of the Permanent Representation of Ireland to the EC
31 January	Mr Krsikapa, Councillor for Social Affairs at the Yugoslav Embassy
1 February	Mr Tadeusz Mazowiecki, Polish Prime Minister
7 February	Mr José Luís Sagredo de Miguel, Government of the Autonomous Community of Castilla-León
14 February	Mr Séamus Brennan, Irish Minister for Tourism and Transport
15 February	Mr Joseph Licari, Ambassador, Permanent Representative of the Maltese mission to the EC, and Mr Borg, Head of the Section for Relations with the EC at the Ministry of Foreign Affairs
20 February	Mr Wolfgang Wolte, Ambassador Extraordinary, Head of the Austrian mission to the EC
2 March	Mr Annibal Cavaco Silva, Prime Minister of Portugal
19 March	Mr Federico Di Roberto, Ambassador Extraordinary, Permanent Representation of Italy to the EC
10 April	Mr Louis Le Pensec, French Minister for Overseas Departments and Territories
18 April	Mr Charles Picqué, Chairman of the Brussels Region Executive Council
29 May	Ambassadors of the EFTA countries
29 May	The Finnish Ambassador
1 June	Mr Vladimir Chemiatenkov, Ambassador Extraordinary, Head of the Soviet mission to the EC
8 June	Mr Rocard, French Prime Minister, Mr Huchon, Head of the Prime Minister's private office, and Mr Scheer, Secretary-General at the Ministry of Foreign Affairs
22 June	Mr Annibal Cavaco Silva, Prime Minister of Portugal
23 June	Mr Mario Soares, President of the Portuguese Republic

- 3 July Mr E Wyzner, Deputy Secretary-General of the United Nations
- 5 July Mr Jean Matteoli, Chairman of the French Economic and Social Council
- 5 July Ms de Vos van Steenwijk, President of 'ATD-Quart Monde' and Mr Tonglet, Secretary-General
- 17 July Mr Guido De Marco, Prime Minister of Malta
- 11 September Mr Giuli Andreotti, President-in-Office of the Council, and Mr Gianni De Michelis, Italian Minister for Foreign Affairs
- 1 October Mr François Scheer, Secretary-General at the Ministry of Foreign Affairs, Mr Pierre de Boissieu, Director for Economic Affairs at the Ministry of Foreign Affairs, and Mr Jean Matteoli, Chairman of the French Economic and Social Council
- 5 October Chairmen and Secretaries-General of the Economic and Social Councils of EC Member States and of the ESC
- 11 October Mr Jacques Bonacossea, Secretary-General of the French Economic and Social Council
- 6 November Mr Jan Kulakowski, Ambassador of the Polish Republic to the EC
- 6 November Mr Lachs, Austrian Central Bank, Director with responsibility for international relations, and Mr Pribil, head of financial affairs at the Austrian mission to the EC
- 9 November Members of the private office of Mr Rocard, French Prime Minister
- 15/16 November Mr Christian Sautter, Deputy Secretary-General of the French President's Private Office, and Mrs Elisabeth Guigou, French Minister of State for European Affairs
- 6 December Mr Jacques Santer, Prime Minister of Luxembourg, and Mr Jacques Poos, Deputy Prime Minister and Minister for Foreign Affairs
- 7 December Mr Lutz Stavenhagen, Minister of State at the Prime Minister's Office, Federal Republic of Germany
- 10 December Mr Wilfried Martens, Prime Minister of Belgium
- 12 December Mr Ruud Lubbers, Prime Minister of the Netherlands, and Mr P. Dankert, Secretary of State for European Affairs

2. European Parliament

7 February	Mr Marcelino Oreja, Chairman of the Committee on Institutional Affairs
4 April	Mr Marcelino Oreja, Chairman of the Committee on Institutional Affairs
18 April	Mr David W. Martin, rapporteur, Interinstitutional Committee
14/17 May	Interinstitutional conference, European Parliament, in preparation for the intergovernmental conference
6 June	Mr Enrique Barón Crespo, President of the European Parliament
12 September	Ms Diemut R. Theato, MEP

3. EC Commission and Council

15 January	Ms Vasso Papandreou, Member of the Commission
19 February	Ms Vasso Papandreou, Member of the Commission
1 March	Mr Ray Mac Sharry, Member of the Commission
10 April	Mr Smith, Irish President-in-Office of the Council, Minister of State for Trade and Industry with responsibility for science and technology
18 July	Mr Carlo Bernini, Italian Minister of Transport, President-in-Office of the Council
19 July	Mr Jean Dondelinger, Member of the Commission
12 September	Ms Vasso Papandreou, Member of the Commission
9 November	Mr Jacques Delors, President of the Commission
5 December	Ms Vasso Papandreou, Member of the Commission

4. Official visits

9-11 January: Malta

Senior officials of the Ministry of Social Affairs

European Movement

Alternative Democratic Party

Secretary of State responsible for the elderly
Mr Rizzo Naudi

General Workers' Union, Employers' Association, Federation of Industries,
and Maltese Trade Union Confederation

Farming, consumer protection, women's rights and environment protec-
tion representatives

Maltese Labour Party, Maltese Nationalist Party

President of Malta

Mr Tabone

Prime Minister and Minister for Foreign Affairs

Mr Eddie Fenech Adami

Maltese Parliament delegation responsible for relations with the European
Parliament

6-10 March: Ireland

Dr P. J. Hillery, President of Ireland, Mr Charles Haughey, Taoiseach, Mr
Gerard Collins, Minister for Foreign Affairs, Mr A. Reynolds, Minister for
Finance, Mr M. Woods, Minister for Social Welfare, Mr B. Ahern, Minister
for Labour, and Mr J. Walsh, Minister of State

Confederation of Irish Industry

Irish Congress of Trade Unions

Federation of Irish Employers

Chambers of Commerce

Irish Farmers' Association (IFA)

Irish Creamery Milk Suppliers' Association (ICMSA)

Young Farmers' Association (Macra na Feirme)

Rural Community Development Association (Muintir na Tíre)

Irish Countrywomen's Association

Oireachtas Joint Committee on Secondary Legislation

National Economic and Social Council

ANNEX B

**Action taken by
the Commission on ESC Opinions
adopted between January and September 1990**

JANUARY PLENARY SESSION

I. CONSULTATIONS

1. Proposal for a Council Directive on a second general system for the recognition of professional education and training which complements Directive 89/48/EEC
COM(89) 372 final — SYN 209 — DG III — Mr Bangemann (Ms Papandreou and Mr Dondelinger)

Main points of ESC Opinion

The Committee considers that the proposal has a vital function in relation to Directive 89/48/EEC on the general system (it is limited to baccalaureate + three years' training) and considers that the two should constitute a harmonious whole.

Account must be taken of the specific nature of certain types of training (e.g. twin-track schemes, namely linked work and training schemes, especially in Germany and Luxembourg).

Account must be taken of the implications of collective bargaining agreements, which in some cases specify a certificate as a condition of access to an occupation.

The general system must be made easier to apply and more comprehensible.

The time-limit for the incorporation into national law of the Directive specified in Articles 14 and 18 should be extended.

In Article 19, provision should be made for the report on the application of the Directive to be presented not only to the Council and Parliament but also to the Economic and Social Committee.

Commission position

Overall approval of the proposal, identical to that of the European Parliament supporting the Commission initiative.

This idea was also put forward by the rapporteur of Parliament's Legal Affairs Committee and by the Council (expert level). It is given effect by the extension of level 2 (short higher education course of less than three years) to include courses of a comparable level.

This idea was also expressed in the report of Parliament's Legal Affairs Committee. Article 1 (definition of a regulated occupational activity) should therefore be amended.

Such an improvement could be made by amending Article 14 of the proposal referring to the tasks of the coordinating group.

This request will be taken into consideration in the amended proposal. It entails correcting a typing error by replacing 1991 by 1992.

This request will be taken into consideration in the amended proposal. The Commission is prepared to involve the Committee in discussions and in further work on application of the system.

2. Proposal for a Council Directive concerning general product safety
COM(89) 162 final — SYN 192 — Consumer Protection Service — Mr Van
Miert

Main points of ESC Opinion

Commission position

1. Aims and objectives of the proposal for a Directive

Underlines the urgent need for a Directive on product safety.

The Committee approves the basic aim of the proposal, which is to ensure the free movement of safe products and above all to avoid putting dangerous products on the market. The Directive will eliminate any current differences between after-sales monitoring measures in the Member States. This will reduce the legal uncertainty in all areas of the market.

2. Scope of the proposal for a Directive (Article 1)

(a) The Committee agrees with the Commission's proposal to include all products and make no provision for any exemptions for certain categories of products.

(b) The proposal does not include services except when the service affects the safety of the product in installation or repair. It calls for additional legislation to deal with safety services from a preventive and remedial standpoint.

3. Subsidiarity (Article 1)

The Committee is of the opinion that the product safety Directive should apply only where there are no adequate specific Community safety rules. The general safety Directive will apply if there is no specific Directive on the matter or if an existing specific Directive does not ensure product safety adequately.

1. The Commission has taken account of the favourable Opinion.

2.

(a) The Commission has taken account of the favourable Opinion.

(b) The Commission is currently preparing a proposal for a Directive on the liability of suppliers of defective services. This proposal will deal with safety requirements for services from a remedial standpoint and is also intended to have a preventive effect.

3. The Commission has taken account of the favourable Opinion.

4. Definitions (Article 2)

The Committee considers that the aim of the Directive should be clarified to emphasize the prime importance of the obligation on producers to place only safe products on the market. In particular,

(a) The objectives of the Directive should be defined more clearly.

(b) 'Safe product' should be defined in a positive rather than a negative manner. The present definition should be reviewed in the light of Article 6 of the product liability Directive (85/374/EEC). It should also be borne in mind that safety is inevitably relative and not absolute, depending on a number of varying economic and social factors.

The Committee proposes the following definition:

'A product is safe when there is no risk, apart from a very minimal risk, that any of the following examples will injure or cause the death of anyone:

the product itself;
the keeping, use or consumption of the product;
the assembly of any product which is supplied unassembled;
any emission or leakage from the goods or as a result of their use, keeping or consumption;
reliance on the accuracy of any measurement, calculation or other reading made by or by means of the goods.'

(a) The Commission accepts the Committee's comments and the initial proposal will be amended accordingly.

(b) Some of the Committee's suggestions can be taken into account in the context of subsequent negotiations with the other institutions on the clearest possible definition of 'safe product'. The Commission could propose that a safe product is 'any product presenting only acceptable risks'.

But this presents at least two drawbacks:

(i) it would highlight the fact that the consumer/user is still subject to risks;
(ii) reference would have to be made elsewhere in the text to 'unacceptable' risks.

As to the suggestion that the definition be reviewed in the light of Article 6 of the Directive on product liability, the Commission would point out that the phrase 'safety that can be reasonably expected' was avoided because of the possible difference between defective and dangerous products, as underlined in the Committee's Opinion (point 13).

The term 'unacceptable risk' used in the present proposal implies that it is pointless to insist on absolute safety, and that the assessment should be objective and dependent on the attitudes of society in general, regardless of the ability of a given supplier to

Main points of ESC Opinion	Commission position
<p>5. General safety requirement (Article 3)</p> <p>The Committee points out that it is the suppliers who in the first instance must accept responsibility for putting only safe products on the market, since it is upon them that the general safety requirement mainly falls. It is for the Member States to make sure that suppliers comply with this self-enforcement and to take preventive measures if they do not.</p>	<p>comply with this requirement or of the specific expectations of individual users or consumers. It also implies that, since the general standard can change, the unacceptability of a risk can evolve over time, leading to a higher degree of safety.</p> <p>5. The Commission has taken account of the favourable Opinion on the substance. The Committee's comments are acceptable as regards the need to make this requirement stand out more clearly in the text and the Commission undertakes to amend its initial proposal accordingly.</p>

3. Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1056/72 on notifying the Commission of investment projects of interest to the Community in the petroleum, natural gas and electricity sectors COM(89) 335 final — DG XVII — Mr Cardoso e Cunha

Main points of ESC Opinion	Commission position
<p>§ 3.1. The Committee suggests the proposal 'be amended to provide more information... yet at the same time ensuring entrepreneurial freedom, confidentiality and competitiveness'.</p> <p>§ 3.2.2. '... communicate details of the investment projects ... before any final authorization has been given...'</p> <p>§ 3.2.3. '... the Commission shall immediately inform the other Member States...'</p> <p>'The Commission shall immediately communicate to the Member States referred to ... the comments it has received (from the other Member States)'.</p>	<p>The Commission has taken account of the Committee Opinion, which is generally favourable, and accepts the specific comments. Subject to minor adjustments, it will propose that the Council incorporate these suggestions in the initial proposal.</p>

4. Commission proposal for a Council Directive concerning a Community procedure to improve the transparency of gas and electricity prices charged to industrial end-users

COM(89) 332 final — DG XVII — Mr Cardoso e Cunha

Main points of ESC Opinion

Commission position

The Committee approves the proposal for a Directive while making certain recommendations to the Commission with regard to the implementing rules.

The Commission has taken account of the favourable Opinion.

5. Proposal for a Council Directive on the transit of natural gas through the major systems

COM(89) 334 final — DG XVII — Mr Cardoso e Cunha

Main points of ESC Opinion

Commission position

2.1. and 2.13. The Committee agrees in principle with the Commission's step-by-step approach to the completion of the internal energy market in the natural gas sector, subject to certain conditions which are reflected in the specific comments.

The Commission has taken account of the favourable Opinion.

3.1. Definition of transit: it should be made clear that transit relates to the transmission of gas between Member States.

The Commission fully accepts the comment and will amend its initial proposal.

3.2. Clarification required concerning the companies involved.

Idem.

3.3. Prior notification to be limited to cases where agreement cannot be reached.

This amendment would deprive the Commission proposal of its purpose and is therefore unacceptable.

3.4. Description of remuneration for transit.

The Commission will take account of this suggestion in the context of subsequent negotiations with the other institutions.

3.5. Deletion of Article 5.

The Commission will take account of this suggestion in the context of subsequent negotiations with the other institutions.

3.6. A reference to the establishment of a representative body should be included in the Directive.

The Commission accept this comment in part and undertakes to amend its initial proposal accordingly.

6. Proposal for a Council Directive on the transit of electricity through transmission grids
COM(89) 336 final — SYN 207 — DG XVII — Mr Cardoso e Cunha

Main points of ESC Opinion	Commission position
2.1. The Committee gives its basic approval to the inclusion of electricity supplies in the internal market.	The Commission has taken account of the generally favourable Opinion.
2.3. The Commission is asked to find a conclusive answer to the following questions: (i) security of supply and free competition; (ii) consequences of the liberalization of the electricity market.	The Commission has set up advisory committees to enquire into these questions.
4.2.1. The Committee wants an explanation of the term 'high-voltage electricity grid' in paragraph 1 (a).	The concept of an electricity grid is familiar to experts in the field. There is no need for an explanation in the Directive.
4.2.2. The Committee asks that the following indent 1 (c) be added to Article 2: 'transit within the meaning of this Directive shall be the transport of electricity beyond national frontiers via an electricity grid as defined in (a)'.	The proposed definition does not differ substantially from the definition in the Directive.
4.3.1. The Committee would like to see the following added at the end of article 3 (1): 'This Directive shall not be binding if the interests of third countries are affected in the process'.	The Commission finds this suggestion inappropriate.
4.3.2. The Committee does not understand why requests for transit agreed on by 'entities' must be notified to the Commission and the competent national authorities. To avoid additional red tape, the Commission should check whether notification can be confined to requests on which no agreement is reached. In these cases the Commission, after receiving a complaint from the body requesting the transit, will be obliged under the Treaty to initiate the proceedings provided for in Article 3.	This suggestion is not acceptable. The Commission must be informed beforehand, otherwise the Directive would serve no purpose.

II. OWN-INITIATIVE OPINION

EC economic and trade cooperation with Latin America — DG I — Mr Matutes

Main points of ESC Opinion	Commission position
<p>The Committee:</p> <p>(a) points to the need to develop a more stable framework for the relations with Latin America and to give some thought to the possibility of negotiating a framework agreement;</p>	<p>The Commission believes that the first step should be to complete the existing network of bilateral cooperation agreements. An agreement was signed with Argentina on 6 February and negotiations will begin soon on a broader (third generation) agreement with Chile and later with Paraguay. Renegotiation of the present 'first generation' agreements has been requested by Mexico and Uruguay. The Commission is continuing to examine other possibilities at global level, but the Latin American countries must first decide on the need for a global agreement and be in a position to select a competent institution at regional level.</p>
<p>(b) calls for intervention by the EIB in Latin America;</p>	<p>A decision on intervention by the EIB in Latin America can only be adopted unanimously by the governors of the Bank. In fact, the decision really lies with the Member States, which have so far been opposed to extending the EIB's activities to Latin America. The Commission would favour such intervention for specific regional projects.</p>
<p>(c) urges better planning of technical and financial cooperation;</p>	<p>The Commission has sent the Council a communication on new guidelines for cooperation with developing countries in Latin America and Asia. This recommends that technical and financial cooperation should be maintained, reinforced and improved as regards quality. This would also make it possible to improve the planning of technical and financial assistance.</p>

Main points of ESC Opinion**Commission position**

(d) stresses the need to provide adequate resources for better integration of environmental considerations in development cooperation policy.

In the communication referred to above, the Commission underlines the importance of adding an environmental dimension to development cooperation policy, especially in Latin America. It provides in particular for 10% of the increased resources to be made available for development cooperation being used for environmental projects.

The remainder of the Opinion on the various aspects of relations between Europe and Latin America calls for no particular comment from the Commission, which agrees with the Committee's assessment.

FEBRUARY PLENARY SESSION

CONSULTATIONS

1. Communication from the Commission to the Council

A global approach to certification and testing and the proposal for a Council Decision concerning the modules for the various phases of the conformity assessment procedures which are intended to be used in the technical harmonization Directives

COM(89) 209 final — DG III — Mr Bangemann

Main points of ESC Opinion**Commission position**

(a) There should be greater opportunities for cooperation and participation by all the interest groups concerned, including workers, users and consumers.

The Commission has taken note of the favourable Opinion and undertakes to take the Committee's suggestions into account.

(b) The Commission should pay more attention to its policy *vis-à-vis* third countries.

(c) A high level of protection must be ensured.

2. Proposal for a 10th amendment of Directive 76/69/EEC on dangerous substances

COM(89) 548 final — SYN 224 (ENVI/264) — DG III — Mr Bangemann (Mr Ripa di Meana)

Main points of ESC Opinion

The Opinion calls on the Commission to extend its initiative to the agricultural sector.

The Committee stresses that the two sides of industry should be involved in the assessment of the results and the definition of future operations.

Commission position

The Commission accepts this invitation and points out that a programme to monitor cadmium in soil is being drawn up by DG XI.

This is already more or less a fact, since the Commission organizes a two-day information meeting with the European Federation of Chemical General Workers Union (EFCGU) at least once a year.

3. Application of the competition rules to air transport

COM(89) 417 final (Second phase of liberalization) — DG IV — (DG VII) — Sir Leon Brittan (Mr Van Miert)

Main points of ESC Opinion

Point 9.2.: The last subparagraph should read '... it should be part of an overall external policy in the field of air transport'.

The competition rules should form an integral part of a common policy for global air transport.

External policy: point 10

The EFTA and other negotiations should be included in the framework of an agreed global external policy.

Commission position

The Commission accepts the amendment (overall policy proposals have been transmitted to the Council).

The Commission agrees with the Committee Opinion.

The Commission agrees with the Committee Opinion and requires that the Council accept the principle of Community competence.

4. Safeguard measures in the veterinary field

COM(89) 493 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

The Committee takes the view that the Commission's approach is simple and pragmatic. Conditions for imports from non-EC countries should be clearly defined.

Commission position

The Commission proposal is broadly supported by the Committee.

5. Enzootic bovine leucosis
COM(89) 652 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Committee favours the safeguard system provided the effectiveness of the veterinary control measures is increased and arrangements made for emergencies.	The Committees Opinion broadly approves the Commission proposal.

6. Agricultural prices 1990-91
COM(89) 660 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Committee stresses the concern shown by farmers at the decline in agricultural incomes.	The Commission has taken note of the Ministers' decision.
The Opinion stresses: (a) the question of co-responsibility levies which, it feels, should be channelled to new uses of products; (b) the danger of these proposals weakening the Community's negotiating position within GATT.	

7. Farm structures — set-aside
COM(89) 597 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Committee shows little enthusiasm for the set-aside scheme. While not condemning the measure, it does not consider it very effective or in the interests of agriculture.	The Commission has taken note of the Committee's comments with a view to their possible inclusion in a forthcoming report.

8. Aid for small cotton producers
COM(89) 611 — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Opinion calls for an increase in the maximum guaranteed quantity.	The Council did not approve this proposal when adopting the agricultural prices.

Main points of ESC Opinion	Commission position
The Opinion supports the proposal to grant flat-rate aid and the principle of exempting small producers from the co-responsibility levy.	The Commission has taken note of the Committee Opinion in favour of its proposals.

9. Development of civil aviation in the Community
COM(89) 373 final — DG VII — (DG IV) — Mr Van Miert (Sir Leon Brittan)

Main points of ESC Opinion	Commission position
Point 8.2: The Committee is concerned that the requirement for the submission of fares 60 days before implementation is excessive.	This requirement, in a transitional period, will help the Member States to monitor the risks of unfair or predatory practices.
Introduction of the double disapproval system has been deferred to 1992 by the Council, but the Commission proposal is better.	The Commission agrees with the Committee Opinion.
The Committee is aware of the positive effects on fares for fifth freedom carriers: a cautious approach is necessary to take account of predatory practices.	A proposal to prevent predatory practices has been presented to complete the package.
Access to markets: the Committee notes the Council guidelines of 4 and 5 December would open the way to right of establishment.	The Commission agrees with the Committee Opinion.
Cabotage: the Committee is concerned at the lack of progress and hopes the establishment of monopoly positions will be prevented.	The Commission agrees with the Opinion. Its proposals were more audacious, with respect to mergers, competition should be reinforced without impeding the restructuring which is needed or would help to improve worldwide competition and provide a better service.
Point 9.1 should read: '..., subject to conditions established by the Council'.	The amendment should not be accepted as such. However, discussions are under way with Parliament, which proposed the same amendment.

10. Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 3164/76 concerning the access to the market for international carriage of goods by road
COM(89) 572 final — DG VII — Mr Van Miert

Main points of ESC Opinion	Commission position
The ESC is in favour but only with a medium percentage of acceptance the proposal to modify Regulation (EEC) No 3614/76 that aims to increase the Community quota by 40% for 1990, 1991 and 1992 and the elimination of border controls concerning the Community road transport authorizations.	The Commission takes into account the favourable Opinion and the proposal is adopted by the Council on the 29 March 1990.

11. Civil liability for damage caused by waste
COM(89) 282 final — SYN 217 — DG XI — Mr Ripa di Meana

Main points of ESC Opinion	Commission position
Change of legal basis to Article 130s; Legal concept of 'balance of probability'; Scope and definitions; Legal proceedings and time-limits.	The Commission will take account of a number of the Committee's comments and suggestions in the context of subsequent discussions with the other institutions. In particular, the Commission accepts the Committee's remarks about the use of the term 'balance of probability'.

12. Control of transfrontier movements of hazardous wastes
SEC(89) 2145 — DG XI — Mr Ripa di Meana

Main points of ESC Opinion	Commission position
The Committee issued a favourable Opinion on the proposal.	The Commission has taken note of the favourable Opinion.

13. Draft Commission Decision on a programme of regional actions designed to contribute to the protection of the environment and to promote socio-economic development
SEC(89) 2063 — DG XVI — Mr Millan

Main points of ESC Opinion	Commission position
1. Priority to be given to the aquatic environment and schemes capable of serving as models (3.2).	Incorporated in the Envireg communication to the Member States (OJ C 115, 8.5.1990).

Main points of ESC Opinion	Commission position
2. Contribution to the reconstruction of disused sewage works (3.4).	Incorporated in the same communication.
3. Grant of subsidies to be subject to stringent standards and strict monitoring procedures (3.4).	Partially covered by the following: (i) need for a technical opinion on investment projects which must be notified to the monitoring committee; (ii) opportunity offered to regional and local authorities to call on a European network of experts; (iii) need for Mediterranean regions to mount operations to improve know-how and the management of plants.
4. Need to prevent some areas becoming 'specialized' in the treatment of toxic or hazardous wastes (3.8).	Incorporated in the communication: capacities for each country should not exceed the requirements of all the regions concerned.
5. Importance of training staff responsible for operating and maintaining treatment works (3.6).	This is one of the priorities in the development of know-how.

14. Proposal for a Council Regulation (EEC) on Community transit
COM(89) 480 final — SYN 225 — DG XXI — Mrs Scrivener

Main points of ESC Opinion	Commission position
1. Opinion broadly favourable to the Commission proposal.	The Commission has taken note of the favourable opinion.
2. Presentation, in the form of a new, separate and slightly reworded paragraph, of the provision set out in Article 1 (3) (c) on the possible application of internal Community transit procedures in cases in which this is expressly prescribed.	The suggestion will be taken into account in subsequent negotiations with the other institutions.

15. Proposal for Council Decisions concerning the conclusion of agreements between the EEC and EFTA countries establishing cooperation in the field of training in the context of the implementation of Comett II
COM(89) 613 final — Task Force for Human Resources — Ms Papandreou

Main points of ESC Opinion

Commission position

The Committee considers that the cooperation envisaged should have the effect of raising qualifications significantly against a background of profound technological change.

The Commission welcomes the ESC Opinion.

It welcomes the fact that the proposal contains sufficient safeguards to guarantee the Community's legitimate interests.

MARCH PLENARY SESSION

I. CONSULTATIONS

1. Draft Council Resolution on improving the prevention and treatment of acute human poisoning
COM(89) 505 final — DG V — Ms Papandreou

Main points of ESC Opinion

Commission position

The Committee welcomes the proposal but regards it as no more than a first necessary step towards the establishment of poison-control programmes.

The ESC Opinion contains no specific proposals for amendments.

The Opinion stresses the need to maintain and expand cooperation with WHO, EFTA and the countries of Central and Eastern Europe.

Moving away from the proposal itself, the Committee considers that a system for informing the public directly of the risks and action to be taken in the event of poisoning should be introduced parallel to the existing system of compulsory labelling of dangerous preparations.

It also considers that the public needs adequate information about poison-control centres (telephone number, location, etc.).

2. Eradication of IBN in salmonids (COM(89) 502 final); veterinary rules for the prevention of pathogens in feedingstuffs (COM(89) 509 final); game meat and rabbit meat (COM(89) 496 final); fresh poultrymeat and fresh meat of reared game birds (COM(89) 507 final); health rules for products of animal origin (COM(89) 492 final)

DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee adopted the opinions prepared by the Section for Agriculture and Fisheries without debate and virtually unanimously in all cases.

The Section was favourably disposed to the Commission's proposals on the whole, but had a number of technical points to make.

The Commission should take note of the technical comments, consider their validity and use the ESC Opinion in discussions within the Council's working party.

3. Specific research and technological development programme in the field of transport (Euret)

COM(89) 557 final — DG VII — Mr Van Miert

Main points of ESC Opinion

Commission position

The Committee believes the objectives of the programme are not commensurate with the financial resources available or with research requirements.

The Committee suggests that the topics should be limited to four or five at this stage.

The Committee suggests that the proposed date (1 March 1990) for the start of the programme should be changed.

The Committee suggests that reports should be sent to the Committee.

In view of the reduced financial resources, the programme is concentrating on priority areas. It is a first step which should be followed by a more substantial and more coherent programme at a later date.

Eleven topics were considered necessary and provide a basis for initial research. They are the product of wide-ranging consultations, mainly with State bodies, in view of the dominant public service component of this programme.

The date has been changed to 1 October 1990.

The Commission will consult the Committee as required and will inform it on the assessment of the results.

Main points of ESC Opinion	Commission position
The Committee refers to the need to extend the programme to include transit countries and Eastern Europe.	The Commission agrees with the ESC Opinion: it would make it possible to include Yugoslavia with Austria and Switzerland. The situation in Eastern European countries would be taken into account.
The Committee believes that the amount of funding needed for each area of research will have to be indicated.	The Commission agrees with the ESC Opinion.
The Committee believes that the duration will have to be reduced from four to three years.	The Commission agrees with the ESC Opinion.

4. Opinion on the proposal for a Council Directive on mutual acceptance of personnel licences for the exercise of functions in civil aviation
COM(89) 472 — DG VII — Mr Van Miert

Main points of ESC Opinion	Commission position
Article 1, paragraph 1 (scope): more detailed definition required with respect to staff covered.	The Commission agrees that the text shall be modified accordingly.
Article 9, paragraph 1 (procedure): deletion required and normal procedure requested (e.g. legislative measure by the Council acting on a proposal by the Commission).	Under consideration: on 29 March the Council (Transport) decided on guidelines for Coreper to continue an in-depth study. However, a type III (a) committee is preferred.
The ESC has broadly endorsed the Commission proposal.	The Commission takes into account the ESC position.

5. Proposal for a Council Directive amending the directive 84/647/EEC concerning vehicles hired without drivers for the carriage of goods by road
COM(89) 430 final — DG VII — Mr Van Miert

Main points of ESC Opinion	Commission position
The ESC is in favour and totally accepts the proposal for a Council Directive amending Directive 84/647/EEC on the case of vehicles hired without drivers for the carriage of goods by road that aims at abolishing the restrictive time-period clause.	The Commission takes into account the favourable Opinion but as it is not yet adopted by the Council the decision is left for the June Council.

6. Continuing vocational training proposal for a Council Decision on a Community action programme for the development of continuing vocational training (Force)

COM(89) 567 final — Task Force for Human Resources — Ms Papan-dreou

Main points of ESC Opinion

Commission position

The Committee welcomed the proposed programme but had a number of comments to make:

It regrets that non-Community nationals would not be eligible.

It considers that the programme should not be confined to workers in employment but should also include measures to assist the unemployed.

It argues that the question of access to continuing vocational training should be agreed in the context of the Community instrument foreshadowed in the Commission's action programme to implement the Charter of Basic Social Rights.

The text as it stands would present no legal obstacle to migrants from non-member countries normally resident in the Community participating in the programme.

On the other hand, their participation in exchange schemes would be linked to the specific requirements that Member States impose on nationals of non-member countries (visas, residence permits, etc.).

The Commission agrees that the fight against unemployment is a key Community priority. It would point out that this is one of the priority objectives of the Social Fund, which has been allocated substantial resources for the purpose. It would also point out that the Council, at the insistence of the Irish Presidency, has been giving some thought to the problem. But the Force programme sets out to tackle another major challenge for the future, namely to improve access to continuing vocational training for the employed and to promote investment in training.

The Commission considers that this vital issue must be discussed initially in the context of the social dialogue, so that employers and unions can agree on as broad a consensus as possible. The Commission will present a Community instrument on the matter in the light of the conclusions reached in the context of the social dialogue.

Main points of ESC Opinion**Commission position**

The Committee calls for a study on the possibility of creating a uniform legal framework for leave of absence for training in the event of failure to implement collective agreement arrangements.

This is another aspect of the access to vocational training issue. It will be examined in the context of the Community instrument announced in the action programme to implement the Social Charter.

**7. Statute for a European company
COM(89) 268 final — DG XV — Mr Bangemann**

Main points of ESC Opinion**Commission position**

Approval of the general approach of the new proposals for a European Company Statute, as concerns both the Regulation and the complementary directive on employee involvement in the European Company Statute, together with numerous general comments and suggestions and proposals for changes of approach and amendments.

The Commission can accept the substance of the bulk of the Opinion. It will take account of all the suggestions in the context of negotiations with the other institutions. Only the major items that the Commission cannot accept are set out below.

The legal base — paragraph 1.8: the legal base of the proposals should ensure decision by unanimity and safeguard the rights of the European Parliament under the Single European Act.

The Commission considers that its choice of legal bases is legally correct and safeguards the rights of the European Parliament under the Single Act (unlike Article 235 of the EEC Treaty). The Commission hopes that its proposals, while permitting decision by qualified majority, will none the less achieve a broad favourable consensus in the Council of Ministers.

Articles 1 and 2 (and 7)/Directive paragraph 3.5: amendment to require the participation of the employees of the founder companies in the election of the employee representatives of a European company holding company.

This amendment would require complicated systems of employee involvement, not including the employees of the European company in question but also affecting the national founder companies that continue to exist following the creation of the holding and the employee participation systems which will also remain in place. The Commission considers that, for the present, the Directive should in these circumstances cover only employee involvement in the European company.

Main points of ESC Opinion	Commission position
Article 5/Directive — paragraph 3.12: information and consultation of employees under the model of a separate body should take place before any decision is taken, as opposed to before it is implemented.	The Commission considers that consultation prior to a decision would render management (and decision-making) too cumbersome.

II. OWN-INITIATIVE OPINIONS

1. Community relations with the countries of Eastern Europe DG I — Mr Andriessen

Main points of ESC Opinion	Commission position
The Opinion calls for no specific comment.	The Commission has taken note of the favourable Opinion.

2. Increasing the use of agricultural and forestry resources in the non-food industrial and energy sectors: prospects opened up by research and technological innovation CES 380/90 — DG XII — Mr Pandolfi

Main points of ESC Opinion	Commission position
<p>The use of agricultural and forestry resources for non-food industrial and energy purposes must be developed and integrated into all relevant Community policies.</p> <p>Sectoral partnerships must be developed to encourage cooperation between industry, agri-forestry groups and research centres.</p> <p>Research should be actively geared to industrial and commercial utilization and more importance should be attached to demonstration projects.</p>	Commission departments have taken note of the Committee Opinion and are pleased to see that its ideas are very close to those outlined in the Commission proposal for a regulation on the use of agricultural products in the non-food sector (COM(89) 597 final).

3. Declining industrial areas DG XVI — Mr Millan

Main points of ESC Opinion	Commission position
Priority should be given to job creation.	The Commission agrees on the whole with the views expressed by the Committee.
There is a need for consistency between horizontal policies and structural measures.	It considers that most of the points raised were specifically taken into account in connection with the drafting of Community support programmes for Objective 2 regions and the definition of operational programmes and new Community initiatives.
It stresses the importance of technological change and regional capital markets in the context of reconversion.	
There is a need for synergy between public and private investment.	
It draws attention to the importance of the principle of 'additionality'.	

APRIL AND MAY PLENARY SESSIONS

1. Own-initiative Opinion on EEC/EFTA relations CES/661/90 of May 1990 — DG I — Mr Andriessen

Main points of ESC Opinion	Commission position
Own-initiative Opinion which does not propose any amendments to the Commission proposal.	No comment called for on the part of the Commission.

2. Proposal for a Directive amending Directive 89/392/EEC relating to machinery (April) COM(89) 624 final — SYN 233 — DG III — Mr Bangemann

Main points of ESC Opinion	Commission position
The Committee calls for provisions concerning the sale and leasing of second-hand machinery.	The Commission will present a proposal for a Directive relating to this matter in late 1990/early 1991.
The Committee calls for a distinction to be made between manufacturer and authorized agent from the point of view of liability.	The Commission will consult the Committee with regard to Article 6 (2) and will clarify the proposal accordingly.

Main points of ESC Opinion	Commission position
The Committee calls for improvements to the wording of requirements set out in Annex 1.	The Commission has taken account of the suggestions for deliberations in other Community institutions.

3. Proposal for the 11th amendment of Directive 76/769/EEC — Dangerous substances (April)
COM(89) 665 final — DG III — Mr Bangemann by agreement with Mr Ripa di Meana

Main points of ESC Opinion	Commission position
<p>The Committee suggests to the Commission that:</p> <p>the transition period for Ugilec be reduced to one year (rather than three years) as from the date of adoption of the Directive;</p> <p>with regard to the exemptions provided for in the case of plant and machinery already in use, the period of depreciation rather than the 'lifetime' be used as the criterion for taking them out of service.</p>	<p>The Commission is open to this suggestion. It should be borne in mind however that:</p> <p>the period proposed is defined as from the date on which the directive is notified to the Member States;</p> <p>the date of entry into force is generally fixed by the last Coreper to prepare for the Council meeting and that the date varies between 18 and 24 months after the Council meeting.</p> <p>In other terms, the period suggested by the Committee is effectively the same as that proposed by the Commission as from the entry into force of the Directive.</p> <p>This suggestion appears unrealistic in so far as:</p> <p>the period of depreciation varies from one company to another;</p> <p>existing waste-treatment capacity is inadequate.</p>

4. Proposal for a Council Directive amending Directive 87/404/EEC on the harmonization of the laws of the Member States relating to simple pressure vessels (April)

COM(89) 636 final — SYN 232 — DG III — Mr Bangemann

Main points of ESC Opinion

Commission position

Hopes that CEN will meet its deadlines for drawing up the rules.

The Commission shares this view and will take appropriate measures.

5. Proposal for a Directive amending Directive 84/529/EEC relating to electrically operated lifts (April)

COM(89) 638 — SYN 234 — DG III — Mr Bangemann

Main points of ESC Opinion

Commission position

The Committee points out that it has been calling for total harmonization for several years.

The Commission is planning a legislative initiative in the form of a full-scale directive based on a 'new approach'. This proposal served to resolve an urgent problem which could not await the result of the above initiative.

6. Proposal for a Directive concerning electrical equipment for use in potentially explosive atmospheres (April)

COM(89) 13 final — SYN 243 — DG III — Mr Bangemann

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion on the proposal.

The Commission has taken account of the favourable Opinion.

7. Proposal for a Regulation on concerted practices in the insurance sector (May)

COM(89) 641 — DG IV — Sir Leon Brittan

Main points of ESC Opinion

Commission position

Opinion in favour of the proposal to issue group exemptions from the prohibition on agreements in respect of various specific categories of agreements, decisions and concerted practices in the insurance sector.

The Commission has taken account of the favourable Opinion.

8. Proposal for a Regulation concerning melted animal fat, greaves and by-products of rendering for human consumption (April)
COM(89) 490 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee supports the proposal and issued a favourable Opinion.

The Commission has taken account of the favourable Opinion.

9. Proposal for a Decision on expenditure in the veterinary field (April)
COM(89) 666 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion.

The Commission has taken account of the favourable Opinion.

10. Proposal for a Directive on protective measures against harmful organisms (April)
COM(89) 647 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee approves of the planned measures but was surprised at the lack of compensation for farmers.

The Commission has taken account of the approval but does not agree with the Committee's comments.

11. Proposal for a Regulation on organic production of agricultural products (May)
COM(89) 552 final — DG VI — Mr Mac Sharry and Mr Bangemann by agreement with Mr Pandolfi and Mr Van Miert

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion.

The Commission has taken account of the favourable Opinion and the suggestions it contains.

12. Proposal for a Directive on protective measures against the introduction of harmful organisms (May)
COM(89) 646 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion.

The Commission has taken account on the favourable Opinion.

13. Proposal for a Regulation on the marketing of young plants (May)
COM(89) 649 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee approves of the proposal but calls for a revision of the list of species.

The Commission has taken account of the favourable Opinion and the suggestions it contains.

14. Proposal for a Regulation on the marketing of ornamental plant propagating material and ornamental plants (May)
COM(89) 650 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee considers the proposal inappropriate.

The Commission confirms its proposal.

15. Proposal for a Regulation on the marketing of fruit plant propagating material (May)
COM(89) 651 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion.

The Commission has taken account of the favourable Opinion.

16. Proposal for a Regulation concerning the placing on the market of animals and products of animal origin (May)
COM(89) 658 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee approves of the proposal.

The Commission has taken account of the favourable Opinion.

17. Proposal for a Directive on the weights, measures and certain other technical characteristics of certain road vehicles (May)
COM(69) 573 final — DG VII — Mr Van Miert

Main points of ESC Opinion

Commission position

Favourable Opinion of this Directive increasing the total maximum authorized length of articulated vehicles from 18 m to 18.35 m and the total length of the loading space to 15.50 m.

The Commission has taken account of the favourable Opinion.

18. Proposal for a Council Regulation (EEC) on the operation of air cargo services (May)

COM(90) 63 — DG VII — Mr Van Miert

Main points of ESC Opinion	Commission position
Publication of rates required for Community air carriers: deletion of the world 'Community', all cargo carriers should be subject to the same requirements.	The Commission accepts the ESC Opinion.
Publication of all available cargo rates: publication confined to the base price.	The Commission accepts the ESC Opinion.
Advanced notification of States concerned 30 days before introduction: limit the period to 14 days.	The Commission can go further and accept the deletion of the notification procedure.
Procedure for disapproval of cargo rates: amendment so as to avoid bureaucracy.	The Commission can go further and accept the deletion of the disapproval procedure.

19. Draft Council Directive amending Directive 80/836 laying down the basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation as regards prior authorization of shipment of radioactive waste

COM(89) 559 final — DG XI — Mr Ripa di Meana

Main points of ESC Opinion	Commission position
The Committee is generally favourable towards the proposal, but suggested certain clarifications: (i) time-limit for exports to a third country adjoining EC; (ii) compulsory uniform level of safety in all Member States; (iii) use of modern means of communications.	The Commission is happy to provide the suggested clarifications and is making an amplified proposal to incorporate the elements indicated.

20. Proposal for a Council Regulation (EEC) on the importation of certain furs

COM(89) 198 final — DG XI — Mr Ripa di Meana

Main points of ESC Opinion

Commission position

The Committee is generally favourable towards the proposal and suggested the extension of the list of species in the Annex.

The Commission could accept extension of the list of species, except in respect of domestic or farm animals and will take up ESC suggestions regarding wild species in deliberations with other institutions of the Community.

21. Proposal for a Council Directive concerning municipal waste-water treatment

COM(89) 518 final — DG XI — Mr Ripa di Meana

Main points of ESC Opinion

Commission position

The Committee indicated a favourable view of the proposal and suggested a phasing arrangement for implementation.

The Commission will take account of the suggestion for a phasing arrangement in pursuing deliberations with other institutions of the Community.

22. Proposal for a Council Decision adopting a specific programme concerning the preparation of the development of an operational Eurotra system

COM(89) 603 final — SYN 228 — DG XIII — Mr Pandolfi and Mr Cardoso e Cunha

Main points of ESC Opinion

Commission position

The Committee notes that the present proposal is a logical follow-up to earlier Council decisions aimed at eventually creating a machine-translation system of advanced design capable of dealing with all official Community languages. The proposal also dovetails with the initial objectives of the Eurotra programme launched in 1982.

The Commission accepts the Opinion in its integrity.

Main points of ESC Opinion**Commission position**

Although in earlier Opinions the Committee has consistently shown an interest in the Eurotra programme and supported proposals on the implementation thereof, it has always been somewhat sceptical about the likelihood of achieving the programme's objectives, particularly within the deadlines set. The Committee nevertheless approves the present proposal both for reasons of consistency and because of the intrinsic value of the document.

23. Proposal for a Council Directive amending Directive 69/335/EEC concerning indirect taxes on the raising of capital (May)
COM(90) 94 final — DG XV — Mrs Scrivener

Main points of ESC Opinion**Commission position**

The Committee wants to abolish these taxes but realizes that this is currently impossible.
The Committee approves the proposal and has no comments.

The Commission shares this view.

24. Proposal for a Council Regulation establishing a European Training Foundation (April)
COM(90) 15 final/3 — Task Force for Human Resources — Ms Papandreou by agreement with Mr Andriessen and Mr Schmidhuber

Main points of ESC Opinion**Commission position**

The Committee approves of and recognizes the urgent need for such a Foundation. It calls for the mid-1990 deadline to be respected.

The regulation was adopted by the Council on 7 May. Since the question of the seat was not resolved, the Foundation has not yet been able to commence its activities.

The Committee suggests the establishment of national coordination offices in the funding countries.

This suggestion by the Committee was not considered necessary in so far as it forms part of the Foundation's own activities.

Main points of ESC Opinion	Commission position
<p>The Committee believes that employers' organizations, trade unions and other parties concerned by education should be involved in the planning of projects at national level.</p>	<p>A new paragraph (8) has been added to Article 5 which provides for the involvement, where appropriate, of representatives of the two sides of industry in <i>ad hoc</i> sectoral working parties at Community level.</p> <p>Article 6 provides for a consultative college on which the circles concerned by training and the work of the Foundation and therefore the two sides of industry and the international organizations concerned will be represented.</p>
<p>The ESC calls for: cooperation with Cedefop via a joint coordination body on which the governing boards of the two institutions would be represented;</p>	<p>The Regulation expressly lays down that the Foundation will provide for the cooperation of other bodies, particularly Cedefop. The establishment of a bureaucratic body was therefore not considered necessary.</p>
<p>greater involvement of the two sides of industry;</p>	<p>The involvement of the two sides of industry is provided for on several occasions in the body of the Regulation.</p>
<p>cooperation to be extended to other Eastern European countries;</p>	<p>A political decision to this effect will have to be taken by the ministerial meeting of the Group of 24 and is expected for 4 July 1990.</p>
<p>the establishment of an advisory committee.</p>	<p>Provided for in article 6.</p>

25. Proposal for a Council Decision establishing a trans-European mobility scheme for university studies (Tempus) (April)
COM(90) 16 final/2 — Task Force for Human Resources — Ms Papandreou

Main points of ESC Opinion	Commission position
<p>The Committee: emphatically endorses the Tempus scheme;</p>	
<p>wants to ensure and establish practical arrangements for the involvement of the two sides of industry in activities conducted under the Tempus scheme;</p>	<p>Article 3b makes provision to this effect.</p>

Main points of ESC Opinion	Commission position
calls for a flow of information, possibly via national coordination bodies;	Article 6(2) makes provision to this effect.
wants to see the list of activities extended;	The priorities will be revised every year in the light of the requirements expressed by the eligible countries.
wants to encourage cooperation between universities in the East and the West.	Action 1 attached to the Decision makes provision for projects linking universities/enterprises in the eligible countries with partner establishments in at least two Community Member States.

26. Proposal for a Council Decision amending Decision 84/636/EEC establishing a third joint programme to encourage the exchange of young workers within the Community (April)
COM(90) 79 final — Task Force for Human Resources — Ms Papan-dreou

Main points of ESC Opinion	Commission position
1. The Committee subscribes to the Commission's approach concerning coordination between 'Youth for Europe' and exchanges of young workers.	The Commission accepts the points made in the ESC Opinion but could not take them into account owing to the rewording of the proposal for a Decision within the Council. The Commission will endeavour to take account of these comments, particularly points 1 and 3, when drawing up further proposals concerning exchanges of young workers.
2. The Committee approves of the one-year extension of the third programme.	
3. The Committee urges the Commission to encourage the participation of young workers from peripheral, disadvantaged and frontier regions.	
4. The Committee wants to link the activities carried out under the programme to the work on the reciprocal recognition of qualifications.	

27. Proposal for a Council Regulation on the statistical classification of economic activities in the European Community (May)
 COM(90) 1 final — SYN 241 — Statistical Office of the European Communities — Mr Christophersen

Main points of ESC Opinion	Commission position
The Committee calls for a Management Committee instead of an Advisory Committee.	<p data-bbox="576 375 1000 558">On 20 June 1990, the Council issued a joint position with a view to the adoption of the aforesaid Regulation. The main purpose of the amendments made to the Commission's original proposal is to impart greater clarity and precision to the text.</p> <p data-bbox="576 566 1000 812">When the joint position was adopted, the 12 Member States were also unanimous in calling for a Management Committee instead of an Advisory Committee. In view of this unanimity and the very specific nature of the Regulation, the Commission can exceptionally agree to the establishment of a Management Committee.</p>

JULY AND SEPTEMBER PLENARY SESSIONS

1. Last phase of the GATT/Uruguay Round negotiations (September)
 Own-initiative Opinion — CES 643/90 final — DG I — Mr Andriessen

Main points of ESC Opinion	Commission position
The main points are as follows: the agricultural problem, relations with Japan, participation of LDCs, relations with the United States.	The Commission, in its role as negotiator, will do its best to take into account the Committee's priorities and concerns.

2. Proposal for a Council Regulation extending to Bolivia, Colombia and Peru the generalized tariff preferences applied to certain products originating in the least developed countries and amending Regulations (EEC) Nos 3896/89, 3897/89 and 3898/89 of 18 December 1989 (September) COM(90) 254 final — DG I — Mr Matutes

Main points of ESC Opinion	Commission position
The Committee welcomes the idea of appropriate action in support of the international cooperation plan put forward by the Colombian Government, as well as exceptional assistance for the two other main Latin American drug-producing countries — Peru and Bolivia.	The Commission has taken account of the favourable opinion.

3. Economic situation in the Community in mid-1990 (July)
Own-initiative Opinion — CES 471/90 final — DG III — Mr Christophersen

Main points of ESC Opinion	Commission position
The Opinion does not diverge substantially from the Commission's own point of view.	The Commission takes the same view as the Committee as regards the main components of the economic analysis. It needs to be said, however, that the economic situation has changed considerably since July. The document does not contain any specific suggestions or requests to the Commission.

4. Proposal for a Council Directive on the wholesale distribution of medicinal products for human use (July)
COM(89) 607 final — SYN 229 — DG III — Mr Bangemann

Main points of ESC Opinion	Commission position
The Committee recommends restricting the Directive's scope to commercial distribution activities.	The Commission disagrees with the suggestion: the public health problems posed by non-commercial activities are the same.
The Committee proposes that authorization should be deemed to have been granted once the deadline for taking a decision has been passed.	This principle is incompatible with Community Directives on manufacture and marketing.
The Committee proposed adding some extra conditions for authorization.	The Commission will examine these conditions.

5. Proposal for a Council Directive on the labelling of medicinal products for human use and on package leaflets (July)

COM(89) 607 final — SYN 231 — DG III — Mr Bangemann

Main points of ESC Opinion	Commission position
In the Committee's view, the guidelines proposed by the Commission are too narrow and should be widened to cover all aspects of patient leaflets.	The Commission may prepare wider guidelines but does not intend to cover every aspect.
The Committee suggests that manufacturers of identical products listed in the same monograph should be required to use a standard leaflet.	The Commission may take up this suggestion although it would not make standard leaflets compulsory.
The Committee urges the Commission to ensure that consumers are involved in the drafting of guidelines.	The Commission will take account of this suggestion.
The Committee would like to see the Commission append to the Directive a list of substances highlighting those which induce hypersensitivity reactions.	This is not possible at this stage. However, the Commission will look into the possibility of drawing up such a list within the framework of the guidelines.

6. Proposal for a Council Directive widening the scope of Directive 65/65/EEC and 75/319/EEC on homeopathic medicinal products (September)

COM(90) 72 final — SYN 251 — DG III — Mr Bangemann

Proposal for a Council Directive widening the scope of Directive 81/851/EEC on homeopathic veterinary medicinal products (September)
COM(90) 72 final — SYN 252 — DG III — Mr Bangemann

Main points of ESC Opinion	Commission position
The Committee feels that the rules on labelling on homeopathic medicines should be aligned with legislation on other medicines.	This proposal raises certain difficulties because the therapeutic benefits of homeopathic remedies are not generally proven.
The Committee also feels that consideration should be given to the possibility of testing such methods according to the principles underlying homeopathic practice.	The Commission has asked homeopathic associations to devise common tests at Community level.

7. Proposal for a Council Directive concerning the legal status for the supply of medicinal products for human use (July)
COM(90) 607 final — SYN 230 — DG II — Mr Bangemann

Main points of ESC Opinion	Commission position
The Committee requests that: both renewable and non-renewable prescription drugs should be put in the same category;	The Commission may take up the first two suggestions in the Opinion, depending on the outcome of further technical consultations.
any decision to make a change in legal status should be substantiated;	The Committee makes no specific proposals in this respect; the Commission will, however, consider the matter further.
terms such as 'indirect risk' and 'safety in use' should be spelt out in more detail.	

8. Proposal for a Council Directive amending Directive 70/220/EEC on the approximation of the laws of the Member States relating to measures to be taken against air pollution by emissions from motor vehicles (July)
COM(89) 662 final — SYN 240 — DG III — Mr Ripa de Meana and Mr Bangemann

Main points of ESC Opinion	Commission position
The Commission's proposal was approved without amendment.	The Commission has taken account of the favourable Opinion.

9. Proposal for a Council Directive on safety glazing and glazing materials on motor vehicles and their trailers

Proposal for a Council Directive on the masses and dimensions of motor vehicles of category M₁

Proposal for a Council Directive on pneumatic tyres for motor vehicles and their trailers (July)

COM(89) 653 final — SYN 236-237-238 — DG III — Mr Bangemann

Main points of ESC Opinion	Commission position
<i>Proposal for a Directive on glazing</i>	
1. Recognition of the ECE type-approval mark as an alternative to the EEC one.	1. Rejected: the proposal for a Directive is neither identical nor equivalent to ECE Regulation 43. Even if this were to be the case, the fact that the legal authenticity of the two texts is not the same constitutes an insurmountable legal obstacle.

Main points of ESC Opinion	Commission position
2. Allow for the possibility of fitting toughened windscreens.	2. Rejected: this type of windscreen not only poses severe safety problems but is also very little used by manufacturers, even in those Member States where it is not prohibited.
3. Provide for the fitting of 100 % plastic windows in the rear windows of convertibles, the side and rear windows of four-wheel-drive vehicles and the windows of caravans under conditions still to be defined which will guarantee a high degree of safety.	3. Reasonable request: if specifications for this material can be drawn up before the proposal is adopted, they will be added to the specifications already proposed. If they cannot be ready on time, they will be introduced by the Commission under the Committee procedure. In this latter case, the parts of the vehicles concerned will be excluded from the scope of the Directive if the material used is entirely made of plastic, so long as the relevant specifications are not ready for insertion in the Directive.
4. Preserve the regulatory role of the Committee on adaptation to technical progress.	4. Rejected: the procedure proposed for the Committee (i.e. advisory) is considered to be simpler and faster than the current procedure, and is in accordance with the provisions of the Single Act.
<i>Proposal for a Directive on tyres</i>	
1. Same point as 1 above.	1. Same position as 1 above (rejected).
2. Same point as 4 above.	2. Same position as 4 above (rejected).
3. Supplement the proposed specifications by references to tyres with a speed rating above 240 km/h.	3. Acceptable request.
<i>Proposal for a Directive on masses and dimensions</i>	
1. Same point as 4 above.	1. Same position as 4 above (rejected).

10. Implementing provisions for a European Regulation on the control of concentrations between undertakings (July)
 Additional Own-initiative Opinion — CES 730/90 final — DG IV — Mr Bangemann

Main points of ESC Opinion	Commission position
2.23, 2.24, 2.27: creation of a more flexible notification form.	1. Introduction of a clause allowing the Commission to dispense firms from submitting all the information requested by the form if such information is not essential to the investigation (Article 4(3) of Commission Regulation (EEC) No 2367/90). 2. Even if a company is unable to provide the information requested in the form, the form is none the less considered to be complete (paragraph A (a-b) of Form CO).
2.32: the effective date of the decision is the day when the decision was taken and not the day when it was notified to the parties.	Given the strict deadlines in the Regulation and the impossibility of guaranteeing immediate delivery of the documents, the draft remains unchanged. However, the Commission has taken account of the ESC Opinion and has adopted the practice of immediately notifying decisions to the firms concerned by fax or courier.
2.42: more detailed coverage of joint ventures.	In addition to its communication on cooperation and concentrations (OJ C 203/10, 14.8.1990), the Commission is preparing a further communication on joint ventures in general.
2.5.2 to 2.5.4: Commission notice on ancillary restrictions to concentrations.	The objective of market integration and the constraints imposed by the Court's decisions mean that the Commission is unable to take any action.

11. Proposal for a Council Directive on aid to shipbuilding (September)
 COM(90) 248 final — DG IV — Sir Leon Brittan

Main points of ESC Opinion	Commission position
1. Broadly favourable Opinion on the Commission proposal.	

Main points of ESC Opinion	Commission position
2. The Committee does not agree with the new wording of Article 4(3) on degressivity and recommends returning to the wording of the sixth Directive.	The principle of degressivity goes back to the sixth Directive and its mention in this proposal merely reinforces it. This is justified, in the Commission's view, since changes in the market and in prices suggest that degressivity can be applied, particularly in a short-term Directive. Moreover, it also shows the Community's partners in the negotiations on the elimination of obstacles to competition in the shipbuilding sector within the OECD that it is serious about reaching an agreement.
3. Extend the duration of the Directive to four years.	The Commission sticks to its two-year proposal. Market conditions can change so rapidly that it would be unwise to plan too far in advance.

12. Social developments in the Community in 1989 (July)
Own-initiative Opinion — CES/565/90 final — DG V — Ms Papandreou

Main points of ESC Opinion	Commission position
The Opinion highlights the progress achieved in the field of safety and health at the workplace and on occasional training.	The Commission has already presented to the Council of Ministers proposals for instruments dealing with various aspects of Community social policy as part of the action programme relating to the implementation of the Community Charter of Fundamental Social Rights for Workers.
The Committee suggest that the Commission: ● intensify efforts to speed up and enlarge the legislative process in the social area by interpreting as widely as possible the legal bases currently available under the EEC Treaty; ● speed up the adoption of Community measures in the non-typical work sector, in the field of information and consultation of workers, and in the social aspects linked to the award of public contracts.	Directives on non-typical work, and on health and safety already exist; for example, those on: ● the protection of pregnant women at the workplace; ● the adaptation of working time; ● medical treatment on board vessels; ● the protection of workers on mobile and temporary sites; ● the protection of workers from exposure to asbestos. The Commission has also adopted the report on employment which describes

Main points of ESC Opinion	Commission position
	<p>the present situation in the Community and outlines prospects for the future. It has also launched the third Community action programme on equal opportunities for women.</p> <p>By the end of 1990, the Commission should have presented proposals for instruments in the following areas:</p> <ul style="list-style-type: none"> ● transport of persons with reduced mobility; ● the drawing up of a trial contract of employment; ● minimum requirements for safety signs and health at the workplace; ● minimum requirements for increasing the protection of workers in mining industries; ● information and consultation of workers; ● working conditions applicable to workers who follow an undertaking to another Member State in order to provide services there.

13. Communication on the elderly (July)
COM(90) 80 final — DG V — Ms Papandreou

Main points of ESC Opinion	Commission position
Creation of a European network on innovative experiences for the elderly (Article 2.4 of the Opinion).	The Commission did not propose such a network for budgetary reasons. However, if Parliament votes an adequate budget, the Commission will lend its support to the creation of a network along the lines suggested by the Committee.
Consultation procedures (Article 2.6 of the Opinion).	Following the Council Decision of 13 July 1987 on comitology, the Commission is unable to accept this.
Title of the European Year (Article 2.7 of the Opinion).	Unacceptable. The Commission believes that both aspects—the elderly and solidarity—need to be brought out.

14. Proposals for Council Directives on certain special forms of employment (September)

COM(90) 228 final — SYN 280 and SYN 281 — DG V — Ms Papandreu

Main points of ESC Opinion	Commission position
<p>As regard working conditions:</p> <ul style="list-style-type: none">● the proposal should be based on Article 118a instead of Article 100;● regular reports on non-typical employment in all undertakings with more than 500 (and not 1 000) employees;● inclusion of the right to daily and weekly rest periods;● the limit on the renewal of temporary employment relationships should be reduced from 36 to 24 months. <p>As regards the proposal for a Council Directive supplementing the introduction of measures to encourage improvements in the safety and health at work of temporary workers: broad agreement.</p>	<p>The Commission is unable to accept these points.</p>

15. Proposal for a Council Directive amending Directive 83/477/EEC on the protection of workers from the risks related to exposure to asbestos at work (September)

COM(90) 184 final — SYN 256 — DG V — Ms Papandreu

Main points of ESC Opinion	Commission position
<p>Point 3.2.1: Prohibition on the use of crocidolite.</p>	<p>Rejected: the Commission's overall strategy on asbestos control is geared to restricting its use, not prohibiting it.</p>
<p>Point 3.2.2: Account should be taken of:</p> <p>(1) 'Chrysotile alone';</p> <p>(2) 'For all other cases (mixtures or other forms of asbestos)' as regards the fixing of action levels.</p>	<p>Rejected:</p> <p>(1) No difference between 'alone' and 'in the absence of other forms of asbestos';</p> <p>(2) the wording in the Commission proposal is clearer.</p>

Main points of ESC Opinion	Commission position
<p>Point 3.2.4: the wording of 'detachable or friable asbestos' needs to be clarified.</p>	<p>Suggestion taken into account: in negotiations with the Council and the Parliament, the Commission will try and arrive at a clearer wording.</p>
<p>Proposed formulation prohibiting situations in which the limit values are regularly exceeded.</p>	<p>Rejected: the purpose of fixing compulsory limit values is to ensure that they are not exceeded, so this addition is unnecessary.</p>
<p>Point 3.2.5: Prohibition of special provisions for SMEs and self-employed workers with regard to the removal of asbestos:</p>	<p>Suggestions partially taken into account:</p>
<p>(1) licensing and notification;</p>	<p>(1) the introduction of licensing for SMEs and self-employed workers would create additional administrative and financial problems. Prior notification of such activities might be acceptable.</p>
<p>(2) provisions concerning protective personal equipment;</p>	<p>(2) special provisions concerning protective personal equipment are described in the EP 1 Directive. There is no point in repeating them here.</p>
<p>(3) code of good practice for asbestos removal.</p>	<p>(3) The Commission will look into the possibility of drawing up a code of good practice for asbestos removal.</p>
<p>Point 3.2.7: a limit value of 0.5 for chrysotile instead of the 0.8 proposed by the Commission.</p>	<p>Approved: the Commission, during negotiations with the Council and Parliament, will look into the possibility of further lowering the limit values already proposed.</p>
<p>Clarification concerning the limit values for mixtures: mixtures in the product or in the air at the workplace?</p>	<p>Explanation: as regards mixtures, the calculation of limit values is based on the respective proportion of each of the components of the mixture when the latter is known. No other alternative is compatible with the measuring method given in the annex.</p>
<p>Point 3.3: With regard to the additional period for implementing the Directive in the case of asbestos mining activities, all workers should enjoy the same protection for the same period of time.</p>	<p>Rejected: the 1983 Directive provided for an additional period for mining activities and it is to this that the amending proposal refers.</p>

16. Proposal for a Council Directive on the minimum health and safety requirements for improved medical treatment on board vessels (September)

COM(90) 272 final — SYN 278 — DG V — Ms Papandreou

Main points of ESC Opinion	Commission position
3.1.1: Second 'whereas': should refer to the particular range of risks to the safety and health of seafarers on board ship.	This suggestion extends the scope of the Directive beyond medical facilities on board vessels.
3.1.2: Third 'whereas': the reference to disembarkation and diversions infers that these should be avoided because of their cost. It would be better therefore if that part of the sentence after 'treatment of the crew' were deleted.	There is no need to delete a reference to costly operations as it is a justification.
3.1.3: A (new) fifth proviso should be added as follows: 'whereas international standards in this field are contained in the ILO Convention No 164 (1987) concerning Health Protection and Medical Care for Seafarers, which has not yet been ratified by Member States.'	The Directive takes account of this Convention.
3.2: Article 5	Approval by the competent authority is acceptable.
3.2.1: Paragraph 1 should specify that the ship's medical guide shall be approved by the competent authority and should be consistent with the international recommendations in this field.	
3.3: Article 6	Such action is always possible and does not need to be mentioned specifically in the Directive.
3.3.1: One possible approach would be to collate all requests for medical advice received from seagoing ships by coastal radio stations. The Commission should be assisted in this respect by the Committee specified in Article 8.	
3.4: Article 7	This does not constitute an amendment. A Directive does not rule out the possibility of delegation but the phrase 'third parties' needs defining.
3.4.1: Member States may need to delegate annual checking of the State concerned to third parties since ships often trade a long way from their State of Registration.	

Main points of ESC Opinion	Commission position
<p>3.5: Article 8 3.5.1: It is essential that the Annexes should be updated in the light of technical progress but the Advisory Committee should only meet when changes of substance are proposed. The Joint Committee on Maritime Transport should also be consulted as appropriate.</p>	<p>The text regulating alterations to the Annexes complies with Committee procedures. The Joint Committee on Maritime Transport could be consulted but only in the case of transport vessels which make up only a proportion of the vessels covered by the Directive. No mention of 'obligatory' consultation should appear in the text of the Directive.</p>
<p>3.6: Annex 2 3.6.1: Medicines can only be listed by reference to the condition for which they provide treatment. 3.6.2: The quantities of each item of medical supplies to be carried by vessels in each of the four categories and for how many seafarers these quantities would suffice should also be specified.</p>	<p>The Commission has used this criterion in drawing up the proposal.</p> <p>The details requested will be provided, if necessary, under the procedure described in Article 8 of the Directive.</p>
<p>3.7: Annex 3 3.7.1: This Annex would be incomplete without a reference to the Medical First Aid Guide for use in accidents involving dangerous goods which contains detailed specifications of the substances in question.</p>	<p>This suggestion is covered by the provision in Article 5 (1).</p>
<p>3.8: Annex 4 3.8.1: This Annex should contain a reference to the ILO/IMO 'Document for guidance — an International Maritime Training Guide'. This contains syllabuses for medical training courses for seafarers as agreed by the Joint ILO/IMO Committee on Training in 1985 which now form part of the requirements of the ILO Convention.</p>	<p>The Directive already takes account of this Convention.</p>
<p>17. Proposal for a Council Directive amending Directive 72/461/EEC — health problems affecting intra-Community trade in fresh meat (September) COM(90) 175 final — DG VI — Mr Mac Sharry</p>	
Main points of ESC Opinion	Commission position
<p>The Committee issued a favourable Opinion (unanimous).</p>	<p>The Commission noted the favourable Opinion.</p>

18. Proposal for a Council Regulation amending Regulation (EEC) No 1696/71 on the common organization of the market in hops (July)
COM(90) 210 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion (unanimous).

The Commission noted the favourable Opinion.

19. Proposal for a Council Regulation laying down general rules — cheese and casein (July)
COM(90) 209 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion (unanimous).

The Commission noted the favourable Opinion.

20. Proposal for a Council Regulation laying down health rules for the placing on the market of minced meat and meat preparations (July)
COM(90) 671 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee issued a favourable opinion with some suggestions for technical improvements.

The Commission noted the favourable Opinion and took note of the suggestions.

21. Proposal for a Council Regulation laying down health rules for the placing on the market of raw milk and products (September)
COM(89) 667 final — DG VI — Mr Mac Sharry

22. Proposal for a Council Regulation laying down health rules for the placing on the market of meat products (September)
COM(89) 669 final — DG VI — Mr Mac Sharry

23. Proposal for a Council Regulation adopting health rules for the placing on the market of heat-treated drinking milk (September)
COM(89) 672 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee examined the above three proposals together and gave a favourable Opinion but with some reservations.

The Commission noted the favourable Opinion.

24. Proposal for a Council Regulation laying down the health conditions for the placing on the market of fishery products (September)
COM(89) 655 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

Favourable Opinion (unanimous), but with suggestions for additional measures.

The Commission noted the favourable Opinion and the Committee's suggestions.

25. Use of agricultural products in the non-food sector (September)
COM(89) 597 final — DG VI - Mr Mac Sharry and Mr Pandolfi

Main points of ESC Opinion

Commission position

The Committee approved the proposal with certain observations.

The Commission noted the support of the Committee and took account of its observations.

26. Proposal for a Council Regulation laying down the health conditions for the placing on the market of live bivalve molluscs (September)
COM(89) 648 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion

Commission position

The Committee supported this proposal.

The Commission noted the Committee's support and will bear its concerns in mind.

27. Proposal for a Council Regulation laying down health rules for the placing on the market of fresh meat (July)
COM(89) 673 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Committee supports the proposal in general but is concerned over the number of derogations possible.	The Commission noted the Committee's support and will bear its concerns in mind.

28. Proposal for a Council Regulation laying down health rules for the placing on the market of fresh poultrymeat (July)
COM(89) 668 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Committee approved the proposal.	The Commission noted the Committee's approval.

29. Proposal for a Council Regulation laying down health conditions for the placing on the market of fishery products (September)
COM(89) 645 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
Full support of the Committee but doubts over the timetable.	The Commission noted the Committee's support but maintained its proposed timetable.

30. Proposal for a Council Decision on conditions for granting derogations from health rules on marketing animal products (July)
COM(89) 670 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
Favourable Opinion by the Committee but some doubts over the time allowed for examination of derogation applications.	The Commission noted the favourable Opinion, together with the doubts expressed by the Committee.

31. Proposal for a Council Regulation amending Regulation No 136/66 on the market organization for oils and fats (September)
COM(90) 270 final — DG VI — Mr Mac Sharry

Main points of ESC Opinion	Commission position
The Committee approved the proposal but called for a substantial increase in aid.	The Commission noted the Committee's approval but did not amend its proposal on the lines requested.

32. Proposal for a Council Decision on setting up information and rural development initiatives (Miriam) (September)
COM(90) 230 final — DG VI — Mr Mac Sharry and Mr Dondelinger

Main points of ESC Opinion	Commission position
The Committee gave a favourable Opinion but felt that the funding was insufficient.	The Commission noted the Committee's support but declined to increase funding as the amounts proposed were intended to help launch the information centres which should become financially viable.

33. Opinion on the Commission communication on a Community railway policy, together with the following proposals:

1. Council Directive on the development of the Community railways;
 2. Regulation of the Council amending Regulation (EEC) No 1191/69;
 3. Council Decision concerning the establishment of a network of high-speed trains;
 4. Council Directive amending Directive 75/130 (July)
- COM(89) 564 final — DG VII — Mr Van Miert and Mr Bangemann

Main points of ESC Opinion	Commission position
The points raised by the ESC Opinion: Proposal 1 <i>Articles 4, 2(1) (c) and 8:</i> The ESC feels that the separation of infrastructure management and operational activities will not be easy to achieve on all the Community rail networks: it is necessary to draw a strict accounting distinction between infrastructure and operation: the ESC thinks that the second sentence of Article 4 can be deleted ('adds nothing').	Negative This should be worked out in practice and the sentence is useful.

Main points of ESC Opinion	Commission position
<p><i>Article 6:</i> 'This article should be reworded', says the ESC, it is added that external costs should be included.</p>	<p>Negative No policy proposals yet made — may have to be examined.</p>
<p><i>Article 7:</i> 'Add a new indent dealing with the drawing up of a budget', proposes the ESC.</p>	<p>Negative Reference to the budget is not necessary.</p>
<p><i>Article 9(4):</i> The ESC prefers that 'Member States must' instead of 'may'. Article 9(1) lays down that 'Member States shall ensure...', and § 4 establishes that 'as so far as may be required to comply with § 1... (they) may...'</p>	<p>Negative 'As so far as may be required', this 'may' means 'must' in practice.</p>
<p><i>Article 13:</i> The ESC wants a sentence to be added requiring Member States to repeal any laws which contradict the new arrangements. The present wording requires Member States to bring into force the measures necessary to comply with the Directive.</p>	<p>Negative This provision would appear superfluous.</p>
<p>Proposal 2</p>	
<p><i>Recommendation</i> The ESC recommends that the Commission study and draw up measures extending the concept of public service in transfrontier relations, in particular to include transfrontier services in urban or neighbouring areas.</p>	<p>Can be examined.</p>
<p>Proposal 3 Proposed a pool of experts for the Committee established in Article 3.</p>	<p>Negative The Council Resolution of December 1989 has already set up the Committee.</p>

34. Proposal for a Council Decision on commercial policy in the field of aviation relations with third countries (September)
COM(90) 17 final — DG VII — Mr Van Miert (in association with Mr Andriessen, Mr Marin and Mr Matutes)

Main points of ESC Opinion	Commission position
Paragraphs 2.6 and 3.4.2: Community negotiations only in exceptional cases.	Rejected. The Commission has proposed a transitional period during which the Community would take responsibility in certain well-defined cases but when the internal market for aviation is completed, Member States can no longer negotiate individually.
Paragraphs 2.7 and 3.1: The legal basis should be Article 84 § 2.	Rejected. Article 113 of the Treaty deals with commercial policy. This is a dynamic notion. Trade in services (aviation) should now be considered as part of commercial policy.
Paragraph 4.3: Priority for negotiations with Norway and Sweden.	Approved. Negotiations are presently being conducted, taking account of the remarks made by the ESC.

35. Proposal for a Council Regulation (EEC) on the introduction of the final regime for the organization of the market for the carriage of goods by road (September)
COM(90) 64 final — DG VII — Mr Van Miert

Main points of ESC Opinion	Commission position
A 'perfect but simple' monitoring system is needed if the crisis mechanism is to work properly.	The Commission believes that the proposed market observation system is satisfactory.
Measures should be drawn up in consultation between all parties involved (Commission, road-haulage employers and workers), which could immediately enter into force in the event of a crisis.	Consultation with the Commission and the Member States is foreseen; negative position to include consultation with road-haulage organizations.
It must be decided, following discussion by the various parties involved, who is to bear the costs of any necessary crisis measures.	Negative position. It is not possible to indicate in advance who will bear these costs since everything depends on the nature, the content and the scope of the crisis which are not known in advance.

36. The Channel Tunnel and its transport policy implications (September)

Own-initiative Opinion — CES 623/90 final — DG VII — Mr Van Miert

Main points of ESC Opinion

Commission position

The Committee describes the Channel Tunnel as a project of undoubted Community interest, particularly within the context of the completion of the internal market and the common transport policy.

The Commission will take account of the Committee's recommendations.

All the authorities concerned, and especially the Commission, should do all in their power, both technically and financially, to bring the project to a successful conclusion.

37. Commission communication to the Council accompanied by two proposals for Council Decisions relating to an action programme to promote the development of the European audiovisual industry — 'Media', 1991-95 (September)

COM(90) 132 final — DG X — Mr Dondelinger

Main points of ESC Opinion

Commission position

The Committee welcomed the Commission's proposals.

The Commission welcomed the Committee's support.

The Committee feels that funds should be increased.

The Commission is happy to note this request.

The Committee refers to uncertainty concerning the financial management of the programme.

Management entails advances on income, which will be refunded to the management bodies to provide further funds.

Trainees should not be restricted to the development of commercial and business management skills.

Other types of vocational training are included in the programme guidelines.

Decisions regarding the choice of projects and their funding should be made by the Commission once the Advisory Committee has given its approval in principle.

Support for the Commission's position as against the Council's.

38. Proposal for amending Directive 76/46/EEC on dangerous substances in the aquatic environment (July)
COM(90) 9 final — DG XI — Mr Ripa di Meana

Main points of ESC Opinion

Commission position

The Committee indicated a favourable view of the proposal: the suggestion was made to extend the 16 substances enumerated in Article 2.

The Commission will take care of the extension to other substances in follow-up Directives to 86/280/EEC.

39. Proposal of a Council Regulation concerning substances that deplete the ozone layer (September)
COM(90) 3 final — DG XI — Mr Ripa di Meana

Main points of ESC Opinion

Commission position

The Committee is generally favourable towards the proposal but advocates:

- more flexibility regarding the derogations in the final phase of the eliminations of CFCs;
- automatic interchanges between imports and purchases on the EC market;
- a programme dealing with social and economic consequences for user industries.

The Commission takes account of the first suggestion in the discussions in the Council and will examine the second and third when more information is available during the implementation of the Regulation.

40. Final seventh amendment to Directive 67/548/EEC on the classification, packaging and labelling of dangerous substances (September)
COM(89) 575 final — DG XI — Mr Ripa di Meana

Main points of ESC Opinion

Commission position

The Committee Opinion is generally favourable but suggests the following changes:

- (a) the requirement that outside manufacturers designate a single representative for notification is not liked especially by chemical traders;
- (b) the testing requirements for small quantities are too high;
- (c) the exemptions should be extended to make it easier on industry.

The Commission is prepared to consider introducing the possibility of identifying a single representative as an option. However, the majority of the ESC proposals concerning testing requirements and exemptions are unacceptable.

41. Council Regulation on action by the Community for the protection of the environment in the Mediterranean region (September)
COM(89) 598 final — DG XI — Mr Ripa di Meana and Mr Millan

Main points of ESC Opinion	Commission position
<p>The Committee welcomes the Commission's proposal. However it would like to see the following comments reflected in the text:</p> <ul style="list-style-type: none">need for a global strategy;the action proposed is basically curative;complementarity with Envireg;inadequacy of financial resources requested;environmental protection criteria should be incorporated into the financial protocols between the EC and non-EC Mediterranean countries;more precise definition of the area covered by the programme;possibility of support for areas not listed in the Annex.	<p>The Commission has taken note of some of the suggestions (definition of a global strategy and the preventive nature of the programme): it intends to look into these aspects and to adjust the programme accordingly. As regards the other points (complementarity with Envireg, closer participation with Mediterranean countries in the Committee's decision-making process, intervention in areas other than priority areas), the Commission notes that the Committee's proposals have much in common with the views expressed by the Council. While the Commission agrees with the point about financial resources, the final decision must rest with the budgetary authorities.</p>

42. 1992: the environmental dimension — Environmental policy and the single European market (September)
Own-initiative Opinion — DG XI — Mr Ripa di Meana

Main points of ESC Opinion	Commission position
<p>The Committee broadly welcomes the report. Specifically, the Committee calls for:</p> <ul style="list-style-type: none">(a) a review of environmental policy instruments, to extend the use of economic instruments with continued support of regulatory measures;(b) measures to promote environmental awareness. <p>The Committee urges that its conclusions on the 1992 Task Force Report be taken into account in the development of a fifth environmental action programme, and in a review of Treaty provisions, with respect to:</p> <ul style="list-style-type: none">the relationship between Articles 100a and 130r <i>et seq.</i>;extension of majority voting;land-use planning;subsidiarity.	<p>The Commission welcomes this Opinion as a helpful contribution to the continuing discussions of Community environmental policy following completion of the internal market.</p> <p>In particular, the Commission strongly supports the further development of economic instruments in environmental policy, and will shortly draw up specific proposals in this connection.</p>

43. Proposal for a Council Decision amending Decision 89/118/EEC on a European stimulation plan for economic science (1989-92) (SPES) (September)

COM(90) 179 final — DG XII — Mr Pandolfi

Main points of ESC Opinion

Commission position

The Committee approves the Commission's proposal. However, it notes that there is a clear geographic imbalance in the distribution of the research contracts granted under SPES. In addition, SPES should be used to help prepare an inventory of the resources available in the field of economic research in the Community and to encourage a Community-wide debate on the EC's main socio-economic problems and to help determine the most relevant lines of research and the subjects to be studied at secondary and university level in all Member States.

The Commission will ensure that economists in peripheral regions contribute significantly to the SPES programme. Regarding the other two points, the Commission fails to see any cost/benefit advantage and it would, in any case, be exceeding its powers if it were to take such initiatives, for example, in the field of education.

44. Proposal for a Council Decision adopting a specific research and technological development programme in the field of human capital and mobility (September)

COM(90) 165 final — DG XII — Mr Pandolfi

Main points of ESC Opinion

Commission position

By and large, the Committee approves the Commission's proposal.

The Commission welcomes the Committee's broadly positive Opinion. It will look closely at its suggestions during subsequent negotiations with the other institutions.

The Committee's main concerns were:

- the future of Science, SPES and the 'large-scale facilities' plan which should be extended beyond 1992;
 - training at doctoral level which is provided for in Annex 2 to the framework programme. The Committee would like to have clarification on this matter;
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Main points of ESC Opinion

Commission position

- the pursuit of training activities under each specific programme (a major concern);
- the desirability of having a re-examination of the programme in 1992, since the programme could not be initiated before 1 January 1991 at the earliest. The Committee again noted that it was not listed among the recipients of the interim review or final assessment (Article 5 of the proposal);
- the danger of the programme speeding up the 'brain drain' towards the more prosperous and developed regions of the Community.

45. Proposal for a Council Decision adopting a specific research and technological development programme in the field of agriculture and agro-industry (1990-94) (September)
COM(90) 161 final — DG XII — Mr Pandolfi

Main points of ESC Opinion

Commission position

The Committee's Opinion is somewhat critical.

Although the Committee 'agrees that there is a need for a specific research and technological development programme in the fields of agriculture and agro-industry', it considers that 'the Commission proposal does not seem tailored to this need. The proposal seems too generic and all-embracing'. Furthermore, the Committee considers that more attention ought to be paid to the interests of the final consumer.

The Committee believes that it is vital to define the links and possible synergies between Flair, Eclair, agricultural research, Bridge and Phare.

Since the programme covers such a wide range of research areas, it is difficult to see how a technical annex as detailed as the Committee wants could be included. The technical annex is designed more as a 'framework' for the work programmes, it being these which contain all the details. However, the Commission notes the Committee's observations.

The Commission fully shares the Committee's concern for the final consumer but believes that its proposal takes them sufficiently into account.

The Commission is aware of the links between the different programmes and will make sure that there is no overlapping.

46. Proposal for a Council Decision adopting a specific research and technological development programme in the field of the environment (1990-94) (September)

COM(90) 158 final — DG XII — Mr Pandolfi

Main points of ESC Opinion

Commission position

The Committee is very much in favour of the Commission's proposal and particularly welcomes its innovative character. Its only criticism concerns the amount of detail in the technical annex.

The Commission welcomes the Committee's favourable Opinion. Some of its comments concerning the technical annexes may be taken into account at a later stage during negotiations with the other institutions.

47. Proposal for a Council Decision adopting a specific research and technological development programme in the field of marine science and technology (1990-94) (September)

COM(90) 159 final — DG XII — Mr Pandolfi

Main points of ESC Opinion

Commission position

While welcoming the Commission's proposal, the Committee would point out:

- the need for a 'reasonable balance' between projects in the northern maritime regions and those in southern seas;

- its concern that projects should not be limited too rigidly to 'precompetitive research'.

The Commission duly notes the Committee's comments. The extension of the programme's geographical coverage has been made in response to a suggestion the Committee made in its Opinion on MAST I.

48. Proposal for a Council Decision adopting a specific research and technological development programme in the field of life sciences and technologies for developing countries (1990-94) (September)

COM(90) 163 final — DG XII — Mr Pandolfi

Main points of ESC Opinion

Commission position

The Committee's Opinion is highly favourable to the Commission's proposal.

The Commission welcomes the Committee Opinion.

49. Proposal for a Council Recommendation on the coordinated introduction of digital European cordless telecommunications in the Community
 Proposal for a Council Directive on the frequency bands to be designated for the coordinated introduction of digital European cordless telecommunications in the Community (September)
 COM(90) 139 final — DG XIII — Mr Pandolfi

Main points of ESC Opinion	Commission position
<p>The Committee points out that the quality of the services provided must be equivalent in all the EC Member States and this requires a high level of staff training. In addition, it is absolutely essential to guarantee the confidentiality of communications.</p> <p>The Committee calls upon the Commission to explain more fully the term 'full roaming'.</p>	<p>The Commission notes the Opinion in its entirety.</p>

50. Proposal for a Directive on the prevention of use of the financial system for the purpose of money laundering (September)
 COM(90) 106 final — DG XV — Sir Leon Brittan

Main points of ESC Opinion	Commission position
<p>To use as the legal basis of the proposal Articles 100, 100a or 235 of the Treaty.</p> <p>To limit the scope of the proposal to laundering of proceeds of drug-related offences.</p>	<p>Although the Commission Legal Service's opinion is that the present legal basis (Article 57, 2, third sentence) is sufficient and appropriate, the Commission can examine the possibility of widening the legal basis of the proposal to include also Article 100a.</p> <p>The Commission believes that the proposal should cover laundering arising from all serious crime, in order to preserve the integrity and stability of the financial system. At the same time the practical difficulties for financial institutions employees in distinguishing between different types of criminal activities must be considered.</p>

Main points of ESC Opinion	Commission position
To take account of the practical difficulties with identifying beneficial owners in the case of the clearing system.	The Commission can consider the possibility of exempting clearing houses from identification of beneficial owners when their customers are financial institutions authorized in the Community and subject to the Directive.
The Committee suggests that the clause lifting responsibility from employees and directors of credit and financial institutions when disclosing information should be extended to credit and financial institutions themselves.	The Commission is ready to examine the possibility of such an extension.
The Committee highlights the importance of providing adequate protection for innocent customers in cases of damage arising from unfounded suspicions.	The Commission is aware of this issue and is considering how best to avoid potential damages in such cases.

51. Outlying island regions (Regis) (May)¹

Own-initiative Opinion CES/477/90 final — DG XVI — Mr Millan (in agreement with Mr Christophersen, Mr Mac Sharry and Ms Papanreou)

Main points of ESC Opinion	Commission position
2.5: Additionality 3.3: With exemplary measures	Provided for under Regis: diversification, cooperation with neighbouring third countries.
2.6: Complementarity with the CCAs by linking measures together.	This cannot be considered until the operational programmes are agreed.
3.5: Aid for tropical crops (bananas, pineapples, flowers).	This is covered by Regis although the emphasis is on diversification of activities.
3.6: Measures for the fisheries sector.	Not covered by Regis since the fisheries sector is not financed under the structural Funds.
3.8: Need for vocational training measures concerning new technologies, language-learning and the hotel industry.	Covered by Regis. Conclusion: partial agreement with observations.

¹ Communication C/90/562 was adopted by the Commission on 25 July 1990.

52. Regional research, technological and innovatory capacity (Stride) (May)¹

Own-initiative Opinion CES/556/90 final — DG XVI — Mr Millan (in agreement with Mr Christophersen, Mr Mac Sharry and Ms Papandreou)

Main points of ESC Opinion	Commission position
The Committee welcomes the proposals.	The Commission notes the favourable Opinion.

53. Own-initiative Opinion — Interreg (May)¹

CES 480/90 final — DG XVI — Mr Millan (in association with Mr Christophersen, Mr Mac Sharry and Ms Papandreou)

Main points of ESC Opinion	Commission position
2.2.4: Participation of social partners at local level.	Envisaged in the establishment of the observatory on cross-border cooperation under Article 10.
2.3: Need for clarity in coverage of the initiative.	Annexes 1 and 2 have been added to the Opinion listing precisely the regions concerned.
3.0: The regional and local authorities in border regions should be closely involved.	Paragraph 5 of the Opinion now provides for this.
3.0: Priority should be given to proposals submitted jointly.	Paragraph 6 of the Opinion has been amended accordingly.
3.0: Special emphasis should be given to cross-border structures.	Paragraph 18 now gives special mention of the structures.

54. European Regional Development Fund: 14th Annual Report (1988) (July)

COM(90) 136 final — DG XVI — Mr Millan

Main points of ESC Opinion	Commission position
The report does not contribute to the reform process — point 1.2 of the Opinion.	The 14th report covers 1988 and the reform of the structural Funds which entered into force on 1 January 1989. Nor should 1988 be assessed in the context of such a reform; it would appear that there is some confusion

¹ Communication C/90/562 was adopted by the Commission on 25 July 1990.

Main points of ESC Opinion	Commission position
The ratio between the level of infrastructure provision for each region and the level of infrastructure projects financed by the ERDF — point 3.4 of the Opinion.	with the transitional provisions applicable in 1989 which are provided for under Article 15 of Regulation No 2052/88. None the less, it was agreed that the last chapter of the report could usefully set out the main principles as they appear through a study of the regulations drawn up during the course of 1988 . The same misconception is apparent in point 2.3 of the Opinion concerning the lack of synergy between the structural Funds.
The ratio between Community programmes and NPCs — point 3.5 of the Opinion.	The place for this type of analysis is not the ERDF report but rather the periodic report on changes in the socio-economic situation of the Community's regions (the fourth issue of which should be published before the end of 1990).
Future annual reports — point 4.5 of the Opinion.	The ratio criticized herre reflects the intentions of the authors of Regulation No 1787/84 since this was the figure mentioned in the statements annexed to the minutes of the Regulation.
	Under the legislation which entered into force on 1 January 1989, there is no provision for a report on the ERDF to the Committee.

55. Tourism and regional development (September)

Own-initiative Opinion — CES 716/90 final — DG XVI — Mr Millan

Main points of ESC Opinion	Commission position
5.3.2: Need to double the resources of the structural Funds to be used to influence investment in tourist facilities in the directions set out in the Opinion.	Investment that directly or indirectly benefits the tourist industry already accounts for a large proportion of structural Fund actions, especially under the ERDF. Consequently, there is no obvious need to double resources in the future, although that is not to say that Community action in this area may not be extended if justified within the context of a sustained regional development strategy.

Main points of ESC Opinion**Commission position**

5.3.3: In this respect, the Committee is confident that attainment of this objective will be assisted by the new programming procedures (Community support framework, pluri-annual operational programmes, etc.).

Tourism is already a top or secondary priority in all the CSFs or regions covered by Objective 1 and in several CSFs under Objective 2. Total Community aid to tourism is estimated at around ECU 1 600 million in the regions covered by Objective 1 for 1989-93, and ECU 270 million in regions covered by Objective 2 for 1989-91.

5.3.4: Tourist interest needs to be taken much more seriously into consideration through framework plans in each tourist area. These should be a prerequisite for assistance from EC structural Funds.

Making the existence of regional framework plans for developing tourism a precondition of Community assistance for tourism would put an unnecessary burden on the procedures regulating the grant of Community aid. The negotiation of Community support frameworks has already led to tourism being included in the overall regional development strategy and to identification of the kinds of tourist investment for which Community assistance is appropriate.

**56. Commission communication to the Council on the new Commission approach to excise-duty rates (July)
COM(89) 551 final — DG XXI — Mrs Scrivener**

Main points of ESC Opinion**Commission position**

Points 3.1 to 3.7: The Commission communication requires substantial modifications. Minimum and maximum rates need to be fixed within mandatory bands although, in general, the minimum rates proposed by the Commission are too high.

The Committee Opinion does not add anything new to its 1988 Opinion on excise duties. In order to gain a more accurate and detailed assessment of the proposals on rates, the Commission lodged four proposals for Directives on 19 September 1990 covering the holding and circulation of products liable to excise duty, as well as the structure of excise duties on alcoholic beverages, mineral oils and manufactured tobacco.

57. Amended proposals for a Council Directive on the approximation of taxes on cigarettes and on the approximation of taxes on manufactured tobacco other than cigarettes (July)
COM(89) 525 final — DG XXI — Mrs Scrivener

Main points of ESC Opinion

A general, coherent policy on tobacco is clearly lacking. Current fiscal policy is tending to reduce the consumption of Community tobacco without, however, discouraging imports.

The Commission's proposals penalize cheaper brands. They are unacceptable because they would have adverse effects on Community tobacco production.

Commission position

The Opinion has not led the Commission to modify the excise-duty rates on manufactured tobacco given that they were fixed by reference to the requirements of public health, the common agricultural policy, and budgetary revenue.

The Commission believes that the Committee Opinion is too favourable to southern European Member States while the rates proposed by the Commission take into account both the situation of Member States with low excise-duty rates and those of other Member States so that a reasonable effort is called for from everyone.

58. Commission proposal on the approximation of the rates of excise duty on mineral oils (July)
COM(89) 526 final — DG XXI — Mrs Scrivener

Main points of ESC Opinion

The Committee approves the proposal overall. There would seem to be a case for harmonizing excise duties on mineral oils at the lowest possible level, bearing in mind Member States' budgetary requirements.

Commission position

The Commission agrees with the Committee's overall Opinion as regards the objectives concerning mineral oils. The Commission will not, however, be modifying the excise duty rates on mineral oils since they are fixed by taking into account not only budgetary requirements, but also transport and environmental requirements. The arrangements to be applied in respect of mineral oils are set out in the proposal for a Directive on the movement of goods subject to excise duty and the one concerning the structure of the excise duty on mineral oils.

59. Amended proposal for a Council Directive on the approximation of the rates of excise duty on alcoholic beverages and on the alcohol contained in other products (July)

COM(89) 527 final — DG XXI — Mrs Scrivener

Main points of ESC Opinion	Commission position
<p>The proposals to fix minimum rates and recommend target rates, without any obligation to converge, are not commensurate with the aim of harmonization.</p>	<p>The Commission will not, however, be modifying the excise duty rates on alcoholic beverages since they are fixed by taking into account not only budgetary requirements, but also transport and environmental requirements.</p>
<p>The rules on customs warehouses, methods of collecting taxes, etc., need to be considered in a detailed assessment of the proposal.</p>	<p>Rules on customs warehouses, methods of collecting taxes, etc., are set out in the proposal on the movement of goods subject to excise duty and the proposal concerning the structure of the excise duty on alcoholic beverages.</p>

60. Proposal from the Commission to the Council on transitional arrangements for taxation with a view to establishment of the internal market (September)

COM(90) 182 final — DG XXI — Mrs Scrivener

Main points of ESC Opinion	Commission position
<p>3.1 — 3.9: Problem of a transitional period.</p>	<p>The Commission has devised a balanced transitional solution to facilitate prompt adoption of its proposals for the elimination of fiscal frontiers.</p>
<p>3.5 to 3.7: Duration of the transitional period and automatic application of the definitive arrangements.</p>	<p>The Commission is glad that the Committee approves its position on a limited transitional period.</p>
<p>3.10: Convergence of rates needed before the definitive arrangements come into force.</p>	<p>A closer approximation of rates is desirable but is not an indispensable prerequisite, nor is it essential to the effectiveness of the final system.</p>
<p>3.12: Problem of special transitional arrangements.</p>	<p>Special arrangements are intended to counteract the danger of differential rates during the transitional period distorting competition. In this context, the definitions given are specifically addressed at the targeted objective.</p>

Main points of ESC Opinion	Commission position
3.13: Extension of the scope of the special arrangements for mail-order sales.	The Commission does not propose taxing all distant sales to final consumers in the country of destination — only those in which the differences of rates are especially marked.
3.11: Socio-economic and political conditions needed to implement a definitive system.	<p>In practice, this concerns sales made by specialist intra-Community mail-order firms. The Commission considers these to include firms selling through mass-produced catalogues (whatever their form) and whose mail-order turnover with all Member States combined exceeds ECU 1 million.</p> <p>Otherwise, the transitional system would lose one of its most dynamic components ensuring that the process of abolishing tax frontiers is irreversible. Intra-EEC purchases, which are taxes paid once and for all in the Member State of origin promote convergence of rates and the integration of national economies.</p>
3.14: Intra-Community VAT arrangements for SMEs.	The application in intra-EEC relations of the relief for SMEs necessitates a rapid adoption of the proposal for the 22nd VAT Directive.
Special purchasing arrangements for exempt persons.	<p>The definition of exempt activities within Member States has already attained a high degree of harmonization since an exhaustive, common list of definitive exemptions is given in the Sixth Directive (Article 13).</p> <p>Some of the exemptions granted were recently abolished following the adoption of the 18th VAT Directive. The remaining exemptions will be reconsidered by the Council before 1 January 1991 on the basis of a Commission report which will define the exemptions which should be abolished. In any event, the proposal concerning transitional arrangements provides for the abolition, as at 1 January 1993, of the remaining exemptions. Any exemptions</p>

Main points of ESC Opinion

Commission position

Conclusions

4.1: Favourable Opinion of the Committee.

4.2: Fiscal harmonization prospects in the field of direct taxation.

4.3 and 3.15: Budgetary losses by Member States which are net importers as a result of definitive taxation in the country of origin of purchases by operators acting as final consumers.

4.4: Minimizing the scope of VAT fraud.

which are maintained, providing they do not disturb the efficient running of the transitional and definitive arrangements, will be maintained on a new legal basis. Their maintenance does not pose any problems as regards the taxation options of Member States.

The Commission welcomes the Committee's report.

Double taxation on firms is the direct taxation equivalent of the fiscal checks and formalities carried out when goods cross intra-EC frontiers. Considerable progress is now being made in eliminating such double taxation with the Council's recent adoption of three proposals presented by the Commission.

The transitional VAT arrangements which, in accordance with the Council's wishes, will operate without any compensation mechanism, cannot materially affect the budget of Member States. Since the principle of taxation in the country of destination accounts for a large share, the proceeds of the tax will be allocated to the country of consumption.

The Commission has tried to minimize fraud through special taxation mechanisms and compulsory statements. In addition, the proposal for a Regulation contained in COM(90) 183 aims to promote administrative cooperation between Member States, this being a key element in combating fraud.

61. Proposal for a Council Regulation (EEC) concerning administrative cooperation in the field of indirect taxation (September)
COM(90) 183 final — SYN 275 — DG XXI — Mrs Scrivener

Main points of ESC Opinion

Commission position

Proposal to amend the legal base from Article 100a to Article 99 of the Treaty.

Proposal for a Directive to replace a Regulation as the most appropriate instrument.

(Subject to these salient points the Committee endorses the Commission's proposal.)

After consultation with the Commission legal service the Commission maintains its position of Article 100a as the legal base and a Regulation as the most appropriate instrument.

62. Businesses in the 'social economy' sector — Europe's frontier-free market (September)

Own-initiative Opinion — CES 451/90 final — DG XXIII — Mr Cardoso e Cunha

Main points of ESC Opinion

Commission position

3.4: Given that the European Economic Interest Grouping (EEIG) proposes a very flexible, but also limited, cooperation instrument and that some mutual/cooperative-sector enterprises would have great difficulty (in terms of both access and compatibility with their principles) in using this vehicle, the Committee feels that there is still no legal instrument enabling these enterprises to improve their international cooperation and satisfactorily promote their integration into the Community.

Proposal for drawing up, under the 91 priorities, one or more European statute(s) for the cooperative, mutual and associative sector.

63. Commission proposal for a Council Decision modifying the Council Decision 85/360/EEC of 16 July 1985 on the restructuring of the system of agricultural surveys in Greece (July)

COM(90) 192 final — Statistical Office of the European Communities — Mr Christophersen in association with Mr Mac Sharry and Mr Schmidhuber

Main points of ESC Opinion

Commission position

The Committee supports the Commission's proposal, but regrets that the share of Community participation has not been increased to 75%.

The two-thirds participation rate was jointly agreed upon between Eurostat and the Greek services. The two-thirds-participation rate was also the maximum rate possible in order to reach at least a qualified majority with the Council. The Commission welcomes the support of the ESC.

64. Amended proposal for a Council Regulation (EEC) on the statistics relating to the trading of goods between Member States (September)

COM(90) 177 final — SYN 181 — Statistical Office of the European Communities — Mr Christophersen

Main points of ESC Opinion

Commission position

The Commission's proposal has been approved by the Committee.

Despite some reservations about the Inostrat proposal, the report is a valuable contribution to the discussion still under way.

The comments of the ESC will be considered at a later stage when the Council resumes its discussion of the matter. The Commission is very much aware of the points raised in the Opinion, nevertheless Eurostat cannot support all the suggestions, most notably the call for the creation of a committee with managerial instead of only advisory powers.

65. Proposal for a Council Decision adopting a four-year programme (1990-93) to develop regular official statistics on the environment (September)

COM(90) 319 final — Statistical Office of the European Communities — Mr Christophersen, Mr Ripa di Meana and Mr Schmidhuber

Main points of ESC Opinion

Commission position

The Committee unanimously adopted a favourable Opinion and called for the programme to be swiftly implemented. It agreed with the aims and the choice of the nine priority areas for 1990-1993.

In the Committee's view, the programme has a vital part to play in ensuring that the European Environment Agency operates efficiently and in preventing long delays on the part of the Community and the Member States in this area.

The Committee hopes that the programme will be implemented rapidly and notes that the funds earmarked will help speed up the process. It reminds the Commission that in its previous Opinions it said that a genuinely European network of information on the environment was urgently needed so that environmental parameters could be incorporated in the economic methodology.

Agreement with the comments on the programme, especially:

(a) the transmission of reports on the implementation of the programme to the Committee;

(b) the inclusion of environmental statistics in industrial and agricultural surveys and their linkage with transport and energy statistics;

(c) the strengthening of cooperation with other international bodies (UN, OECD and the World Bank) and bodies being set up in Central and Eastern Europe such as the Regional Center for the Environment in Budapest.

The Commission appreciates the Committee's support.

66. Proposal for Council Decision amending Decision 89/45/EEC on a Community system for the rapid exchange of information on dangers arising from the use of consumer products (July)

COM(90) 172 final — SPC — Mr Van Miert in agreement with Mr Bangemann

Main points of ESC Opinion

Commission position

The proposals for amending Decision 89/45/EEC received overall approval from the Committee although it would prefer to see the reference to the continuation of the present system 'for an unlimited period' replaced by 'until such time as the Product Safety Directive comes into force'. In the mean time, the Committee recommends a further expansion and acceleration of appropriate, effective and fair means of recalling products.

The proposal for amending the Decision was approved by Coreper on 28 June 1990. The latter also agreed to extend, on the same terms as before, the system for the rapid exchange of information until the date when Member States have to comply with the Directive on the approximation of laws, regulations and administrative provisions of general product safety. The decision was adopted as an 'A' item at the Council meeting of Ministers for Research on 29 June 1990.

The Commission text also included the report on the rapid exchange of information and the Committee commends the Commission's critical appraisal and suggests wider publication than in the Official Journal alone. It stresses that the obligation of producing a Report at least every two years must be fulfilled.

The Commission will take steps to give wider publicity to the report, while respecting the confidentiality of the system.

67. Proposal for a Council Directive on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs (September)

SEC(89) 2151 final — SYN 235 — SPC — Mr Delors in association with Mr Van Miert and Mr Dondelinger

Main points of ESC Opinion

Commission position

The Committee issued a favourable Opinion and requested the Commission to consolidate other texts.

The Commission noted the Committee's favourable Opinion.

273rd PLENARY SESSION — 31 JANUARY AND
1 FEBRUARY 1990

EC economic and trade cooperation with Latin America
(Own-initiative Opinion)
(Rapporteur: Mr Vasco Cal) (CES 87/90)

General system for the recognition of professional education and training
(proposal for a Council Directive which complements Directive
89/48/EEC)
(Rapporteur: Mr Henry Salmon) (CES 86/90)

General product safety
(Rapporteur: Mrs Alma Williams) (CES 85/90)

Transparency of gas and electricity prices charged to industrial end-
users
(Rapporteur: Mr Georges Proumens) (CES 88/90)

Transit of natural gas through the major systems
(Rapporteur: Mr Giuseppe Frandi) (CES 89/90)

Transit of electricity through transmission grids
(Rapporteur: Mr Paul Flum) (CES 90/90)

Notifying the Commission of investment projects of interest to the Com-
munity in the petroleum, natural gas and electricity sectors
(amendment of Regulation (EEC) No 1056/72)
(Rapporteur: Mr Wilfred Aspinall) (CES 91/90)

274th PLENARY SESSION — 28 FEBRUARY AND 1 MARCH 1990

Prices for agricultural products and related measures (1990/91)
(Rapporteur-General: Mr Francesco Fresi) (CES 221/90)

Application of competition rules to air transport — Development of civil
aviation in the Community
(six draft Regulations)
(Rapporteur: Mr John Kenna) (CES 214/90)

Community transit
(Rapporteur: Mr Paul Broicher) (CES 211/90)

Access to the market in the international carriage of goods by road
(amendment of Regulation (EEC) No 3164/76)
(Rapporteur: Mr Francisco Correll Ayora) (CES 212/90)

Conformity-assessment procedures to be used in the technical harmonization Directives

(Rapporteur: Mr John A. de Normann) (CES 210/90)

Control of transfrontier movements of hazardous wastes

(Rapporteur working alone: Mr Gerrit C. van Dam) (CES 209/90)

Civil liability for damage or injury to the environment caused by waste

(Rapporteur: Mr Georges Proumens) (CES 215/90)

Restrictions on the marketing and use of certain dangerous substances and preparations

(10th amendment of Directive 76/769/EEC)

(Rapporteur: Mr Enzo Beltrami) (CES 208/90)

Regional action programme on the initiative of the Commission concerning the environment

(Rapporteur: Mr Luigi Della Croce) (CES 217/90)

Conclusion of Agreements between the European Economic Community and the EFTA countries establishing cooperation in the field of training in the context of the implementation of Comett II

(Rapporteur-General: Mr Gordon Pearson) (CES 216/90)

Special system of aid for small cotton producers

(Rapporteur: Mr Stylianos Bazianas) (CES 213/90)

Improving the efficiency of farm structures

(amendment of Regulation (EEC) No 797/85)

(Rapporteur: Mr Walter Luchetti) (CES 220/90)

Safeguard measures in the veterinary field in the framework of the internal market

(Rapporteur: Mr Peter Storie-Pugh) (CES 218/90)

Enzootic bovine leucosis

(amendment of Directive 64/432/EEC)

(Rapporteur: Mr Peter Storie-Pugh) (CES 219/90)

275th PLENARY SESSION — 28 AND 29 MARCH 1990

European Company Statute

(proposals for a Regulation and a Directive)

(Rapporteur: Mr Jens Peter Petersen) (CES 379/90)

Declining industrial areas

(Own-initiative Opinion)

(Rapporteur: Mr Campbell Christie) (CES 376/90)

The European Community's economic relations with Eastern European countries

(Own-initiative Opinion)

(Rapporteur: Mr Walter Briganti) (CES 381/90)

Use of agriculture and forestry resources in the non-food industrial and energy sectors

(Own-initiative Opinion)

(Rapporteur: Mr André de Tavernier; Co-Rapporteur: Mr J.R. Boddy) (CES 380/90)

Community action programme for the development of continuing vocational training (Force)

(Rapporteur: Mr Herbert Nierhaus) (CES 378/90)

Specific research and technological development programme in the field of transport (Euret) (1990-93)

(Rapporteur: Mr Robert J. Moreland) (CES 377/90)

Mutual acceptance of personnel licences and qualifications for the exercise of functions in civil aviation

(Rapporteur: Mr Javier Velesco Mancebo) (CES 374/90)

Use of vehicles hired without drivers for the carriage of goods by road (amendment of Directive 84/647/EEC)

(Rapporteur: Mr Jean Marvier) (CES 375/90)

Improving the prevention and treatment of acute human poisoning (draft Resolution)

(Rapporteur: Mr Luis Gómez Martínez) (CES 368/90)

Eradication of infectious haemopoietic necrosis of salmonids in the Community

(Rapporteur: Mr Augusto Gil Da Silva) (CES 369/90)

Veterinary rules for the disposal and processing of animal waste, for its placing on the market and for the prevention of pathogens in feeding-stuffs

(Rapporteur: Mr Hans-Jürgen Wick) (CES 370/90)

Game meat and rabbitmeat

(Rapporteur: Mr Patrick Murphy) (CES 371/90)

Animal health conditions governing intra-Community trade and imports from third countries of fresh poultrymeat and fresh meat of reared game birds

(Rapporteur: Mr Patrick Murphy) (CES 372/90)

Health rules for the production and placing on the market of products of animal origin

(Rapporteur: Mr Kenneth J. Gardner) (CES 373/90)

276th PLENARY SESSION — 25 AND 26 APRIL 1990

The Mediterranean policy of the European Community
(Own-initiative Opinion — Additional Opinion)
(Rapporteur-General: Mr Andrea Amato) (CES 512/90)

GATT/Uruguay Round negotiations
(Information Report)
(Rapporteur: Mr Aldo Romoli; Co-Rapporteur: Mr Maurice Droulin) (CES 1415/89 final)

European Training Foundation
(Rapporteur: Mr Herbert Nierhaus) (CES 509/90)

Trans-European mobility scheme for university studies (Tempus)
(Rapporteur: Mr Herbert Nierhaus) (CES 506/90)

Third joint programme to encourage the exchange of young workers
within the Community
(amendment of Decision 84/636/EEC)
(Rapporteur: Mr George Dassis) (CES 507/90)

Importation of certain furs
(Rapporteur: Mrs Shreela Flather) (CES 513/90)

Municipal waste-water treatment
(Rapporteur: Mr Klaus Boisseree) (CES 514/90)

Restrictions on the marketing and use of certain dangerous substances
and preparations
(11th amendment of Directive 76/769/EEC)
(Rapporteur: Mr Enzo Beltrami) (CES 499/90)

Machinery
(amendment of Directive 89/392/EEC)
(Rapporteur: Mr Paul Flum) (CES 510/90)

Simple pressure vessels
(amendment of Directive 87/404/EEC)
(Rapporteur: Mr Paul Flum) (CES 500/90)

Electrically operated lifts
(amendment of Directive 84/529/EEC)
(Rapporteur: Mr Gordon Pearson) (CES 501/90)

Electrical equipment for use in potentially explosive atmospheres
(amendment of Directive 79/196/EEC)
(Rapporteur: Mr Paul Flum) (CES 502/90)

Health protection of the general public and workers against the dangers of ionizing radiation as regards prior authorization of shipments of radioactive waste

(amendment of Directive 80/836/Euratom)

(Rapporteur: Mr Paul Flum) (CES 511/90)

Specific programme concerning the preparation and development of an operational Eurotra system

(Rapporteur: Mr Georges Proumens) (CES 508/90)

Expenditure in the veterinary field

(Rapporteur: Mr Peter Storie-Pugh) (CES 503/90)

Protective measures against the introduction into the Member States of organisms harmful to plants or plant products

(amendment of Directive 77/93/EEC)

(Rapporteur: Mr Rui Herlânder Rolão Gonçalves) (CES 504/90)

Health rules for the production and placing on the market of melted animal fat, greaves and by-products of rendering for human consumption

(Additional Opinion)

(Rapporteur: Mr Kenneth J. Gardner) (CES 505/90)

277th PLENARY SESSION — 30 AND 31 MAY 1990

EEC-EFTA relations

(Own-initiative Opinion)

(Rapporteur: Mr Vasco Cal) (CES 661/90)

Statistical classification of economic activities (NACE)

(Rapporteur working alone: Mr Camille Giacomelli) (CES 650/90)

Indirect taxes on the raising of capital

(amendment of Directive 69/335/EEC)

(Rapporteur: Mr Paul Broicher) (CES 651/90)

Outlying island regions (Regis)

(Rapporteur: Mr Luigi Della Croce) (CES 662/90)

Regional capacities for research, technology and innovation (Stride)

(Rapporteur: Mr Campbell Christie) (CES 663/90)

Cross-border areas (Interreg)

(Rapporteur: Mr Eugène Muller) (CES 664/90)

Maximum authorized dimensions for road trains

(amendment of Directive 85/3/EEC on the weights, dimensions and certain other technical characteristics of certain road vehicles)

(Rapporteur: Mr Gian Battista Cavazutti) (CES 660/90)

Operation of air cargo services

(Rapporteur: Mr John Kenna) (CES 652/90)

Organic production of agricultural products

(Rapporteur: Mr Kenneth J. Gardner) (CES 653/90)

Protective measures against the introduction into the Member States of organisms harmful to plants or plant products

(amendment of Directive 77/93/EEC)

(Rapporteur: Mr Rui Herlânder Rolão Gonçalves) (CES 654/90)

Marketing of young plants and propagating material other than seeds, of vegetables

(Rapporteur: Mr Michael Strauss) (CES 655/90)

Marketing of ornamental plant propagating material and ornamental plants

(Rapporteur: Mr Michael Strauss) (CES 656/90)

Marketing of fruit plant propagating material and fruit plants intended for fruit production

(Rapporteur: Mr Michael Strauss) (CES 657/90)

Animal health requirements for the placing on the market in the Community of animals and products of animal origin not covered in this respect by specific Community rules

(Rapporteur: Mr Peter Storie-Pugh) (CES 658/90)

Insurance agreements

(Rapporteur-General: Mr Bernard Mourgues) (CES 659/90)

278th PLENARY SESSION — 4 AND 5 JULY 1990

Central and Eastern European countries

(Information Report)

(Rapporteur: Mr José Garcia Morales) (CES 492/90 final)

Control of concentrations between undertakings

(Additional Opinion)

(Rapporteur-General: Mr Jens Peter Petersen) (CES 835/90)

Economic situation in the Community in mid-1990

(Own-initiative Opinion)

(Rapporteur: Mr Paul Kaaris) (CES 829/90)

Excise duty rates

(Commission communication)

(Rapporteur: Mr Luigi Della Croce) (CES 831/90)

Taxes on cigarettes and tobacco
(Rapporteur: Mr Luigi Della Croce) (CES 834/90)

Exercise duties on mineral oils
(Rapporteur: Mr Luigi Della Croce) (CES 833/90)

Excise duties on alcoholic beverages and alcohol
(Rapporteur: Mr Luigi Della Croce) (CES 832/90)

Social developments in 1989
(Rapporteur: Mr Giorgio Liverani) (CES 830/90)

Community activities in support of the elderly
(Rapporteur: Mrs Alma Williams) (CES 821/90)

Pollution of the aquatic environment
(amendment of Directive 76/464/EEC)
(Rapporteur: Mr Giovanni Mantovani) (CES 828/90)

Wholesale distribution of medicinal products for human use
(Rapporteur: Mr Rui Herlânder Rolão Gonçalves) (CES 823/90)

Legal status for the supply of medicinal products for human use
(Rapporteur: Mr Sergio Colombo) (CES 824/90)

Labelling and packaging leaflets of medicinal products for human use
(Rapporteur: Mr G. H. E. Hilkens) (CES 825/90)

Health rules for the production and marketing of minced meat, meat preparations and comminuted meat for processing
(Rapporteur: Mr Hans-Jürgen Wick) (CES 815/90)

Rapid exchange of information on dangers arising from the use of consumer products
(amendment of Decision 89/45/EEC)
(Rapporteur: Mrs Alma Williams) (CES 816/90)

14th ERDF Annual Report (1988)
(Rapporteur: Mr Francesco Serra Caracciolo) (CES 817/90)

Air pollution by motor vehicles
(amendment of Directive 70/220/EEC)
(Rapporteur: Mr Gordon Pearson) (CES 818/90)

Glazing, weights and dimensions and tyres of motor vehicles and their trailers
(three proposals for Directives)
(Rapporteur: Mr François Perrin-Pelletier) (CES 819/90)

Common rail policy (Commission communication); development of railways in the Community (draft Directive); obligations inherent in the concept of public transport by rail, road and waterways (amendment of Regulation (EEC) No 1191/69); establishment of European high-speed rail

network (draft Decision); common rules for rail/road goods traffic between Member States (amendment of Directive 75/130/EEC)
(Rapporteur: Mr Wolfgang Haas) (CES 826/90)

Common organization of the market in milk and milk products as regards cheese
(Rapporteur-General: Mr Kenneth Gardner) (CES 822/90)

Restructuring the system of agricultural surveys in Greece
(amendment of Decision 85/360/EEC)
(Rapporteur: Mr Georges Dassis) (CES 820/90)

Common organization of the market in hops
(amendment of Regulation (EEC) No 1696/71)
(Rapporteur-General: Mr Georges Proumens) (CES 827/90)

279th PLENARY SESSION — 19 AND 20 SEPTEMBER 1990

Statistics relating to the trading of goods between Member States
(Rapporteur: Mr Camille Giacomelli; Co-Rapporteurs: Mr Vasco Cal and Mr Theodoros Vlassopoulos) (CES 1022/90)

Classification, packaging and labelling of dangerous substances
(seventh amendment of Directive 67/548/EEC)
(Rapporteur: Mr Enzo Beltrami) (CES 1023/90)

Ozone layer
(Rapporteur: Mr John A. de Normann; Co-Rapporteurs: Mr Klaus Boiseree and Mr Sergio Colombo) (CES 1024/90)

Specific research and technological development programme in the field of the environment (1990-94)
(Rapporteur: Mr Enrico Vercellino) (CES 1025/90)

Importation of fresh meat or meat products from third countries
(amendment of Directive 72/461/EEC and 72/462/EEC)
(Rapporteur: Mr Peter Storie-Pugh; Co-Rapporteurs: Mr Kenneth J. Gardner and Mr Patrick Murphy) (CES 1026/90)

Labelling, presentation and advertising of foodstuffs
(Rapporteur: Mr Kenneth J. Gardner) (CES 1027/90)

Homeopathic medicinal products
(proposal for a Directive widening the scope of Directives 65/65/EEC and 75/319/EEC)
(Rapporteur: Mr Rui Herlânder Rolão Gonçalves) (CES 1028/90)

Homeopathic veterinary medicinal products
(proposal for a Directive widening the scope of Directive 81/851/EEC)
(Rapporteur: Mr Rui Herlândier Rolão Gonçalves) (CES 1029/90)

Commercial aviation relations between Member States and third countries
(Rapporteur: Mr Robert J. Moreland) (CES 1030/90)

Specific research and technological development programme in the field of marine science and technology (1990-94)
(Rapporteur: Mr Ian M. Campbell) (CES 1031/90)

Specific research and technological development programme in the field of life sciences and technologies for developing countries (1990-94)
(Rapporteur: Mr John A. de Normann) (CES 1032/90)

Specific research and technological development programme in the field of human capital and mobility
(Rapporteur: Mr Henry Bordes-Page) (CES 1033/90)

Health conditions for the production and the placing on the market of live bivalve molluscs
(Rapporteur: Mr Augusto Ferraz da Silva) (CES 1034/90)

Health rules for the production and the placing on the market of fresh meat
(Rapporteur: Mr Hans-Jürgen Wick) (CES 1035/90)

Health rules for the production and placing on the market of fresh poultrymeat
(Rapporteur: Mr Hans-Jürgen Wick) (CES 1036/90)

Health conditions for the production and the placing on the market of fishery products
(Rapporteur: Mr Augusto Ferraz da Silva) (CES 1037/90)

Temporary and limited derogations from specific Community health rules on the production and marketing of products of animal origin
(Rapporteur: Mr Kenneth J. Gardner) (CES 1038/90)

Common organization of the market in oils and fats (amendment of Regulation No 136/66/EEC); assistance for Portuguese olive oil production
(Rapporteur: Mr José Luis Mayayo Bello) (CES 1039/90)

Model scheme for information on rural development initiatives and agricultural markets (Miriam)
(Rapporteur: Mr Francesco Serra Caracciolo) (CES 1040/90)

Use of agricultural commodities in the non-food sector
(Additional Opinion)
(Rapporteur: Mr Michael Strauss) (CES 1041/90)

Extension to Bolivia, Colombia and Peru of the GSP arrangements applicable to certain products originating in developing countries (amendment of Regulations (EEC) Nos 3896/89, 3897/89 and 3898/89) (Rapporteur: Mr Gian Battista Cavazzuti) (CES 1042/90)

Operational programme for transmission and distribution networks for energy (Regen) (Rapporteur: Mr Battagni) (CES 1043/90)

Operational programmes in the framework of a Community initiative for regional development concerning services and networks related to data communication (Telematique) (Rapporteur: Mr Manuel Ataide Ferreira) (CES 1044/90)

Operational programmes concerning the preparation of businesses for the single market (Prisma) (Rapporteur: Mr José Bento Gonçalves) (CES 1045/90)

Businesses in the social economy sector — Europe's frontier-free market (Commission communication to the Council) (Rapporteur: Mr Roger Ramaekers) (CES 1046/90)

Prevention of the use of the financial system for the purpose of money laundering (Rapporteur: Mr Robert Pelletier) (CES 1047/90)

Health rules for the production and placing on the market of raw milk, of milk for the manufacture of milk-based products and of milk-based products (Rapporteur: Mr Kenneth J. Gardner) (CES 1048/90)

Health rules for the production and placing on the market of meat products (Rapporteur: Mr Kenneth J. Gardner) (CES 1049/90)

Health rules for the production and placing on the market of heat-treated drinking milk (Rapporteur: Mr Kenneth J. Gardner) (CES 1050/90)

Animal health conditions governing the placing on the market of aquaculture animals and products (Rapporteur: Mr Augusto Ferraz da Silva) (CES 1051/90)

Environment policy and the internal market (Additional Opinion to the Own-initiative Opinion) (Rapporteur: Mr Klaus Boisseree) (CES 1052/90)

Action by the Community for the protection of the environment in the Mediterranean region (Medspa) (Rapporteur: Mr Louis Gomez Martinez) (CES 1053/90)

Regular official statistics on the environment
(four-year programme (1990-93)
(Rapporteur-General: Mr Enrico Vercellino (CES 1054/90)

Transitional taxation arrangements with a view to the completion of the
internal market
(Rapporteur: Mr Luigi Della Croce) (CES 1055/90)

Administrative cooperation in the field of indirect taxation
(Rapporteur-General: Mr Camille Giacomelli) (CES 1056/90)

Aid to shipbuilding
(Rapporteur: Mr Romolo Arena) (CES 1057/90)

Final regime for the organization of the market for the carriage of goods
by road
(Rapporteur: Mr Ulbo Tukker) (CES 1058/90)

European stimulation plan for economic science (1989-92) (SPES)
(amendment of Decision 89/118/EEC)
(Rapporteur: Mr Javier Velasco Mancebo) (CES 1059/90)

Specific research and technological development programme in the field
of agriculture and agro-industry (1990-94)
(Rapporteur: Mr Francesco Serra Caracciolo) (CES 1060/90)

Channel Tunnel and its transport policy implications
(Own-initiative Opinion)
(Rapporteur: Mr François Perrin-Pelletier) (CES 1061/90)

Final stage of the GATT/Uruguay Round negotiations
(Own-initiative Opinion)
(Rapporteur: Mr Aldo Romoli, Co-Rapporteur: Mr Maurice Droulin) (CES
1062/90)

Tourism and regional development
(Own-initiative Opinion)
(Rapporteur: Mr Nikolaos Vassilaras) (CES 1063/90)

Protection of workers from the risks related to exposure to asbestos at work
(amendment of Directive 83/477/EEC)
(Rapporteur: Mr Thomas Etty) (CES 1064/90)

Minimal health and safety requirements for improved medical treatment
on board vessels
(Rapporteur: Mr Francis J. Whitworth) (CES 1065/90)

Certain employment relationships with regard to working conditions and to
distortions of competition; improvements in the safety and health at work
of temporary workers
(three proposals for Directives)
(Rapporteur: Mr Giorgio Liverani) (CES 1066/90)

Coordinated introduction of digital European cordless telecommunications (DECT) in the Community and the designation of frequency bands (proposals for a Recommendation and a Directive)
(Rapporteur: Mr Jean Rouzier) (CES 1067/90)

Action programme to promote the development of the European audiovisual industry — Media (1991-95)
(Rapporteur: Mr Paul Flum) (CES 1068/90)

280th PLENARY SESSION FROM 16 TO 18 OCTOBER 1990

Protection of natural and semi-natural habitats and of wild fauna and flora
(Rapporteur-General: Mrs Anne Robinson) (CES 1210/90)

Action by the Community relating to nature conservation (Acnat)
(Rapporteur-General: Mrs Anne Robinson) (CES 1211/90)

Consultation between airports and airport users and airport charging principles
(Rapporteur: Mr Robert J. Moreland) (CES 1212/90)

Specific research and technological development programme in the field of biotechnology (1990-94)
(Rapporteur: Mr André de Tavernier) (CES 1213/90)

Specific research and technological development programme in the field of non-nuclear energies (1990-94)
(Rapporteur: Mr Paul Flum) (CES 1214/90)

Establishment of a Committee on monetary, financial and balance-of-payments statistics
(Rapporteur-General: Mr Camille Giacomelli) (CES 1215/90)

Establishment of a European Advisory Committee on statistical information in the economic and social spheres (CEIES)
(Rapporteur-General: Mr Vasco Cal) (CES 1216/90)

Convention on the control of transboundary movements of hazardous wastes and their disposal
(Rapporteur-General: Mr Gerrit C. van Dam) (CES 1217/90)

Denied boarding compensation system in scheduled air transport
(Rapporteur: Mr Manuel Ataíde Ferreira) (CES 1218/90)

Conclusion of cooperation agreements between the European Economic Community and the Republic of Finland, the Kingdom of Sweden and the Swiss Confederation on a research and development programme for the European Economic Community in the field of applied metrology and chemical analysis (BCR)
(Rapporteur-General: Mr Paul Flum) (CES 1219/90)

Conclusion of cooperation agreements between the European Economic Community and the Republic of Finland, the Kingdom of Sweden, the Kingdom of Norway, the Republic of Austria and the Swiss Confederation on a European stimulation plan for economic science (SPES)

(Rapporteur-General: Mr Javier Velasco Mancebo) (CES 1220/90)

Conclusion of a cooperation agreement between the European Economic Community and the Republic of Iceland on a programme plan to stimulate the international cooperation and interchange needed by European research scientists (Science)

(Rapporteur-General: Mr Robert J. Moreland) (CES 1221/90)

Restriction of the use of natural gas in power stations

(repeal of Council Directive 75/404/EEC)

(Rapporteur-General: Mr Guiseppe Frandi) (CES 1222/90)

Community initiative for rural development — Leader

(Liaison between actions for the development of the rural economy)

(Rapporteur-General: Mr José Bento Gonçalves) (CES 1223/90)

Fixing of maximum permitted levels for undesirable substances and products in feedingstuffs

(amendment of Directive 74/63/EEC)

(Rapporteur-General: Mr Hans-Jürgen Wick) (CES 1224/90)

281st PLENARY SESSION — 20 NOVEMBER 1990

Specific research and technological development programme in the field of biomedicine and health (1990-94)

(Rapporteur: Mr Sergio Colombo) (CES 1372/90)

Specific research and technological development programme in the field of measurements and testing (1990-94)

(Rapporteur: Mr Georges Proumens) (CES 1373/90)

Specific programme of research and technological development in the field of telematic systems in areas of general interest (1990-94)

(Rapporteur: Mr Paul Flum) (CES 1374/90)

Collective projects for the restructuring of vineyards

(amendment of Regulation (EEC) No 458/80)

(Rapporteur: Mr Charles Pelletier) (CES 1375/90)

Specific programme of research and technological development in the field of information technology (1990-94)

(Rapporteur: Mr Herbert Nierhaus) (CES 1376/90)

Specific programme of research and technological development in the field of communication technologies (1990-94)

(Rapporteur: Mr Herbert Nierhaus) (CES 1377/90)

The Community and German unification (Commission communication)

(Rapporteur-General: Mr Jens Peter Petersen) (CES 1378/90)

Protection at work of pregnant women or women who have recently given birth

(Rapporteur: Mrs Beatrice Rangoni-Machiavelli) (CES 1379/90)

Community initiative:

- (i) concerning new qualifications, new skills and new employment opportunities — Euroform initiative;
- (ii) to promote equal opportunities for women in the field of employment and vocational training — NOW initiative;
- (iii) concerning handicapped persons and certain other disadvantaged groups — Horizon initiative

(Rapporteur: Miss Ada Maddocks) (CES 1380/90)

Application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community

(amendment of Regulations (EEC) Nos 1408/71 and 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71)

(Rapporteur: Mr Gordon Pearson) (CES 1381/90)

Use in the Community of TIR carnets and, as transit documents, of ATA carnets

(Rapporteur: Mr Jens Peter Petersen) (CES 1382/90)

Common organization of the markets in the sugar sector

(amendment of Regulation (EEC) No 1785/81)

(Rapporteur-General: Mr Giovanni Barbagli) (CES 1383/90)

Measures to improve and adapt structures in the fisheries and aquaculture sector

(amendment of Regulation (EEC) No 4028/86)

(Rapporteur: Mr Jesus Muñiz Guardado) (CES 1384/90)

Application of generalized tariff preferences for 1991

(four draft Regulations and one draft Decision)

(Rapporteur: Mr Giorgio Liverani) (CES 1385/90)

Application of the rules on competition to undertakings in the air-transport sector

(amendment of Regulation (EEC) No 3975/87)

(Rapporteur: Mr Francis J. Whitworth) (CES 1386/90)

Specific research and technological development programme in the field of industrial and materials technologies (1990-94)

(Rapporteur: Mr Javier Velasco Mancebo) (CES 1387/90)

Measures to be taken against the emissions of gaseous pollutants from diesel engines for use in vehicles

(amendment of Directive 88/77/EEC)

(Rapporteur: Mr Gordon Pearson) (CES 1388/90)

Joint planning and coordination of capacity, consultations on passenger tariffs and cargo rates on scheduled air services and slot allocation at airports; computer reservation systems for air transport services; ground handling services

(three draft Commission Regulations on the application of Article 85(3) of the EEC Treaty)

(Rapporteur: Mr Robert J. Moreland) (CES 1389/90)

Arrangements for movement within the Community of goods sent from one Member State for temporary use in one or more other Member States

(amendment of Regulation (EEC) No 3/84)

(Rapporteur-General: Mr Camille Giacomelli) (CES 1390/90)

282nd PLENARY SESSION — 18 AND 19 DECEMBER 1990

Single administrative document

(Rapporteur: Mr Camille Giacomelli) (CES 1487/90)

Indications or marks identifying the lot to which a foodstuff belongs

(amendment of Directive 89/396/EEC)

(Rapporteur: Mr Kenneth J. Gardner; Co-Rapporteurs: Mr Henri Dunkel and Mr Johannes Jaschick) (CES 1488/90)

Community Customs Code; temporary importation arrangements with total relief from import duties

(two proposals for Regulations)

(Rapporteur: Mr Jens Peter Petersen) (CES 1489/90)

Elimination of controls and formalities applicable to cabin and checked baggage

(Rapporteur: Mr Camille Giacomelli) (CES 1490/90)

Harmonization and rationalization of reports on the implementation of certain directives relating to the environment

(Rapporteur: Mr Gerrit van Dam) (CES 1491/90)

Procurement procedures of entities operating in the water, energy, transport and telecommunications sectors

(Rapporteur: Mr Paul Kaaris) (CES 1492/90)

Nineteenth Report on Competition Policy

(Rapporteur: Mr Eduardo Bagliano) (CES 1493/90)

Action programme for the European Year of Safety, Hygiene and Health Protection at Work (1992)

(Rapporteur: Miss Ada Maddocks) (CES 1494/90)

Organization of working time

(Rapporteur: Mrs Ursula Engelen-Kefer) (CES 1495/90)

Transfer of ships from one register to another within the Community

(Rapporteur: Mr Javier Velasco Mancebo) (CES 1496/90)

Access to the market in the international carriage of goods by road
(amendment of Regulation (EEC) No 3164/76)

Conditions under which non-resident carriers may operate national road haulage services within a Member State

(amendment of Regulation (EEC) No 4059/89)

(Rapporteur-General: Mr Eike Eulen) (CES 1497/90)

Organization of veterinary checks on products entering the Community from third countries

(Rapporteur: Mr Georges Proumens) (CES 1498/90)

Advertising of medicinal products for human use

(Rapporteur: Mr Sergio Colombo) (CES 1499/90)

Diagnosis of bovine brucellosis and enzootic bovine leukosis
(amendment of Directive 64/432/EEC)

(Rapporteur: Mr Georges Proumens) (CES 1500/90)

Community plant variety rights

(Rapporteur: Mr Rudolf Schnieders) (CES 1501/90)

ANNEX D

**List of Opinions
drawn up by the Committee
on its own initiative
during 1990**

EC economic and trade cooperation with Latin America (Rapporteur: Mr Vasco Cal)	January/February 1990
Declining industrial areas (Rapporteur: Mr Campbell Christie)	March 1990
The EC's economic relations with Eastern Europe (Rapporteur: Mr Walter Briganti)	March 1990
Increasing the use of agricultural and forestry resources in the non-food industrial and energy sectors (Rapporteur: Mr André de Tavernier)	March 1990
The Mediterranean policy of the European Community (Rapporteur-General: Mr Andrea Amato)	April 1990
EC-EFTA relations (Rapporteur: Mr Vasco Cal)	May 1990
The economic situation in the Community in mid-1990 (Rapporteur: Mr Paul Kaaris)	July 1990
Environment policy and the single European market (Rapporteur: Mr Klaus Boisseree)	September 1990
The Channel Tunnel and its transport policy implications (Rapporteur: Mr François Perrin-Pelletier)	September 1990
The final stage of the GATT Uruguay Round negotiations (Rapporteur: Mr Aldo Romoli)	September 1990
Tourism and regional development (Rapporteur: Mr Nikolaos Vassilaras)	September 1990

**Opinions adopted
by the Committee
on its own initiative**

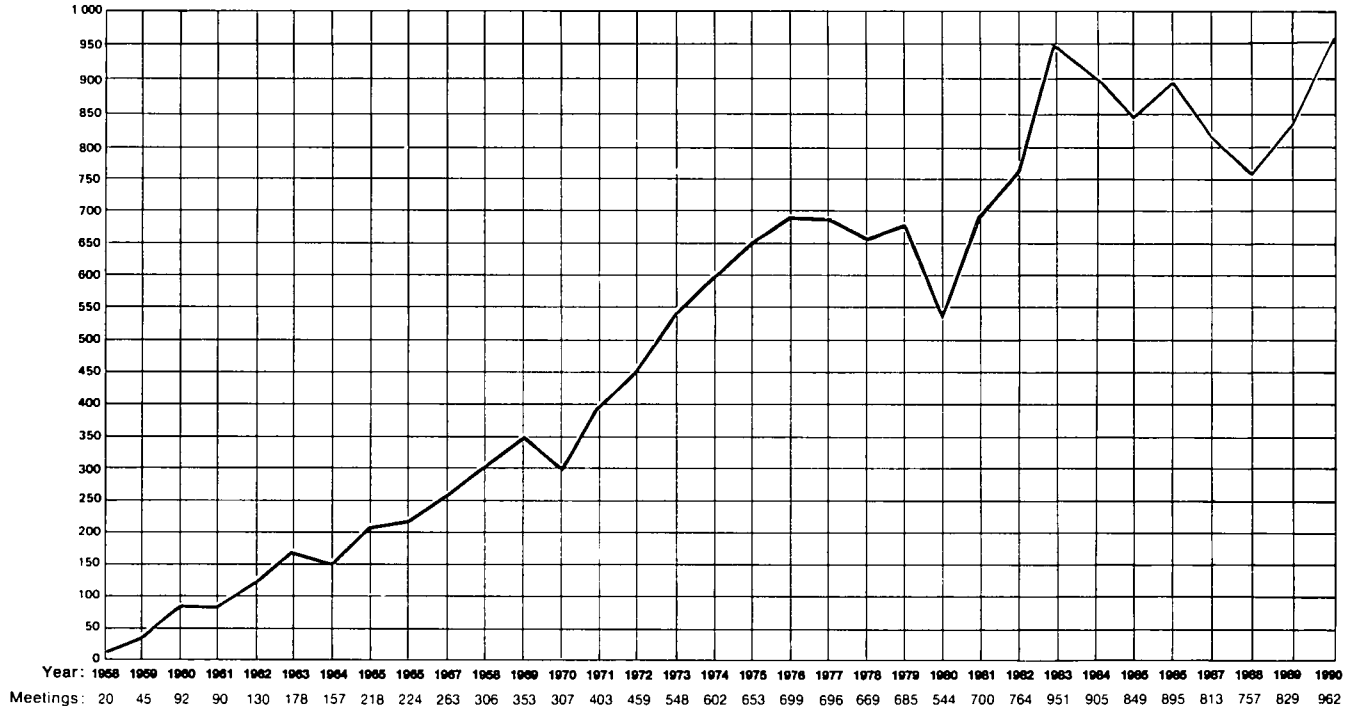
Year	Agriculture and Fisheries	Industry, Commerce, Crafts and Services	Environment, Public Health and Consumer Affairs	Social, Family, Educational and Cultural Affairs	Transport and Communications	Energy, Nuclear Questions and Research
1973		2				
1974	2			1		
1975		1		1	1	
1976		1		3		
1977	3	2			2	
1978	2	2		2		
1979	1	3		1	1	1
1980	1	1	1			
1981	2	3		1	2	1
1982		3		1	1	1
1983	1		1	2		
1984			2	3		
1985	1			1		1
1986	1			1	1	1
1987	1				1	1
1988	5	2	1	1	2	
1989			2	3		
1990			1	1	1	
Total	20	20	8	22	12	6

External Relations, Trade and Development Policy	Economic, Financial and Monetary Questions	Regional Development and Town and Country Planning	Rapporteur-General	Sub-committee	Total
	1				3
2			1	1	7
3				1	7
		2	1		7
		2			9
	1	1	2		10
1	1	3	1		13
2		2	1	1	9
2	1	1		1	14
1	2	1			10
3	1	1			9
3	1		1		10
	1			1	5
3	2	2			11
1	2	1		1	8
3	3	1	1		19
3	2	1		2	13
4	1	2		1	11
31	19	20	8	9	175

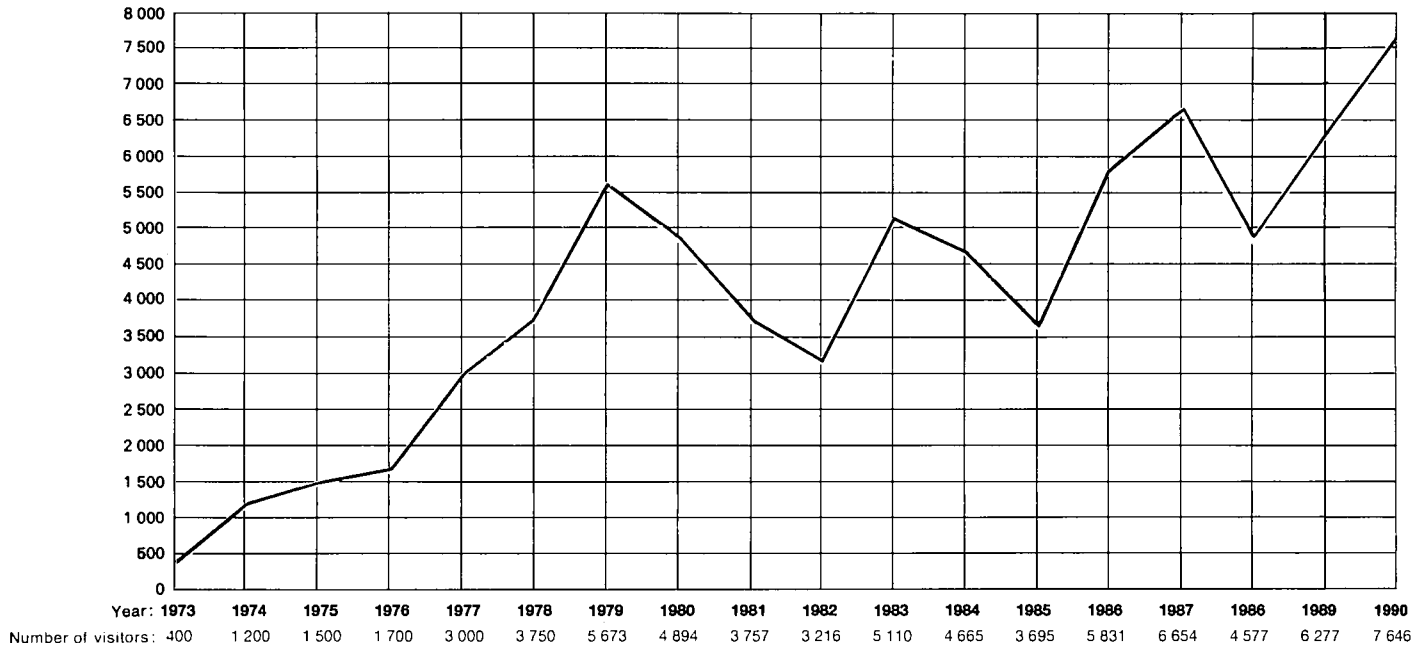
ANNEX E

Graphs

MEETINGS

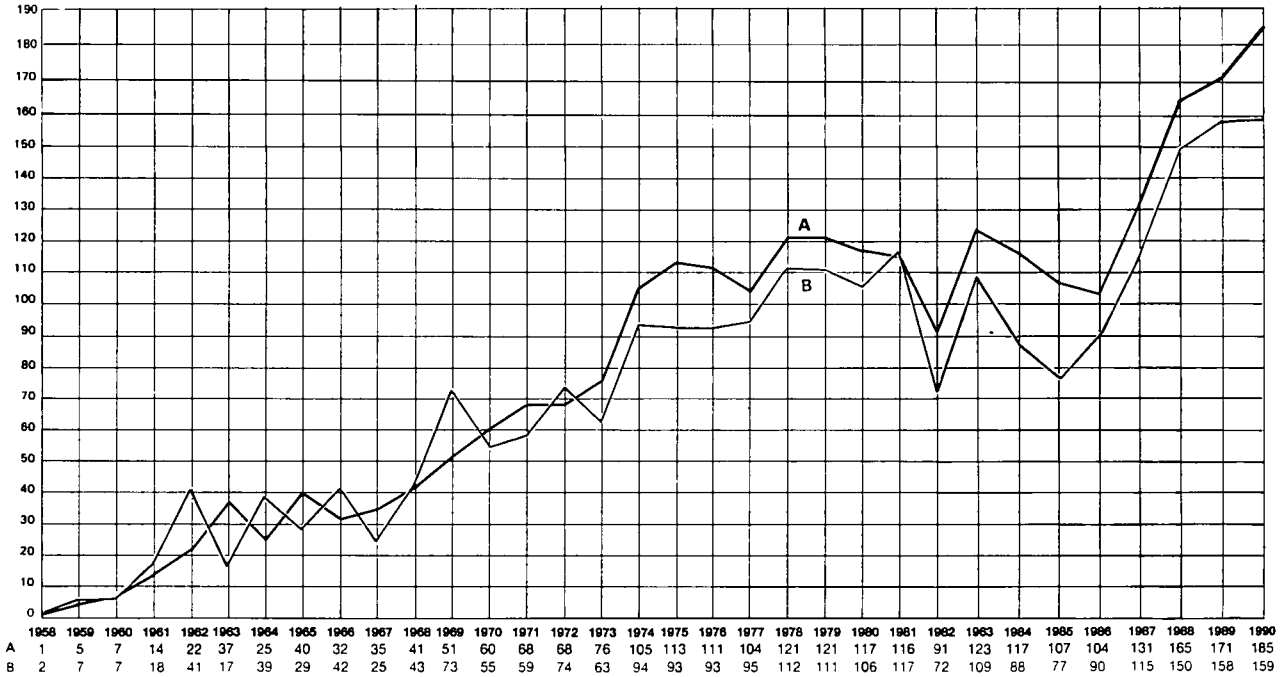


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