



## The social dialogue at European level

by Pádraig Flynn, Member of the European Commission

In the Member States of the European Union, the social partners play an important role in the organization of the relationship between employer and employee. All Member States have structures where representatives of the social partners can give their views and issue opinions. Most Member States have a solid tradition of social consultation where the public authorities discuss their plans with representatives of workers and employers alike. In all Member States, free collective bargaining governs many aspects of the employment relationship.

### A consensus model

When the European Community was established, there was a clear wish to create a harmonious society, which would be based on a process of dialogue and participation on the part of the social partners.

Since what was effectively a new start in 1985, the social dialogue at European level has produced far-reaching results, largely because of the commitment shown by all the social partners. In their joint opinions and statements, the social partners have opened the way to a consensus model which emphasizes negotiated adjustment to change which has been planned for and anticipated.

A key factor of success in the future development of the social dialogue will be the maintenance of a healthy respect for the social partners' independence. The Commission is strongly committed to the autonomy of the individual social partners and to the dialogue between them.

At the same time, however, the Commission is obliged to ensure that proper consultation takes place and therefore must reflect on how to create more coherent structures — structures which draw the social partners together.

This involves examination of the full range of existing consultation and dialogue bodies and procedures:

- consultation structures either in the consultative committees or in the context of the implementation of the Agreement on social policy — at the moment 28 organizations are consulted, some of which specifically represent small businesses;
- the structures for sectoral social dialogue;
- an umbrella structure for cooperation and joint discussion with the Council — the Standing Committee for Employment;
- the autonomous dialogue structures, of which the summit meeting in Seville on 20 October 1995 was the latest.

### Possible new structures

These structures, which were built up over a number of years, do not necessarily represent the most rational or logical way of organizing the involvement of the social partners in European affairs. Certain problems are obvious, particularly concerning the relationship between these diverse levels of dialogue and the choice of organizations which are to participate.

The Commission has the responsibility under the Agreement on social policy to help those structures evolve. The Commission committed itself in 1993 'to promote the development of new linking structures between all the social partners so as to both rationalize and improve the process ...'.

The Commission now wishes to engage in a serious and detailed examination of possible new structures for social dialogue. The main elements consist of:

- a search for coherence: between the sectoral and the interprofessional; between consultation, dialogue and negotiation;
- the need for inclusiveness: the capacity to give a meaningful place in the process to all organizations which have something useful to contribute to industrial relations at European level;
- respect for autonomy while seeking efficiency: to achieve concrete results with the minimum of bureaucracy.

The Commission wants to open this debate rapidly. We will do this by means of a communication which shall be presented at the beginning of 1996. But first we will be discussing the issues with all interested parties. This will involve a difficult but important debate if we are to give the social dialogue the means to continue its impressive development at a European level.

## ■ Improving mutual recognition of products

After 1 January 1997 every European Union country will have to notify the European Commission of all measures which prevent the sale of products made or put on sale in another EU country. This requirement, which would involve a few dozen measures each year, is part of an information system between Member States and the European Commission, introduced by the EU Council of Ministers on 23 November. The aim is to improve the operation, by the Fifteen, of the system of mutual recognition for those products for which there are no harmonized European standards. The fact is that companies often cite the failure to respect the principle of mutual recognition as the main obstacle to the free movement of goods. Under the new procedure Member States will have to justify measures which in fact are exceptions to the principles of the single market — and justifications in conformity with European ground rules should become increasingly few and far between.

## ■ Coming soon — comparative advertising

The EU Council of Ministers has authorized comparative advertising, provided certain conditions are met. An agreement to this effect was reached on 9 November, when EU ministers adopted modifications to the present European directive on misleading advertising. The new text, which now goes to the European Parliament, allows comparative advertising for goods and services which in fact are comparable. The comparison must relate to one or more 'essential, pertinent, verifiable and representative characteristics', of which price is one. The text does not allow confusion over names, distinctive marks or brand names; it also bans 'knocking copy'. Most EU countries will have to modify their own legislation once the revised directive comes into force.

## ■ More efficient customs services

A European programme, 'Customs 2000', which will run from 1 January 1996 to 31 December 2000, should allow Member States to adapt fully their customs administrations to the needs of the single market. The EU Council of Ministers adopted the programme, which has a budget of ECU 50 million (ECU 1 = UK£ 0.85 or IR£ 0.83), on 23 November; it now awaits examination by the European Parliament. The aim is to ensure the uniform application of Community rules throughout the 15-nation EU. The two watchwords of the 'Customs 2000' programme are training (of customs officers) and cooperation (between Member States).

## ■ More 'European' statistics

A frontier-free Europe needs statistical information which ignores frontiers. The EU Council of Ministers recently took a number of decisions designed to ensure just this. Under a directive adopted on 23 November, the Fifteen will have to provide the European Statistical Office in Luxembourg from December 1996 with harmonized statistics on tourism, particularly as regards the capacity and occupancy rates of hotel rooms, camp sites and related places. The aim is to have a European statistical system in a sector dominated by small and medium-sized enterprises. Another directive, adopted by the Council on 27 November, will require the Fifteen to provide the Commission with harmonized statistics on wages, with particular reference to changes in wage levels and their breakdown by sector. This information will enable the Commission to keep track of differences between one EU country and another. The Fifteen also reached an agreement in principle on 27 November on a European system of national and regional accounts; it should come into force in April 1999. The data which the Fifteen will have to provide to the European Monetary Institute will be used to assess more effectively the position of EU countries as regards the stability criteria introduced in the framework of economic and monetary union. And from 1997 Member States will have to provide the EMI with harmonized consumer price indices, under the terms of a regulation adopted by the Council on 23 October.

## ■ The telephone of tomorrow

The three objectives of the directive which the EU Council of Ministers adopted on 27 November are to, firstly, provide users with a basic voice telephony service, at an affordable price, secondly, improve access to public telephone networks for providers of computerized services and, thirdly, strengthen the European character of the traditional voice telephone service. The directive, which should come into force before the end of the year, sets out ground rules as regards the rights of subscribers in relation, for example, to bills, which must be detailed, and the introduction of EU-wide numbers which can be dialled free of charge. The directive allows even the European Commission to intervene, in consulting the Fifteen, should national rules continue to diverge widely. The new 'law' will facilitate the development of the information society, given that the regular telephone network provides access to the Internet. It will be adapted to the full-scale liberalization of telecommunications between now and 1 January 1998.

## □ BRIEFLY

Audiovisual programme makers will be able to perfect their skills, thanks to the **MEDIA II training programme**, adopted by the EU Council of Ministers on 20 November. The programme, which runs from 1996 to the year 2000, is being funded from the EU budget to the sum of ECU 45 million. It will subsidize up to 75% of the cost of training courses in management and the new technologies.

Following a recommendation by the new European Agency for the Evaluation of Medicinal Products, the European Commission granted for the first time, on 23 October, an **authorization valid throughout the EU to a medicinal product**. Under the new system pharmaceutical companies no longer have to seek the necessary authorization from each of the 15 EU countries. As a result, consumers are offered a wider choice.

The implementation of EU legislation requiring **prices to be indicated per unit of measure** (e.g. per kilo), in the case of goods packaged for retail sale, has been postponed by two years. A decision to this effect was taken by the EU Council of Ministers on 30 October. Over the next two years the Council should adopt a simpler system, which would apply to all products which lend themselves to it.

The EU is to support financially the **introduction of trans-European telecommunications networks**, by helping interconnect national networks and develop services available on an EU-wide basis. An agreement along these lines was reached by the EU Council of Ministers on 27 November, when the Council also adopted the **INFO 2000 programme**. This is designed to stimulate the creation and distribution of European multimedia products and services, a sector dominated by small and medium-sized enterprises.

There was further progress towards a **single market in motorcycles** on 23 November, when the EU Council of Ministers reached agreement on a directive harmonizing 12 components, from tyres to rear-view mirrors. This 'law', which now goes to the European Parliament, is the last of the 12 pieces of EU legislation needed for EU-wide approval of motorcycles.

In order to prevent fraud, the EU Council of Ministers adopted a directive on 27 November which sets out common rules for **identifying diesel oil** when used otherwise than as a fuel, and therefore taxed at lower rates. Chemical additives are used to identify diesel oil put to other uses.

The main features of a regulation adopted by EU ministers on 23 November are the mutual recognition of **flavours used in foodstuffs** with, after a seven-year period, the adoption of a list of flavours whose use is authorized on an EU-wide basis.

The European Commission granted on 16 November a total of ECU 4 million for the setting-up of **28 regional or urban energy agencies**. Their task will be to encourage the efficient use of energy and the development of local resources. The 28 agencies will be spread over 10 EU countries (the United Kingdom, Ireland, Austria, Finland, France, Greece, Italy, Portugal, Spain and Sweden).

The EU Council of Ministers adopted on 23 November a directive setting out **new standards covering the resistance of cars and small vans to lateral collisions**. The directive, which now goes to the European Parliament, will apply to all new types of vehicles approved after 1 October 1998.

Patents for **new phytopharmaceutical products** will soon have their period of validity extended. Under a regulation adopted by EU ministers on 27 November such patents will be extended for a further period of five years. The regulation, which is now before the European Parliament, institutes a 'complementary protection certificate'.

A single market in **pressure cookers, not to mention road tankers and boilers**, will shortly become a reality, thanks to a directive covering containers

### **EUROPARTENARIAT AND INTERPRISE: EFFICIENT COOPERATION IN THE SINGLE MARKET**

Europartenariat and Interprise occupy pride of place among the many initiatives launched by the European Commission to promote economic growth and the transnational development of businesses, particularly SMEs.

#### **Europartenariat: transnational meetings in the regions**

Europartenariat events are designed to foster cooperation between businesses from the European Union, EFTA, the Mediterranean basin and Central and Eastern Europe. Direct meetings are organized twice yearly in an Objective 1 region (less-developed region), an Objective 2 region (region in industrial decline) or an Objective 5 region (rural region) of the European Union.

When the single market was completed, many SMEs were confronted with the problems of cross-border trade. The Commission, anxious to ensure that SMEs played a full part in the single market, rose to the challenge by organizing contact events for potential business partners in certain host regions.

Europartenariat was set up under Council Decision 93/379/EEC of 14 June 1993, which established a multiannual programme of Community measures to consolidate priority areas and ensure continuity of enterprise policy in the Union.

The programme provides for the 'continued development of instruments permitting direct contact between entrepreneurs'. The Europartenariat programme, like the Interprise programme which is based on it, is thus accorded legal and institutional recognition.

Since 1987, these meetings have been administered jointly by two Directorates-General (XXIII — Enterprise Policy, Distributive Trades, Tourism and Cooperatives and XVI — Regional Policies) which also provide technical and financial backing in cooperation with the chosen host region. The Commission bears two thirds of the cost of each event, the remaining one third being covered by the host region. Host companies pay an attendance fee but guest companies take part free of charge.

The first Europartenariat, which gave entrepreneurs from Member States and third countries an opportunity to establish direct contact, was held in Dublin in June 1988. Subsequent events were held at Torremolinos, Cardiff, Oporto, Leipzig, Thessaloniki, Bari, Lille, Glasgow, Gdańsk, Bilbao, Dortmund, Lisbon and Luleå.

The meetings result in the conclusion of numerous partnership agreements in a variety of fields: technology, business and finance. They also reflect the Commission's concern to promote the development of interregional cohesion by helping to even out regional differences through fostering cooperation between companies from different regions. Europartenariat also sets out to create and safeguard jobs, and as such is fully in line with the objectives set out in the White Paper entitled 'Growth, competitiveness, employment — The challenges and ways forward into the 21st century'. By encouraging cooperation of this type, which is one of the by-products of the single market, the Commission is helping SMEs internationalize their business, which is essential if they are to survive in a highly competitive environment. Most firms taking part need to reassess their potential in a wider context than their traditional local and national markets and, accordingly, to re-examine not just their commercial strategy but also that of their competitors. A specific scheme (MED-Partenariat) will serve the non-member countries in the Mediterranean basin as part of the MED-Invest programme.

#### **Europartenariat's five stages**

Each project consists of the following five stages:

- Stage 1: between 300 and 400 firms from the host region are identified and selected, mainly on the basis of productivity and the quality of cooperation proposals for the planned event;
- Stage 2: a catalogue is drawn up in five languages (English, French, German, Italian and Spanish), featuring a fact sheet on each firm selected which describes the type of cooperation required and provides details on turnover, imports and exports (expressed in ecus), payroll and date of incorporation. Firms are then classified by sector and the catalogue is published and distributed in about 50 regions two or three months prior to the event;
- Stage 3: specialist consultants, appointed in each Member State and third country concerned and acting as official Europartenariat representatives, identify partners and provide them with advice and assistance. For this purpose they can draw on existing Community networks, such as the BC-Net (Business Cooperation Network), BCC (Business Cooperation Centres), Euro-Info Centres and European Business Innovation Centres (EBIC);

- Stage 4: the event itself consists of two days of pre-arranged meetings between entrepreneurs. Guest companies consult the catalogue to decide which host companies they are interested in meeting. Appointments, which last half an hour, are programmed by means of *ad hoc* software which ensures that all visitors receive a personal appointments schedule by the start of the event at the latest;
- Stage 5: the main organizer is responsible for the follow-up and the final assessment.

## Tangible results

Statistically, each firm selected meets between 10 and 20 companies (30 maximum) at a Europartenariat event. On average, between 30 and 40% of host companies sign cooperation agreements as a result of these initial contacts. Seminars are held during the events which provide the latest information on the economic, social, financial and fiscal situation in the region and the financial aid packages available. Interpreters are provided to ensure that communication is not a problem.

By enhancing companies' potential and providing a framework for economic, technological and financial cooperation, Europartenariat fosters development in the region, raises its profile and generates a structured, growth-oriented effect.

## Interprise: supporting local initiatives

Like Europartenariat, Interprise (Initiative to encourage partnership between industries and/or services in Europe) supports local, regional and national measures to promote business networking and foster cooperation between SMEs.

Interprise projects are organized along similar lines to those of Europartenariat. They are always initiated locally: chambers of commerce and industry, development agencies, European Business Innovation Centres, centres for research, innovation and technology, private consultants or members of DG XXIII's information and cooperation networks (Euro-Info Centres; BC-Net and BCC). Projects may result in conferences or seminars being organized or they may form part of existing events such as international fairs or shows.

Each project encompasses at least three regions from three different Member States and may extend to regions of third countries (mainly via the MED-Invest programme). A body from each participating region or country organizes the programme, which is submitted to DG XXIII by the coordinator. Programmes focus on business cooperation and must attract the involvement of at least 15 to 20 businesses from each region.

As regards funding, the bodies involved contribute a certain percentage of costs. The Commission may provide assistance either in the form of a grant or organizational support. It may also give the project its official seal of approval.

Recent initiatives include:

- September 1995: Interprise Woodland (forestry industries) in Sundsvall (Sweden); FIST 95 (metal, plastic and rubber processing) in Strasbourg (France); Aliments fonctionnels appliqués à la nutrition et à la santé (functional foodstuffs for nutrition and health) in La Rochelle (France);
- October 1995: Decide III (defence industries) in Bourges (France); Southern Finland Interprise 95 (transport, logistics, infrastructure) in Kotka (Finland); Interprise North-West 95 (chemicals, plastics and pharmaceuticals, textiles and clothing) in Warrington (United Kingdom); Interprise Halle (mechanical engineering, electrical engineering, electronics in Halle (Germany); Eurolinks (electronics, electrical and mechanical engineering) in London; Interprise Toledo 95 (new materials, wood and furnishings, textiles, agro-industry) in Toledo (Spain); Centre d'affaires européen d'échange technologique (environmental and advanced materials technology) in Toulouse (France); Interprise Euroconstruct (construction and environment) in Leipzig (Germany); Europartners 95 (environment, energy, marine and offshore equipment) in Bremen (Germany);
- November 1995: Interprise Gastronomy 95 (agro-industry) in Heraklion (Greece); Agrinord 95 (agro-industry, fisheries, machinery, research) in Lübeck (Germany); North Wales Contact Interprise 95 (agro-industry, plastics, packaging, electronics, environment) in Wrexham (United Kingdom); Futurallia IV (agro-industry, wood, buildings and public works, transport, furnishings, electronics) in Poitiers (France); Europartnership 95 (agricultural machinery, food processing) in Frankfurt am Main (Germany);
- December 1995: Euromare 95 (pollution, waste and water treatment and recycling) in Piraeus (Greece); Interprise Europharmatech 95 (medical equipment, biomedical engineering, pharmaceutical industry) in Venice;

Main events early in 1996 include Interprise Umwelt und Energie (energy and the environment) in Thüringen (Germany) and Agrosud 1996 (agro-industry) in Carcassonne (France), to take place in February.

These initiatives show the work that the Commission is doing to promote economic cohesion within the Union by supporting locally based projects that meet the needs of entrepreneurs and give them practical help with internationalizing their business.

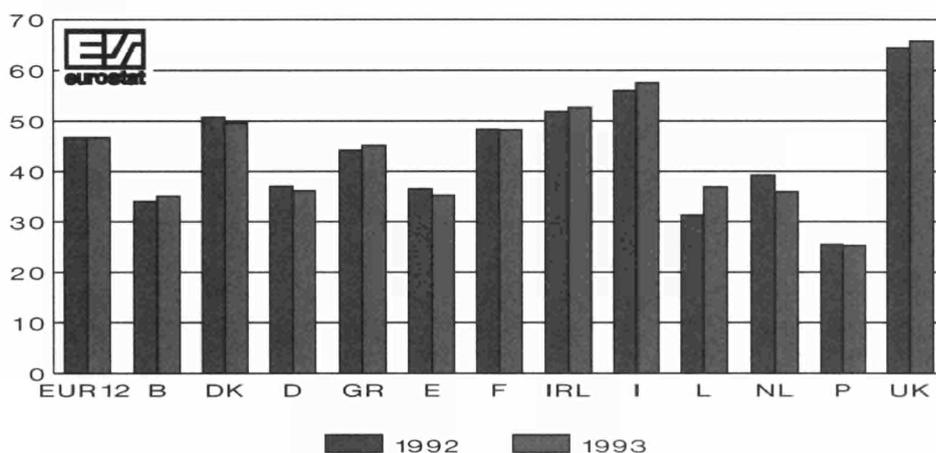
For more information on Europartenariat and Interprise, fax DG XXIII on (32-2) 295 17 40, or for information specifically on Europartenariat, fax DG XVI on (32-2) 296 33 15.

## Atypical work in the European Union

Almost half of the employees in the European Union of Twelve were performing atypical work, i.e. weekend work or home working, in 1992 and 1993.

In 1993, this trend was most common in the United Kingdom, where almost 66% of employees were involved. The Italians (approx. 57%) and the Irish (approx. 53%) came next. The employees least affected were the Portuguese, with slightly over 25%.

Employees performing atypical work (% of total employees)



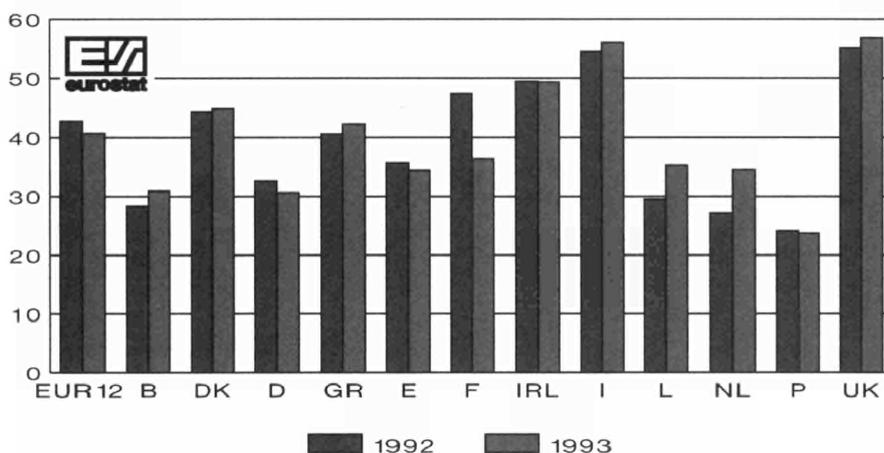
Employees performing atypical work (% of total employees)

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
1992	46.7	34.1	50.8	37.1	44.1	36.6	48.3	51.9	55.9	31.3	39.2	25.4	64.5
1993	46.7	35.1	49.6	36.2	45.1	35.3	48.2	52.7	57.5	37.0	36.0	25.2	65.9

The high percentage of employees working on Saturdays (around 40% compared with 21% on Sundays in 1993) shows that Saturday is no longer considered a full public holiday for all workers.

In all the Member States, over 20% of employees worked on Saturdays. Saturday working was particularly prevalent in the United Kingdom and Italy (over 50%).

Employees working on Saturdays (% of total employees)



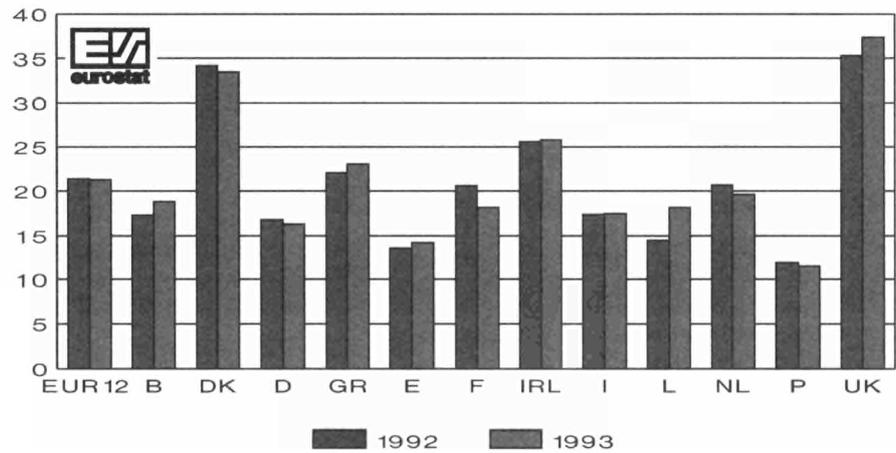
Employees working on Saturdays (% of total employees)

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
1992	42.7	28.3	44.3	32.6	40.6	35.6	47.3	49.4	54.5	29.5	27.1	24.0	55.1
1993	40.7	30.9	44.9	30.6	42.2	34.3	36.3	49.3	56.1	35.2	34.4	23.6	56.9

**Taking the European Union of Twelve as a whole, 21% of the total number of employees worked on Sundays in 1993.**

Sunday working was very common in the United Kingdom and Denmark, where over 35% of employees were involved. This contrasts with Portugal, where the figure was under 12%. However, the practice frequently involved around 20% of employees in the individual Member States.

**Employees working on Sundays (% of total employees)**



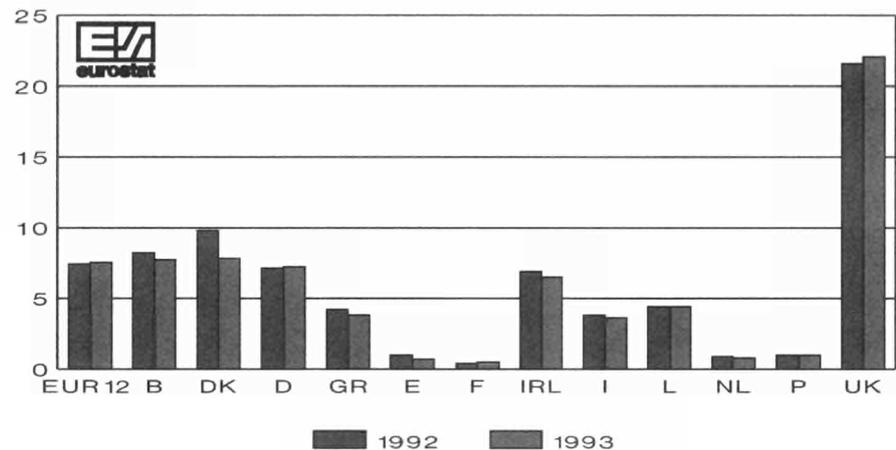
**Employees working on Sundays (% of total employees)**

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
1992	21.4	17.3	34.2	16.8	22.1	13.6	20.6	25.6	17.4	14.5	20.7	11.9	35.3
1993	21.3	18.8	33.5	16.3	23.1	14.2	18.1	25.8	17.5	18.1	19.6	11.5	37.4

**In 1993, of the 9 million employees working at home, i.e. 7.5% of the total number of employees in the EU, 4% stated that it was their usual place of work.**

In all, 22% of employees in the United Kingdom usually or occasionally worked at home. This was about three times higher than in the countries immediately below the United Kingdom, i.e. Denmark, Belgium, Germany and Ireland. In France this type of work concerned only 0.5% of employees.

**Employees working at home (% of total employees)**



**Employees working at home (% of total employees)**

	EUR 12	B	DK	D	GR	E	F	IRL	I	L	NL	P	UK
1992	7.4	8.2	9.8	7.1	4.2	1.0	0.4	6.9	3.8	4.4	0.9	1.0	21.6
1993	7.5	7.7	7.8	7.2	3.8	0.7	0.5	6.5	3.6	4.4	0.8	1.0	22.1

subject to pressures of more than 0.5 bar, which the EU Council of Ministers adopted on 23 November. The text, which now goes to the European Parliament for examination, should put an end to the obstacles to trade in this sector.

## ■ Estonia applies for EU membership

Estonia's prime minister, Tiit Vaeht, signed on 24 November his country's application to join the 15-nation European Union. He held that Estonia was better placed than other countries for membership, given that it has a balanced budget and a currency tied to the German mark. Estonia is the second Baltic State to seek membership; the first, Latvia, applied on 27 October. Both countries have Association Agreements with the EU, as does their neighbour, Lithuania.

### ▷ BRIEFLY

Slovenia decided on 25 November to join the Central European Free Trade Association, whose members are Hungary, Poland, the Czech Republic and Slovakia. For Janko Dezeliak, Slovenia's Minister for External Economic Relations, membership represents 'a better starting point for the country's ultimate objective — membership of the European Union'.

## ● Stimulation, not legislation

The European Commission will propose just 19 new pieces of legislation this year, as against 43 in 1995. This is in keeping with the principle of 'doing less, but doing it more effectively', set out by Commission President Jacques Santer at the beginning of 1995. Completing the single market, even while ensuring the effective implementation of the legislation already in force, is one of the key priorities of the Commission's 1996 programme, unveiled on 15 November. As in 1995, the Commission's other priorities deal with employment, economic and monetary union, the intergovernmental conference on reforming the Treaty on European Union and the EU's external relations. Preparing Central and Eastern Europe for the European single market is a key feature of these relations.

## MORE WORK IS NEEDED ON THE SINGLE MARKET

The single market is not working properly as yet, and the European Commission and the 15 Member States must put in a lot of hard work in order to make it work. That, in substance, is the message which the European Commissioner responsible for the single market, Mario Monti, delivered to the EU Council of Ministers on 23 November, when he presented the Commission's latest assessment of the single market. The Commission examined for the first time the implementation of all the measures concerning the single market, and not simply those set out in the White Paper on the 1992 programme. Thus of the 1 308 directives which had to be transposed into national law, more than 100 had simply been 'overlooked' by half the Member States as of 21 November, while the average rate of transposition stood at 90.4%. A number of problem sectors still remain. They include the free movement of persons, particularly as regards the recognition of professional training; public procurement; insurance; new technologies and services; the audiovisual sector and intellectual and industrial property. The Commission has announced accelerated infringement proceedings and adjustments to the single market to take account of technological change.

## ● Five themes for citizens

The European Commission plans to organize information campaigns during the first half of 1996, to create general awareness of

the single market. The campaigns will be conducted in the framework of the 'Citizens first' initiative, which was presented to the EU Council on 23 November. Five major themes have been selected. They are: firstly, working and residing in another EU country; secondly, making cross-border purchases of goods and services, and taking advantage of financial services in the EU; thirdly, studying in another EU country; fourthly, travelling within the EU and, finally, non-EU nationals and the single market. Each of these themes will be the subject of a guide, to be published by the Commission. During the second half of the year, the Commission will assess the results of its information campaigns, in order to see if it can do better by way of keeping EU citizens informed and safeguarding their rights.

## ● Computers to be used to fight fraud

Top priority is to be given to the computerization of customs transit procedures, under the terms of a resolution adopted by the EU Council on 23 November. The resolution also calls on the European Commission and the Member States to take the necessary steps to this end, so that the new system is in operation in 1998 at the latest. The aim is to make customs checks more effective, in order to be able to prevent and detect fraud, which has cost the EU at least ECU 700 million in this area since 1990. The Commission drew the Council's attention to this problem last March.

## ● The impact of currency fluctuations

Turmoil in currency markets, and its effect on the US dollar, led to a slowdown in economic growth of the order of 0.25 to 0.5% in the European Union last year. This is one of the effects of currency fluctuations on the internal market brought to light by an analysis published by the European Commission in November. In three years, starting in the summer of 1992, five EU currencies have depreciated by 20% or more against the most stable currencies in the European Monetary System — the German mark and Dutch guilder. The car and clothing industries, for example, have been unfavourably affected by currency fluctuations in countries with stable currencies, as have some frontier regions close to countries whose currencies have depreciated. At the same time these countries are experiencing a resurgence of inflation and a rise in interest rates. For the Commission such developments point to the urgent need for a single currency.

### ○ BRIEFLY

The European Commission launched on 9 November **four months of consultations over the second banking directive**. The aim is to ensure that Member States do not interpret this 'law' in such a way as to prevent the cross-border offer of banking services. The Commission meanwhile is seeking the views of bankers, customers and national governments.

The European Commission would like to stimulate the information society, while **finding room in it for all the official languages of the European Union**. To this end it proposed to the Fifteen on 8 November a three-year programme (1996-98), which would help businesses, in particular, to use the services of translators and interpreters via computerized networks. The new programme would have a budget of ECU 15 million.

The European Commission is organizing a **round table on the single currency** in Brussels from 22 to 24 January of this year. It will bring together some 300 key people from all interested sectors. The aim of the round table is to determine the information needs of both the public and the business community with regard to the introduction of the single currency.

In order to complete the **ground rules of a liberalized telecommunications sector** in the run-up to 1998, the European Commission submitted two proposals on 14 November. The first seeks to guarantee that the Fifteen will grant licences to telecommunications operators in a non-discriminatory manner, and the second to ensure that rented lines are available in sufficient numbers and on terms which allow the information society to develop.

The European Commission proposed to the Fifteen on 8 November action at the European level to develop **satellite-based personal communication services**. These services would be of particular interest to regions which are poorly served at present by mobile telephones. Such regions are to be found notably in the southern parts of the EU and in Central and Eastern Europe.

### ◆ Ideas for the craft industry and small businesses

There are nearly 16 million small businesses and craft enterprises in the European Union today. They employ more than 40 million people and account for 60 to 80% of the jobs created in the last five years. However, they can only continue to provide jobs if the conditions necessary for their development and competitiveness are assured. During the second European Conference on the Craft Industry and Small Enterprises, held in Berlin in September 1994, the European Commission tried to identify the challenges facing this sector, and to analyse possible responses to its concerns. In the communication entitled 'The craft industry and small enterprises: key to growth and employment in Europe', adopted at the end of October 1995, the Commission selected 10 high priority measures, the modalities of which will be set out in the third multiannual programme in favour of SMEs and the craft sector (1997-2000). The measures to have special priority attention include: continuing the action of administrative simplification and improving the integration of SMEs in the internal market; strengthening transnational and international cooperation between SMEs; supporting the creation of cross-border development agencies. Various measures of vocational training and perfecting the skills of women managers and young craftsmen, for example, are envisaged. Work aimed at making the EU-wide recognition of diplomas and professional qualifications easier is also envisaged, as are activities designed to take advantage of the possibilities offered by the new information technologies. Better access to financing by craft enterprises and small businesses will be the aim of a number of concrete initiatives, such as the development of mutual guarantee schemes. A number of actions could be undertaken to improve knowledge of the sector — through analyses and statistics relating to its economic role and the creation of a European institute for crafts and small businesses. Finally, a more systematic consultation of intermediate bodies would ensure a better representation of the craft industry at European level. The Commission has also identified five themes under which it plans to submit recommendations to the Fifteen. The recommendations would aim, above all, at strengthening the involvement of representative bodies of craft firms and small businesses in the preparation of national positions within the framework of Community programmes; promoting apprenticeship and vocational training, using sandwich courses; strengthening the spirit of enterprise creation; strengthening access to consulting for entrepreneurs setting up in business and for recently created businesses and, finally, taking more account of craft enterprises and small businesses when drawing up technical standards.

### ◆ A European capital market for SMEs

The European Commission proposed, at the end of last October, the creation of a European stock exchange designed

to promote capital participation in European SMEs with high growth rates and good prospects on foreign markets.

The European Commission has already tested the feasibility of setting up a capital market at the European level through its support for a study carried out by the private sector. The study's positive results have made possible the emergence of two EU-wide initiatives: Easdaq, the European association of securities dealers automated quotation system, based on the American Nasdaq model and, indirectly, a French initiative with Belgian participation, the 'new market' — without forgetting the creation of the European association of stockbrokers. The two secondary European capital markets for SMEs will no doubt become operational during the first half of 1996. These initiatives complement existing national bodies and are purely commercial in origin. This does not mean, however, that the European Commission and Member States must have nothing to do with them at the risk of weakening the political aim of the operation which is to improve the access to long-term capital for SMEs with a potential for rapid growth, among which are to be found the future champions of manufacturing and service industries. On 6 November, the EU Council of Ministers invited the European Commission to propose ways and means of overcoming the obstacles which currently exist in Member States — particularly those obstacles which hamper the mobilization of institutional and private capital. The aim is to facilitate the creation of secondary European capital markets for SMEs.

### ◆ Helping SMEs through 'concerted action'

The first forum on business support measures was held in Madrid on 16 and 17 November 1995; its theme was creating and supporting new businesses. The forum brought together more than 300 participants, including representatives of the 15 EU Member States, senior officials, experts, heads of professional organizations and company managers. The forum made it possible to analyse the various national measures for encouraging the creation and launch of new businesses and to organize a debate on the 'best practices' and their eventual transposition. Three workshops were devoted to the more selective study of specific support measures in favour of business start-ups in the financial and fiscal fields; training and consultancy services and such supporting structures as nurseries for businesses and science parks. The forum is the outcome of a new method of work, provided for in the new integrated programme in favour of SMEs and the craft industry: 'concerted actions'. Their aim is to breathe a new dynamism as regards dialogue and cooperation into relations between the parties involved in business development at the national, local and EU level. These actions are designed to simplify the legal, administrative and fiscal conditions under which businesses must operate (concerted action 1) and examine the different national business support measures (concerted action 2). These actions also publicize the best practices in support of SMEs during the most critical stages of their existence: creation, development and transfer. The Commission envisages a third concerted action, to consist of encouraging greater use of the services offered to businesses.

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