



Drive for partnership in education and training

- by Hywel Ceri Jones, Director of the Task Force for Human Resources, Education, Training and Youth, European Commission

The final run-up to the implementation of the single market has seen a marked increase in the Community's role in supporting and complementing Member States' investment in human resource development as an essential adjunct to its policies in the economic field.

During the last four years the Community has succeeded in establishing the basis of a substantial long-term collaborative effort with the Member States in the fields of education, training and youth. The Comett and Erasmus cooperation programmes at university level, and now Petra and Force in the fields of initial and continuing training, are rapidly becoming household words in the language of European education.

This success now needs to be developed further in partnership with all the different actors involved — at national, regional, and local levels.

The public, private, and voluntary sectors are all actively engaged in sharing experience and establishing joint projects at Community level. The richness and diversity of national and regional education and training systems and practices have been fully respected in this voluntary process of collaboration. Indeed they have been the source of stimulus for new thinking about future lines of policy and practice.

Economic and political benefits

It is clear, from the current debate about the Treaty of Maastricht, that the possible benefits which should follow from such cooperation are just as much political as economic. On the industrial and business fronts, the need for investment in human capital by the Community stands out ever more clearly as a vital priority in the kind of society we are moving into, with its continual restructuring and technological renewal. But at the same time, the experience of the last few months has made it equally clear how necessary it is, for the success of the European endeavour, that we carry the hearts as well as the minds of the citizens of Europe with us in the creation of the Community of tomorrow.

Building partnership and mutual trust through joint action in education and training is one of the most effective ways of doing this, in terms of attitude change. Such partnerships are not limited to the membership of the Community, but increasingly act as the platform for sharing experience and expertise across the length and breadth of Europe, and with the wider world.

The Community's education and training cooperation programmes reach to the grassroots of our societies and offer a huge variety of people, including many of the leaders of tomorrow's Europe, an opportunity for a personal, creative experience of the reality and benefits of the Community.

From managers to citizens

We can all readily see that tomorrow's managers and decision-makers will need to have mastered the European dimension. But we need to go far beyond that. All aspects of economic and social life are gradually developing their European dimension. So it is to all the future citizens of Europe that we need to offer these opportunities, to experience the Community directly in a way and time of their own choosing, but as an integrated element, of their personal education or training.

In so doing we will be endorsing and enhancing the value of the skills and versatility which we all know are essential for the workforce of the future, and reflecting the importance which the Community attaches to such qualities for the success of the single market.

DECISIONS

■ Agricultural internal market compromise

In order to allow the free movement of agricultural products from 1 January of this year European Community ministers reached an overall agreement in principle on 17 December on several issues still in dispute. EC ministers thus decided to eliminate the monetary compensatory amounts (MCAs) as from 1 January. These are the sums paid from the Community budget in order to maintain the worth, in national currencies, of EC farm prices in the event of changes in the parities of EC currencies in relation to each other. These sums were paid when agricultural products crossed the EC's internal borders. EC ministers nevertheless renewed, for two years, a special mechanism designed to prevent a fall in agricultural incomes of farmers whose currency has been revalued. The Twelve also adopted a common arrangement for bananas imported from non-EC countries; hitherto each country applied its own rules. As from 1 July 1993 bananas imported from the African, Caribbean and Pacific (ACP) countries linked to the Community will continue to enter the European Community duty-free, as long as annual imports do not exceed the largest quantity imported in any one year after and including 1990. Imports in excess of this will be charged duty at the rate of ECU 100 per tonne. Imports from other countries will be subject to an import duty of ECU 100 per tonne for quantities up to 2 million tonnes, and of ECU 850 per tonne for quantities in excess of this. The Twelve have introduced a licensing system designed to give access to the reduced-duty tariff quota and to ensure that obligations towards Community and ACP producers are met. Ministers also eliminated as from 31 December the transitional measures covering agricultural products enjoyed by Spain since it joined the European Community. These measures should have remained in force for another two years, and Spain is to receive financial compensation. It was not possible to reach a similar agreement in the case of Portugal, which was in the same situation. This implies the continuation of certain checks between Portugal and the rest of the European Community. EC ministers also agreed to eliminate national quantitative restrictions on imports of fruit and vegetables.

■ Simpler VAT formalities

Under the terms of the common VAT system, which came into force on 1 January, small and medium-sized enterprises (SMEs) and bodies such as hospitals, which are not registered for VAT, can import alcoholic drinks, tobacco and petroleum products from other EC countries without a change in their status: a directive or 'European law' which EC ministers adopted on 14 December makes it unnecessary for them to register for VAT in order to purchase goods subject to excise duty. In the case of goods imported by a firm located in EC country A, from EC country B, for delivery in member country C, only the firm in country C pays VAT. The tax authorities take into account only one sales transaction instead of two. Here, too, the simplification was brought about by a directive EC ministers adopted on 14 December. Finally, on 21 December, EC ministers authorized the governments of eight Member States to waive the obligation, in the case of SMEs, to submit quarterly statements covering all goods delivered or services provided in another EC country. The Member States in question are Denmark, Germany, Spain, Ireland, Italy, Luxembourg, the Netherlands and the United Kingdom. The SMEs in question are those with an annual turnover of under ECU 200 000 (ECU 1 = UKL 0.80 or IRL 0.74) in other EC countries. They will submit their statements on a half-yearly or annual basis depending on the country.

■ Elimination of veterinary checks

On 17 December EC ministers adopted several 'European laws' which made it possible to eliminate veterinary checks at the EC's internal frontiers as from 1 January. Thus in the area of fresh poultrymeat, the Twelve decided to strengthen health checks on holdings of origin, set the standards to be met by slaughterhouses and the rules of inspection and the conditions to be imposed on meat imported from non-EC countries. The Twelve also decided to organize the collection of information on diseases transmitted to humans by animals, such as salmonellosis and listeriosis. For the time being, the ministers have acknowledged the need for Community funding to help sanitize contaminated poultry farms. In addition, the Twelve adopted common rules in the fight against certain animal diseases such as rinderpest. It is a question of eradicating these diseases and, in any case, preventing their spread. Here, too, Community aid is envisaged. Finally, the Twelve adopted a 'law' aimed at imposing Community veterinary rules on all products subject to veterinary checks in the Member States but not yet covered by earlier 'European laws'. Small slaughterhouses have been granted derogations until the end of next year.

■ Cross-border checks on explosives

In the single market, explosives for civil uses remain subject to strict supervision, but not to checks at the EC's internal borders when sent from one EC country to another. EC ministers agreed on 18 December on a procedure for cooperation among the Twelve which will involve exchange of the information needed to supervise transfers of explosives after 1 January. The system remains provisional, pending the entry into force of a 'European law' adopted at the same time but which must come before the European Parliament. The new 'law' sets out the basic safety requirements which must be met in the manufacture and marketing of the products in question. In addition, it makes transfers within the European Community subject to the possession of a specific authorization.

■ Green light for joint ventures

In order to encourage companies based in different EC countries to set up joint ventures, the European Commission decided on 23 December to readjust its competition policy. It has adopted three kinds of measures aimed at fostering the economic integration of Europe and the modernization brought about by numerous joint ventures. Initially, more joint ventures can be exempted hereafter from the ban on arrangements between companies, a ban embodied in the Treaty of Rome, the 'European Constitution'. The fact is, the Commission has extended the scope of exemptions, in particular to agreements covering specialization, research and development, patents and know-how. Next, as regards cases of joint ventures which are not entitled to 'block' exemption, the Commission has adopted criteria fixing the type of operation it authorizes or bans. Finally, the Commission has decided to speed up its own procedures in order to let the companies in question know quickly whether it leans towards an authorization or a ban.

■ Aid for customs agents

The European Community is providing ECU 30 million as emergency aid for the regions hardest hit by the elimination of customs formalities at its internal borders and to promote the conversion and reorganization of firms of customs and clearing agents. A measure to this end was adopted definitively by EC ministers on 18 December. This aid rounds off the measures taken by the Member States and the support already provided by the EC's regional and social Funds. It is part of an ECU 450 million European programme. The beneficiary regions are selected by the national authorities.

THE WAY AHEAD FOR THE COMMON TRANSPORT POLICY

Acting on a proposal from Karel Van Miert, Member of the European Commission, the Commission adopted a White Paper on the future development of the common transport policy. It has been forwarded to the other Community institutions and to other interested bodies. The paper sets out the measures necessary to ensure optimum conditions for goods or citizens to move up and down the Community without risk to safety or the environment and without jeopardizing acquired social rights.

It is an ambitious, all-embracing approach, encompassing all the modes of transport, their impact, and the economic, tax, technical, research and other options for remedying their shortcomings.

The communication looks at the current situation and likely trends and is the subject of discussions with the political and professional bodies concerned, thus paving the way for a modern transport policy born of prior discussion and consultation.

AN OVERALL APPROACH

The challenges facing the European transport sector call for the adoption of an ambitious overall strategy. To that end, the Commission's White Paper traces an approach aimed at satisfying economic and social needs and also at:

- (i) improving infrastructure and using it in a more rational way;
- (ii) enhancing the safety of users;
- (iii) achieving more equitable working conditions; and
- (iv) affording better protection of the environment.

A modern transport policy should therefore focus on those modes which present the greatest advantages in terms of the environment and energy, such as rail, inland-waterway and sea transport.

Such a strategy entails devising a policy on infrastructure equipment. The Commission is advocating that national networks be interlinked and provided with compatible rolling stock and other equipment. Against that backdrop, it is framing a networks policy covering conventional and high-speed rail, inland-waterway, sea, air and road transport, and the use of several modes of transport in combination where this contributes to the benefit of the environment and enhances safety.

The White Paper argues that users should pay not only for using infrastructure but also for indirect costs such as

those pertaining to the environment, safety and social protection measures. Such a policy should result in a better balance being struck between the different modes and also help to dispense with transport operations which are no longer economically viable.

FRESH CHALLENGES

In the transport field the European Community must face up to several important imbalances. They present a challenge to be met in a coherent and coordinated manner in order to ensure the free movement of goods in the best possible way.

— **Approaching saturation point.** A rapidly growing transport market (2.3 % per annum for goods and 3.1 % for passengers between 1970 and 1990). Significant growth in prospect (one-third by the end of the century).

— **Some modes of transport more stretched than others.** Saturation point has been reached here and there in some modes. Between 1970 and 1990 carriage of goods by road more than doubled, with its share of intra-Community carriage of goods swelling from 50 to 70 %. The effects of pollution and noise are making it increasingly difficult for public opinion to countenance the development of certain types of infrastructure.

— **Funds in short supply.** A decline in investment in infrastructure (1.5 % of GNP in 1975, down to 1 % in the 1980s).

— **Regional imbalances.** Bottlenecks in certain areas and outlying regions not adequately linked to the Community network.

— **The environment suffers.** More and more pollution. CO₂ from motor vehicles went up by 76 % between 1971 and 1989. Fuel consumption could rise by 25 % by the year 2000.

— **Safety.** Safety leaves a lot to be desired with around 50 000 fatalities a year on Community roads and the

risk of accidents notably in connection with the carriage of dangerous goods.

— **Social problems.** Increased competition and restructuring.

THE STEPS TO BE TAKEN

Strengthening the single market

The Community must first and foremost make certain that the measures adopted to realize its single market (free movement, non-discrimination) are properly applied. It must furthermore ensure compliance with the general provisions of the European Treaties, notably those relating to competition in a transport sector, which by being more open, will naturally face more competition.

Putting in place a genuinely integrated system

The smooth functioning of the various networks and modes of transport is impaired by the fact that they are imperfectly integrated. Not only does this narrow the consumer's choices, but it also penalizes firms and hampers the free movement of people. Such drawbacks are felt most keenly in the Community's peripheral regions.

Against this new backdrop of 'sustainable mobility', the Commission is proposing a raft of measures designed to iron out the disparities between modes of transport while safeguarding fair competition and ensuring that the various modes complement each other more than ever before.

This entails:

- (i) spreading the costs more equitably over the different forms of transport and charging users the full costs of using the infrastructure, including indirect ones resulting from pollution and other damage to the environment;
- (ii) devising a combined transport system encompassing all the modes: technical and tax harmonization measures, research and development work and cooperation will be necessary to make such a system more attractive to users.

Trans-European transport networks

The Commission will be lending its support to the development of these networks by helping to establish links between Member States' networks (interconnection) and ensuring that they dovetail smoothly with each other (interoperability). In so doing it will take account of constraints imposed by the environment. It is also promoting the idea of a 'citizens' network' in Europe's frontier-free single market, a passenger transport network which will enhance mobility by interlinking European public transport systems.

Efforts should be made to increase the part played by private capital in infrastructure financing. The Cohesion

Fund enshrined in the Treaty of Maastricht will help outlying regions equip themselves better for closer participation in the single market.

The Community's contribution will focus on stimulating projects of European interest, helping to integrate regional and national projects and linking isolated regions with the heart of the Community.

The quality of service enjoyed by users will be enhanced by stepping up research into the development of alternative transport systems and traffic management systems (e.g. air traffic control).

The environment

A series of measures and fields of research will focus on reducing the deleterious effects of transport on the environment. The Commission advocates better use of urban transport to improve the quality of life, more stringent standards in keeping with advances in technology, more economic and lasting means of transport, and possible recourse to tax instruments.

Safety

Safety remains one of the cornerstones of Community action in the light of hair-raising statistics for road accidents: 50 000 people die and more than 1.5 million are injured each year on our roads.

Community schemes will concentrate on driver education, harmonization of vehicle-construction standards and roadworthiness tests, and improved infrastructure.

Community measures in maritime and air safety will adapt those already devised by international bodies to Community requirements in addition to covering areas which they do not as yet encompass.

Social policy

This heading covers:

- (i) access to the profession and training;
- (ii) measures relating to employment and working conditions;
- (iii) encouragement of collective agreements;
- (iv) schemes to help people with reduced mobility.

Strengthening the external dimension of the single market

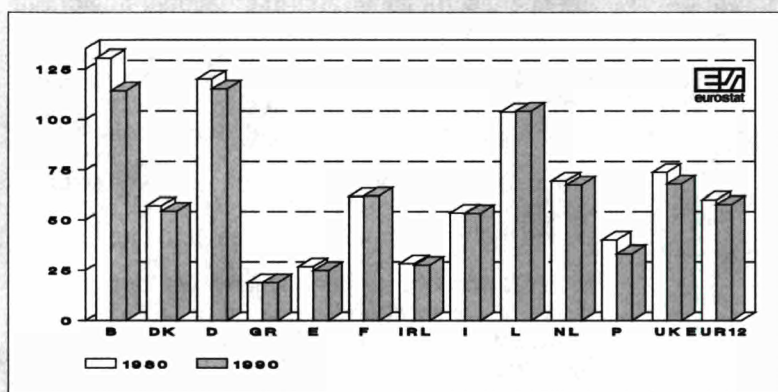
In the years ahead the Community will fulfil its role in relations with the outside world through a three-pronged approach involving:

- (i) the replacement of bilateral agreements with a framework of Community agreements and procedures;
- (ii) framing a policy on integrated European networks;
- (iii) stepping up Community action in international organizations and bodies.

Transport in the Community

*Density of the rail network,
length (km) of lines worked per 1 000 km²,
1980 and 1990
(Germany: within its borders after 3 October 1990)*

The Community's rail network



In the Community as a whole, the density of the rail network decreased slightly.

The greatest decrease was in Belgium, which nevertheless still had the densest network in the Community in the two years in question, followed by Germany and Luxembourg.

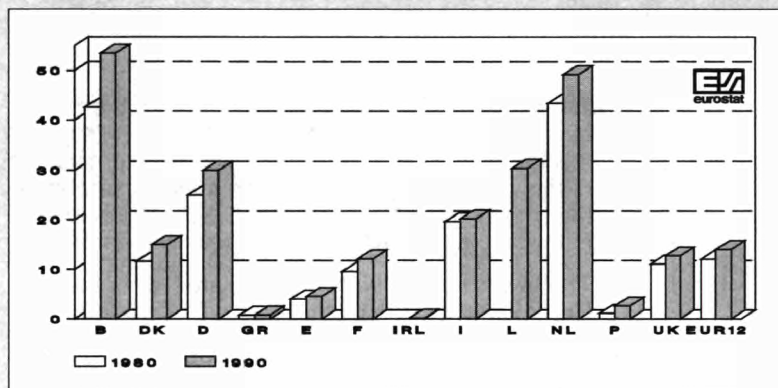
Greece has the least dense network, with a little over 18 km of lines worked per 1 000 km², which is far lower than the Community average.

Density of the rail network, length (km) of lines worked per 1 000 km²

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12
1980	130	57	120	19	27	62	28	53	104	69	39	74	60
1990	114	54	115	19	25	62	28	53	104	67	33	68	58

*Density of the motorway network, length (km) of motorway
per 1 000 km², 1980 and 1990 (except GR, E, F, P and UK:
1980 and 1989; I and NL: 1980 and 1988;
Germany: within its borders after 3 October 1990)*

Extension of the motorway network



In the Community as a whole, there was an increase in the density of the motorway network, with considerable differences in density between countries.

Belgium was in the lead in 1990, ahead of the Netherlands, with 54 km of motorway per 1 000 km².

The figures for six Member States are above the Community average.

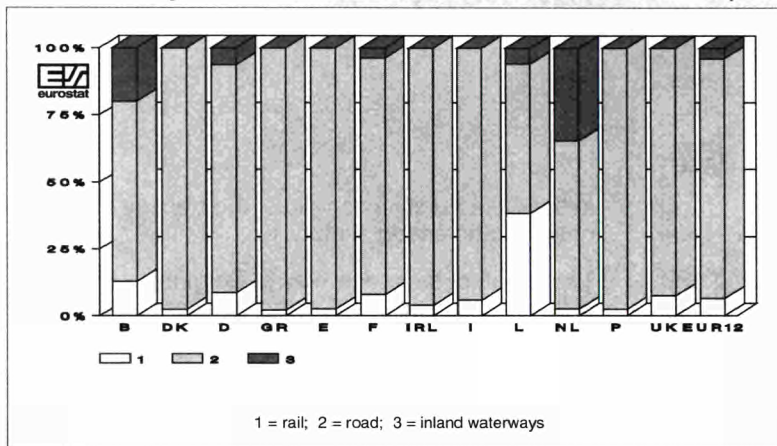
With a total of 8 km of motorway (i.e. a density of 0.1 km per 1 000 km²), Ireland is far below this average.

Germany has the longest motorway network in the Community (10 672 km in 1990, i.e. 31% of the Community network).

Length of motorway network, in 1 000 km

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12
1980	1.3	0.5	8.9	0.09	2.0	5.3		5.9		1.8	0.1	2.7	28.6
1990	1.6	0.6	10.6	0.09	2.3	6.7		6.1	0.08	2.0	0.2	3.1	33.6

Goods traffic by mode of transport, 1990
(except Luxembourg: 1986;
Germany: in its borders before 3 October 1990)



Goods transport

For the Community as a whole, 89% of goods transported (national and international traffic) are carried by road.

In the Member States which have no inland waterways, this predominance is even more marked: 98% in Greece, Spain and Portugal, and 96% in Ireland

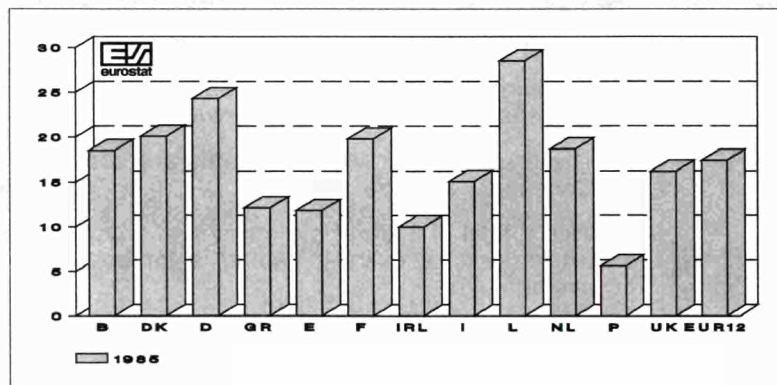
The carriage of goods by rail has become virtually insignificant, and only 6.5% of the goods transported in the Community are carried by train.

In the Netherlands, inland waterways form a major mode of transport and are used for 35% of goods transported, while only 62.9% of goods are carried by road.

Goods traffic by mode of transport, 1990, in %

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12
Rail	13.0	2.4	8.7	2.1	2.5	8.0	3.9	5.9	38.2	2.5	2.4	7.5	6.5
Road	67.1	97.6	84.9	97.9	97.5	88.2	96.1	94.1	55.8	62.9	97.6	92.5	89.5
Inland waterways	20.0	0.0	6.4	0.0	0.0	3.8	0.0	0.0	6.0	34.6	0.0	0.0	4.0

**Road traffic emissions of nitrogen oxide (NO_x),
kg per inhabitant per year, 1985**
(Germany: within its borders before 3 October 1990)



Transport and the environment

The traffic on Europe's roads emits more than 17 kg of nitrogen oxide per inhabitant per year (this gas is a factor in acid rain). The volume of emissions differs greatly from country to country. Luxembourg has the highest level with 28.5 kg per inhabitant, followed by Germany (24.3 kg per inhabitant).

The levels in six Member States are higher than the Community average.

With 5.6 kg per inhabitant, Portugal has a much lower level than the other Member States.

Road traffic emissions of nitrogen oxide (NO_x), kg per inhabitant per year, 1985

	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK	EUR 12
Emission	18.5	20.1	24.3	12.1	11.8	19.8	10.0	15.1	28.5	18.7	5.6	16.2	17.4

SUNDAY TRADING — A NATIONAL MATTER

The question of whether or not to allow Sunday trading is, and remains, a national matter. This was made abundantly clear by the EC Court of Justice on 16 December, when it held that national laws banning or limiting Sunday trading are not an important constraint on trade between EC countries and, therefore, are not contrary to the Treaty of Rome, the 'European Constitution'. In the three cases before it, the Court ruled against UK retail firms and in favour of the local authorities who had sought to uphold the law of the land. The European Commission, for its part, indicated last December that it will not seek to harmonize national legislation in this field. Replying to a question from a Euro-MP, the Commission stressed that national laws reflected historical, cultural, touristic and religious considerations.

□ BRIEFLY

Since 1 January the European Community is a **single market for textiles and clothing**. The agreements which the European Commission concluded on 20 December with 27 exporting countries and territories continue to limit imports from them into the European Community. But the national quotas in force until 31 December have been eliminated. On 21 December the Twelve decided to implement these agreements from 1 January, pending the conclusions of the GATT Uruguay Round negotiations.

Products and technologies which can be put to both civil and military use kept their rendezvous with the single market. EC ministers decided on 21 December to end checks at the EC's internal borders as from 1 January 1993, despite the absence of specific Community legislation. Pending the adoption of such legislation, the Twelve carry out checks throughout their territory in order to prevent undesirable exports to non-EC countries.

The Twelve now have common rules on **limiting the risks undertaken by banks** and other credit institutions, so as to prevent a situation in which the failure of a major client threatens a banking system which has become European with the completion of the single market. EC ministers adopted a directive ('European law') on 21 December which limits major risks to 800% of the funds of the institution in question and obliges the latter to notify these risks to the national authorities as soon as they reach 10% of its funds.

With the completion of the single market the Twelve no longer check **trucks, coaches, barges and other forms of inland-waterway transport** registered in third countries at the EC's internal borders. EC ministers adopted on 18 December a regulation ('European law') which treats them as normal checks 'carried out throughout Community territory'. Besides, the vehicles and vessels in question are systematically checked at the Community's external frontiers.

EC ministers adopted on 18 December a directive which establishes the **technical standards for motor-vehicle cabs**. The aim is to ensure that vehicles do not have sharp external projections which could cause injuries in the event of an accident.

The **substances frequently used in the manufacture of illegal drugs** — certain chemical products in particular — are under very close surveillance in the single market. EC ministers adopted on 14 December a directive aimed at controlling their production and sale.

INITIATIVES

● The Commission relaunches the ecu

The European Commission announced three initiatives on 23 December aimed at encouraging the use of the ecu, the EC's monetary unit, which is a blend of the currencies of the 12 Member States. The initiatives include denominating new loans in ecus, paying the salaries and travel expenses of EC officials in ecus and, above all, publishing a White Paper setting out the obstacles to the use of the ecu in Community countries. The ecu should become the Community's single currency in 1999, except in Denmark and, eventually, the UK, provided the Twelve ratify the Treaty on European Union, signed at Maastricht. The ecu came to

be widely used by banks, businesses and savers between the mid-1980s and the spring of 1992. But it has been adversely affected by the turbulence in the currency markets and the Commission wants to restore confidence in the EC's future currency.

● Capital movements: almost free

The Irish authorities lifted their remaining exchange control measures as from 1 January 1993. The Bank of Portugal, for its part, decided on 16 December on the total liberalization of capital movements with other countries. Elsewhere in the European Community, capital movements had already been liberalized, with one exception. On 21 December EC ministers authorized Greece to maintain its restrictions on capital movements — money, loans and operations on accounts held abroad — until 30 June 1994.

● First European photo and video guide

The prices of more than 150 models of cameras and camcorders on sale in the 12 EC countries are set out in the first European camera and video guide. Published on 17 December by the organizations belonging to the European Consumers' Organization (BEUC), the guide also gives prices in Switzerland, Austria and, in some cases, Hong Kong, New York, Singapore and Tokyo. The comparative study was carried out by International Testing, a body of consumers' organizations which coordinates research on questions of interest to consumers with the support of the European Commission's consumer department. The study reveals sharp price differences within the Community and prices which are very high when compared to those quoted in other parts of the world. The guide is available from the Subscription Department, Consumers' Association, PO Box 44, Hertford, SG 14 1SH, United Kingdom. It costs UKL 2.50 and is entitled *Which? Guide to cameras and camcorders*.

○ BRIEFLY

In order to **prevent the introduction of new obstacles to intra-Community trade**, just when the old ones have been eliminated, the European Commission proposed on 4 January to improve a 'European law' which requires the Twelve to inform the Commission in advance of technical standards and regulations envisaged by them. The Commission wants to impose the same obligation as regards fiscal incentives, the 'voluntary' agreements concluded by manufacturers with governments and the rules which effect the life of products — as regards recycling, for example.

Matthaeus-Tax is the name of an **exchange programme for national civil servants dealing with VAT and excise duties**, which the European Commission proposed to the Twelve on 17 December. Covering the period 1993-96, it would give civil servants a better insight into the European dimension of their work and provide them with a chance to meet their European colleagues.

After having studied the **gambling sector** in the EC countries, the European Commission concluded on 23 December that the single market required neither harmonization nor a 'European law' in this field.

The European Commission proposed to the Twelve on 23 December a directive ('European law') which guarantees workers a certain level of **protection against noise, vibrations, light rays and electromagnetic phenomena**.

SEEN FROM ABROAD

▶ Liechtenstein says 'Yes' to Europe

The population of Liechtenstein is in favour of the European Economic Area, which received 55.8% of the votes cast in a national referendum held on 13 December. The EEA brings together the 12 EC countries and the six members of the European Free Trade Association (EFTA). The parliaments of Austria, Finland and Norway have already voted in favour of the EEA. Iceland has yet to declare itself, while a conference must find an arrangement following Switzerland's rejection of the EEA by referendum.

◆ SMEs are necessary for economic recovery

Europe's economic recovery cannot take place without its small and medium-sized enterprises (SMEs) who must be mobilized to this end. This is the starting-point of the European Commission's proposal to the Twelve of 23 December which seeks to give a boost to a series of actions and services in favour of SMEs: Euro Info Centres, inter-business cooperation networks, actions in support of subcontracting and the simplification of administrative formalities, to give only a few examples. This boost would take the form of a four-year action plan, to be launched this year, while the current SME action programme ends on 31 December 1993. The new plan would be within the framework of Community measures for relaunching the economy, which the EC's Heads of State or Government announced in Edinburgh on 12 December. At the same time the Commission has proposed to the Twelve a programme of measures for the period 1994 to 1997, designed as a follow-up to the current programme in favour of SMEs in several areas: craft industry, small businesses, retail and distribution trades, cooperatives, mutual-aid bodies and associations. The two Commission proposals represent a single programme, but with two elements in favour of businesses.

◆ A monitoring agency for SMEs

Until recently the European Commission did not have an instrument specifically designed to provide it with a bird's-eye view of European Community SMEs at any given moment. In December 1992 it filled this gap by setting up an agency for monitoring small and medium-sized businesses. This consists of 12 national bodies specializing in the analysis of SMEs. Together they form a European network, entrusted in particular with the task finding out more about the role of SMEs in the economy as a whole, studying the environment of SMEs and craft industries and evaluating their growth prospects in the single market. This monitoring agency will be a very useful tool for relaunching the European economy.

◆ Payment times: a European problem?

Faced with the grave concern felt by businesses over the growing length of time it takes to receive payment for commercial transactions, the European Commission put together a detailed file on the economic and legal aspects of the problem. Basing itself on this file, the Commission then drew up a working document, with the aim of launching a wide-ranging debate, with the participation of all interested parties — businesses, diverse organizations and governments — in order to find out if measures are needed at the European level. The Commission notes that with the time for payment growing longer, businesses, and SMEs in particular, are facing a deteriorating financial situation and higher administrative costs (chasing up debts, recovery proceedings, legal proceedings, etc.). This is a problem which threatens the success of the single

market: the fact is that existing differences among the Twelve as regards the payment practices of firms and public authorities, on the one hand, and the relevant national laws on the other, could discourage SMEs wanting to make cross-border sales.

In the event that the Community dimension of the problem was to be confirmed, the Commission could take certain measures. However, there is no question of either 'regulating' or 'standardizing' payment times. The working document points to certain initiatives, legal as well as practical, that could be taken without in any way infringing on the freedom to enter into contracts. Besides, given the economic importance of public procurement — amounting to some 15 % of the Community's gross domestic product (GDP) — the document sets out various specific measures for consideration. They include better information on the rules in force, the introduction of a maximum period of time for payment, more rapid payment of subcontractors and the automatic payment of interest by the public authorities on all late payments. All interested parties can submit their comments before 31 May 1993. For further information, write to the European Commission in Brussels: DG XXIII A/1 — Fax: (32 2) 295 97 84.

◆ A greater role for Euro Info Centres

The Euro Info Centres (EICs) — European information centres for SMEs — do more than answer enquiries (250 000 in 1991); they also handle cases (300 000 files in 1992). The EICs in fact are increasingly providing both help and advice. They are helping SMEs find partners and draw up their replies to tender announcements, carrying out sectoral studies, organizing training sessions and providing legal and administrative assistance.

The 210 EICs now serve as bridgeheads to some 2 600 relay points in 114 subnetworks. Thanks to this system, it is now possible to reach firms which had been largely untouched by European information. European business information centres are also to be found outside the European Community. Called correspondence centres, they are established in Austria, Finland, Norway, Poland, Sweden, Switzerland and the Czech and Slovak republics. These centres have been set up with the agreement of the European Commission.

◆ Subcontracting: common strategies

It is necessary to create conditions which favour the development of subcontracting in such areas, for example, as information, quality, certification and mutual recognition. It is also necessary to improve communication between prime and subcontractors from different European countries. These are among the main conclusions of three studies presented and discussed in Madrid on 14 and 15 December during the European Forum on Subcontracting, organized at the initiative of the European Commission. The Forum brought together some 400 participants and the directors of organizations representing European companies. The objective is to bring together the various organizations with a view to setting up a European subcontracting network.

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