1992, a first? Yes, but . . .

‘There is no progress without memory’

‘We are engaged in a unique adventure. We are creating a Community . . . in circumstances so extraordinary that the end result will be unique, without historical precedent.’ Thus spoke the President of the European Commission, Jacques Delors. Many Europeans will find the affirmation he made on 17 October, during the opening of the new academic year at the College of Europe in Bruges, self-evident. It is nevertheless useful to recall that the integration process the European Community is embarked on brings together, for the first time in history, several elements of considerable importance. The 12-nation Community:

- links together well-established nations, many of them very old and one-time enemies;
- has nine official languages;
- includes regions whose level of economic development is very unequal;
- is working peacefully to achieve its ends;
- is democratic;
- is moving ahead thanks to decisions taken collectively by common institutions.

But this Community ‘without precedent’ has not emerged out of the void; in setting it up the Europeans have shown that they have learned the lessons of the past, beginning with the Second World War, with its causes and its consequences. Today the lessons of history can still help them find the most constructive solutions for the future. The cases examined by the academics who met in Brussels in July for a symposium entitled ‘1992 and the heritage of history’ offer food for thought in this connection.

Thus the experience of the Austro-Hungarian Empire points to a large, economically profitable market which broke up in 1918 after a 75-year existence: the dozen or so nationalities which made up this Empire found no advantages in a system directed from Vienna and Budapest. The moral is that different nations can only flourish in a larger unit if it is federal in nature. No one now envisages a centralized system for the 12-nation Community.

However, such awareness is not enough. Those taking part in the symposium stressed that nothing lasting can be built where there is no wish to live together. This wish was absent, for example, among the Belgians and Dutch who, although united in the same kingdom between 1815 and 1830, remained suspicious of each other.

In the Europe of 1992 now under construction, this desire to live together is to be found. Witness, for example, the very large majorities by which the resolutions of the European Parliament are adopted. Public opinion polls point to it as well. Concrete proof of it is furnished by the initiatives taken by companies, trade unions, professional bodies and local groupings. The wish expressed by President Jacques Delors at Bruges, that each European should have a feeling of belonging to a Community that would be his second country, is neither utopian or unrealistic. But if it is to come about, it is necessary to recognize and reflect on past mistakes. For as Jacques Delors noted at the opening of the symposium of European historians in Brussels, ‘there is no progress without memory’.
At last — television without frontiers!

Governments of the 12 Member States will be unable to ban television programmes broadcast in other Member States from their own territories from the autumn of 1991... as long as the television channels in question stick to the terms of the 'Television without frontiers' directive, a piece of Community legislation which received the final approval of the EC Council of Ministers on 3 October. The directive contains strict rules aimed at protecting children from violence and pornography: it even authorizes national authorities to stop such programmes from going out. The legislation also bans tobacco advertising and imposes major restrictions on advertising for alcoholic beverages. It limits advertising to 15% of air time per day, even while limiting advertising breaks to one every 45 minutes in the case of feature films. The directive guarantees both individuals and legal entities that feel they have been slandered, the right to reply at the 'European' level. The directive's most controversial provision requires the Twelve to see to it that European films and serials account for more than 50% of air time 'whenever possible' and 'progressively'. Programmes made within the 12-nation EC will not be the only ones to enjoy the 'Made in Europe' label: programmes made in the other European countries that are members of the Council of Europe will also qualify for it, as will programmes from East European countries that have entered into special agreements with the Community. The Council of Ministers incidentally adopted the directive just before the 6 October deadline, set under the rules governing the 1992 directives. Had it failed to meet this deadline it would have found itself back at square one.

ECU 60 billion to fight disparities

Between now and 1993 disadvantaged regions and social groups within the 12-nation European Community will receive a total of ECU 60.3 billion (roughly UK £ 41 billion or IR £ 46 billion) in financial aid from the European Community and loans from the European Investment Bank. The European Commission shared out these funds, which are intended to reduce regional and social disparities in the single European market, on 11 October. Some three-fifths of the total — ECU 38.3 billion — were allocated by the Commission in August to the economically less-advanced regions in the south and west of the Community (see Target '92, No 9). The Commission has also set aside ECU 7.2 billion to facilitate the redevelopment of industrial regions in decline and another ECU 7.45 billion to help reintegrate adults who have been jobless for more than a year and disadvantaged young people enter working life. For the rest, more than ECU 3.4 billion will be devoted to the modernization of installations for the production, processing and marketing of agricultural and fishery products and nearly ECU 2.8 billion to foster the development of rural areas in nine countries — the Twelve without Greece, Ireland and Portugal.

The eyes and backs have it

From 1993 all those whose work requires them to use visual display units, or lift heavy loads, will enjoy increased protection, thanks to two European Community directives, approved by the EC Council of Ministers on 30 October. The first of these texts requires employers throughout the 12-nation Community to see to it that their employees are not required to lift heavy loads and, where this cannot be avoided, to take steps to reduce the risk of back injury. The second text stipulates the minimum conditions employers must meet as regards the installation and use by their employees of the visual display units attached to computer terminals. Under this directive employees cannot be required to work continuously with VDUs throughout the day and must be given the possibility of having their eyeglass checked. These two directives are the last of five pieces of Community legislation dealing with the health and safety of workers at the workplace. All five must be resubmitted to the European Parliament before they can be definitively adopted by the EC Council of Ministers.

The Social Charter — the last stage

The text of the European Community's Charter of Fundamental Social Rights is ready. Ministers from the 12 EC countries put the finishing touches to it on 30 October, and the Community's Heads of State or Government will look at it when they meet in Strasbourg on 8 and 9 December. The fact is the text was approved by II of the 12 Member States; the British Government still has reservations over it. The Charter will not be legally binding, but the European Commission must send the Twelve, before their Strasbourg summit, an action programme aimed at implementing the rights enshrined in the Charter through Community legislation. The action programme will cover, among other things, the nine points submitted by the German Social Affairs Minister, with the backing of his colleagues from the three Benelux countries: annual holidays; the payment of wages during holidays and in the event of illness; youth protection; the situation of pregnant women and mothers with small children; the integration of the disabled; health and safety at work; career guidance; the mutual recognition of qualifications and temporary work. The European Trade Union Confederation (ETUC), for its part, wants binding European rules, which guarantee in particular the right to freedom of movement, to employment and information, particularly in multinational companies. The Confederation, which organized an action week in Belgium from 16 to 20 October on the theme of a social Europe, with the participation of more than 17 000 trade unionists from all 12 EC countries, also wants all the Member States to ratify existing international social conventions. The rights guaranteed by these conventions are not guaranteed throughout the Community, according to the Confederation.

The European Parliament suggests

The introduction of a system to see whether Community legislation for the single market is being translated into national law and implemented, and the publication of this legislation in an easily understood form, are two of the suggestions made by the European Parliament during a debate on the single market on 12 October. The Euro-MPs also want the French Presidency of the European Council to add the subject of delays in the translation and implementation of the 1992 legislation to the agenda of the Strasbourg summit. The initiative for these moves came from groups in the centre and right of the European Parliament, and were backed by all political parties, with the exception of the Greens and the far right. Left-wing groups, for their part, secured the adoption by Parliament of a resolution calling on the European Commission, Parliament and Council of Ministers to work in concert on fiscal matters. The resolution also stipulates that all draft legislation dealing with the single market must be accompanied in future by a statement describing its social, regional and ecological impact.
Regional demography

There are wide disparities in population density between the Member States of the Community, and also between different regions in the same State.

The most thinly populated region is Castilia (Spain), while the most densely populated, apart from the German city-Länder, is the region of Düsseldorf (Federal Republic of Germany).

Unemployment in Europe

Unemployment is unevenly distributed among the regions of the Community.

Andalusia (Spain) has the highest unemployment rate, while the Stuttgart region (Federal Republic of Germany) is the least affected.
Regional economy

The economic development of the regions is not homogeneous. The regional GDP indicator per inhabitant shows disparities ranging from one to six.

The most prosperous region is Groningen (Netherlands) while the region of Thrace (Greece) has the lowest GDP in Europe.

Electricity consumption

The quantity of electricity consumed varies widely among the regions of Europe.

The Canary Islands and Galicia use the least electricity, while Scottish householders are heavy consumers of electricity.

PPS (purchasing power standard): since exchange rates do not necessarily reflect the purchasing power of a currency on the national territory, Eurostat uses the PPS to eliminate general price differences among countries in order to improve the comparability of figures for the EC countries.
Excise duties — a new approach

In an attempt to break the stalemate over the issue of the excise duties levied on alcohol, tobacco and petroleum products, the European Commission proposed to the Twelve a system of minimum rates of duty, to come into force on 1 January 1993. Its proposal should allow the free movement of these products, with the consequent elimination of checks at the Community's internal frontiers. The new proposal replaces one drawn up by the Commission in 1987, which provided for single rates per product and was rejected by the EC Council of Ministers. Its adoption would result in a 0.3% rise in the level of prices generally throughout the Community, spread over three years, according to Commissioner Christiane Scrivener. Prices recording the biggest increases would include the price of wine in southern Europe and Germany, of tobacco in Spain and petrol in Belgium, Luxembourg and Portugal. The minimum rates now proposed take environmental protection into account. Thus the rate for leaded petrol would be considerably higher than for the green variety. The Commission, moreover, has proposed non-binding target rates, on which the Twelve would have to align themselves as far as possible on grounds of health, environment, energy or transport policy. The Commission has proposed narrower rate bands for three types of fuel oil — diesel, domestic and industrial — in order to ensure fair competition.

'1992' — a tonic for the economy

But for the 1992 single market programme, private investments in the 12-nation European Community would have increased by 7% last year, instead of the 8.5% actually recorded. According to a study by the European Commission's experts, 17% of the rise in private investments in 1988 can be attributed to the 1992 programme. The study was published at the same time as the Commission's economic report for 1989/90, which points to the satisfactory trend in investments in general in the 12-nation Community. They rose by 8.4% last year and are expected to rise by some 7% this year and 5% in 1990. This compares favourably with the increase of 3.6% recorded in the period 1985-87 and the stagnation of the years 1982-84. A survey carried out by the European Commission in mid-1989 confirms that the prospect of a single market is leading many European companies to invest more, especially in the run-up to 1992, and probably somewhat less immediately afterwards. Companies established in the less well-off Member States plan to invest up to 1992, and probably somewhat less immediately afterwards. Companies established in the less well-off Member States plan to invest more, especially in the runup to 1992, and probably somewhat less immediately afterwards. Companies established in the less well-off Member States plan to invest up to 1992, and probably somewhat less immediately afterwards. Companies established in the less well-off Member States plan to invest more, especially in the run-up to 1992, and probably somewhat less immediately afterwards. Companies established in the less well-off Member States plan to invest more, especially in the run-up to 1992, and probably somewhat less immediately afterwards.

EC / Swiss insurance companies reciprocity agreement

Swiss insurance companies will be able to do business freely in the single European market (with the exception of life insurance business), while their European Community counterparts will enjoy the same facility in Switzerland, thanks to an agreement between the two parties which the EC Council of Ministers approved in October. The agreement is the first of its kind which the EC has concluded with a third country.

Washington backs Hollywood

The Bush Administration decided on 10 October to mount an attack against the European Community directive 'television without frontiers' (see p. 2) in GATT (General Agreement on Tariffs and Trade). For Carla Hills, the US special trade representative, the requirement that at least 30% of air time be devoted to European-made films and serials amounts to a trade barrier. But for the European Commission, television programmes are not goods but services, and as such outside the scope of GATT.

Seen from abroad

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The state of California opened a trade and investment office in Frankfurt in mid-October. Its task: help Californian businesses export more to the European Community and European companies set up shop in the richest American state.
The distributive trades in the context of the single market

Trade in goods and services is the second largest sector of economic activity in the European Community, employing some 20 million people. It accounts for 15% of the Community's gross domestic product and roughly 20% of its external trade.

Conscious of the socio-economic importance of the distributive trades, the European Community Commission entrusted it to one of its Members, Mr. Antonio Cardoso e Cunha, and set up a new Directorate-General. (DG XXIII, in Community jargon), oriented towards business policy.

The EC's Trade Ministers, meeting for the first time in the Community's history on 10 October in the context of the Internal Market Council, gave a political impetus to this new orientation. In a resolution entitled 'The distributive trades in the context of the single market', the Council both established a framework for the Commission to work in and called on it to draw up a 'programme of activities' for 1990.

The guidelines set out in this Council resolution call on the Commission to involve commercial firms in the preparation of policies, in particular through consultations with the Committee on Commerce and Distribution and meetings between officials responsible for internal trade. The Commission must also undertake, with the help of existing advisory bodies, an examination of the conditions governing the operation of integrated distribution networks (franchising, for example) and carry out a study of the impact of trade of the new methods of payment (electronic payment, etc.).

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Europartenariat '90 in Wales

Wales was chosen for Europartenariat in 1990, after Ireland in 1988 and Andalusia in 1989. The aim of this initiative of the European Commission is to help small and medium-sized enterprises (SMEs) establish closer links with their counterparts in other Member States, by means of cooperation agreements. These agreements could cover technology transfer, distribution and sales, or financial links. During the first stage the Welsh Development Agency will organize information meetings throughout Wales to publicize the event. Interested Welsh businesses will be invited to submit proposals for cooperation projects; those selected will be listed in a catalogue. This catalogue, translated into three languages, will be available from January 1990, and will be circulated by specialized consultants throughout the Community. A target partner search will be organized in order to draw up a list of contacts for each participant. Two days of business meetings will be organized in Cardiff on 14 and 15 June 1990. They will give prospective partners an opportunity to meet and negotiate mutually profitable cooperation agreements — commercial, technological or financial — in the framework of the single European market.

Community transit: simpler formalities

At present every movement of goods within the European Community's internal frontiers is subject to a customs procedure which includes formalities and checks linked to the crossing of these frontiers. The system of Community transit consists of two procedures: one applies to merchandise from outside the Community and which has not yet cleared customs, the other to merchandise of Community origin. The European Commission recently proposed that the Community transit system should apply hereafter only to imported goods. Community merchandise would be totally excluded from the Community transit system and would, consequently, be completely freed of the formalities and other administrative constraints imposed by this system. If this draft law is approved by the Council of Ministers, it will mean a considerable simplification of the formalities linked to the crossing of the Community's internal frontiers, in the run-up to the completion of the single market.

Brite/Euram: Feasibility premiums for SMEs

Brite/Euram is a four-year research programme aimed at European manufacturing industry (cars, machine tools, civil engineering, clothing). It is co-financed by industry and the European Community and is a follow-up to the success of two earlier R&D programmes: Brite I (Basic research in industrial technologies for Europe) and Euram I (European research in advanced materials). The programme works by backing research projects, at the pre-competitive stage, carried out jointly by companies, universities and public research institutes, at least two of which are from two different Member States. The Commission has approved 163 new projects in applied research in the context of this programme. Among the participants from industry (56%), one fifth are small and medium-sized companies. The Community's contribution to these projects will amount to a total of ECU 188 million and will be used to meet half the cost of each project, the other half being met by the industrial participants. The Commission has also approved, within the framework of the programme, 60 feasibility awards, aimed at helping SMEs in their efforts at industrial research. These awards are intended to help SMEs demonstrate the feasibility of a new device, system, process or concept in the various fields of industrial technology and advanced materials. The precise aim is to help SMEs prove their abilities to potential partners (large companies) for future Brite/Euram research proposals. They will receive a total of ECU 1.5 million for this purpose, which is intended to cover 75% of the total cost in each case.

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