COMMISSION OF THE EUROPEAN COMMUNITIES Directorate-General Audiovisual, Information, Communication and Culture



Monthly newsletter on the single internal market

An end to customs formalities among the Twelve from 1993

by Christiane Scrivener, Member of the European Commission

On 1 January 1993 all customs formalities among the Twelve will have disappeared, with the introduction of the single market. Trade between Spain and Portugal and the rest of the Community will remain subject to a limited number of formalities until 1996, under the provisions of the transitional arrangements concluded at the time of their entry into the EC. All the measures required for the elimination of customs formalities have already been taken, over a period of just over a year. The last — but not the least — of such measures were adopted by the EC Council of Ministers on 21 March 1991.

The elimination of the single administrative document — SAD — was the most significant of these measures: it was an important step towards the creation of the single market, giving as it did substance at the level of the customs to the elimination of the Community's internal borders on the date set by the Single European Act. From 1 January 1993 the SAD will only be used in the Community's trade with non-EC countries. Its elimination will mean the disappearance of some 60 million forms each year and will result in substantially lower costs for companies in all their operations within the single market.

A second decision, ending the special formalities associated with TIR and ATA, will mean a reduction in the time required to move imported goods within the Community and, consequently, lower transport costs for economic operators. This measure will come into force on 1 January 1992, a year before the completion of the single market. The TIR carnet — the French acronym for international road transport — is needed to meet the formalities specifically connected with the transport of internationally traded goods by road or by container. Heavy-duty vehicles using this system display the distinctive blue and white TIR sign at the back. As for the ATA carnet, it is used for goods sent for a temporary period outside their country of origin.

A third Council decision will mean the elimination, from 1 January 1993, of all the formalities connected with the transport of goods exported from one EC country to another for display at an exhibition or trade fair. For the present, in the run-up to the single market, the Council has extended the benefit of the simpler formalities to works of art and carpets for display purposes. Another Council measure aimed at simplifying existing formalities encourages the use of customs posts located inside EC countries between 1 September 1991 and 31 December 1992. It will help reduce queues at customs posts at the Community's internal borders.

All the measures adopted by the Council on 21 March complement those it adopted last year:

(i) the elimination from 1 January 1993 of the transit system for Community merchandise — the 'T2 procedure';

(ii) the elimination of the transit document involving goods in transit within the Community, and in force since 1 July 1990; and

(iii) the simplification of the procedure for proving the Community nature of merchandise. A bill is all that is needed since 1 March 1991. This is an area in which the single market has come about some two years in advance of the timetable.

The Council of Ministers will therefore have taken no more than 13 months, from February 1990 to March 1991, to adopt all the measures needed to end customs formalities within the European Community. The Commission can only be pleased at the speed with which this has happened, because it is the expression of a clear political will to move quickly towards the single market.

5 MAY 1991 The text of this issue was completed on 8 March 1991.

DECISIONS

1200 'European' customs officials

Some 1 200 customs officials from the 12 European Community countries will be working for a time in another EC country than their own, between now and the end of 1993. A British customs official could very well be employed in checking cargo arriving at the Spanish port of Barcelona, and his Irish colleague be similarly engaged at Brussels airport - while a French customs official could be found at Heathrow, working alongside British colleagues, on an equal footing. These exchanges are part of the Matthaeus vocational training programme for customs officials, which the EC Council of Ministers adopted on 21 March. They are a first step towards the creation of a European customs agency, entrusted with the task of monitoring the Community's external borders. The adoption procedure will have been completed once the European Parliament has looked at the Programme, which is a follow-up to a pilot project launched in 1989 (see Target 92, No 2/1991). Under the programme customs officials, as well as those enrolled in specialized national institutes, will receive a European training. In addition to exchanges, they will follow short courses devoted to Community laws and languages as well as to the fight against fraud. The Twelve have earmarked ECU 2. 4 million for the Matthaeus programme (ECU 1 = UKL 0.69 or IRL 0.77).

Cleaner lorries for 1992 and 1993

Lorries and other commercial vehicles fitted with diesel engines will be 'cleaner' after 1 July 1992, in the case of new models, and from 1 October 1993 as regards all new vehicles coming into ser-The European Community's Environment Ministers vice. reached agreement on 18 March on anti-pollution standards for exhaust emissions every bit as severe as those in force in Switzerland and Austria. The agreement, which must be examined by the European Parliament before it can become Community law, provides for the application of even stricter standards from 1 October 1995 — for new types — and 1 October 1996 for the entry into service of vehicles. EC governments will be able to give tax incentives in order to encourage the purchase of vehicles which meet the new standards before they become compulsory.

Freeing the telecom market

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European Community governments can no longer grant 'their' telephone companies the exclusive right to import, market, connect and maintain telecommunications terminal equipment,

A EUROPEAN UNION TO **ROUND OFF '1992'**

The reinforcement of workers' rights, the fight against regional and social disparities and environmental protection are the key objectives of the suggestions presented by the European Commission to the Twelve on 26 March, in connection with the intergovernmental conference entrusted with the task of setting up a European political union. The conference, which began in mid-December of last year, must draw up a revision of the Treaty of Rome, the 'European Constitution'. It is taking place in parallel with another conference of the Twelve, concerned with economic and monetary union. In the European Commission's view political union should make it possible to accord the same importance to the social aspects of the single market as to its economic aspects. The Commission proposes extending majority voting to most of the social measures that the Twelve must adopt; unanimity would be required only as regards the harmonization of the various social security systems; trade union rights, inclu-ding the right to strike; and access to jobs for citizens of third countries. The Commission would like all decisions relating to the environment to be taken by majority vote. It is also seeking the inclusion in the Treaty of Rome of the five major objectives of the Community's structural Funds: backing for regions that face industrial decline or are lagging behind economically; the fight against long-term unemployment and youth unemploy ment and the development of rural areas. These ideas round off the proposals which the Commission presented last year and which dealt with foreign policy, energy, the creation of a European citizenship, an increase in the powers of the European Par-liament and the implementation of the decisions of the European Court of Justice.

such as fax and teletext machines. The Twelve must also ensure that the drawing up of technical specifications, monitoring of their application and granting of type-approval are carried out by an independent body. These are the practical consequences of a ruling handed down by the EC Court of Justice on 19 March, largely confirming a directive ('European law') adopted by the European Commission under its own authority on 16 May 1988. The governments of France, Germany, Belgium, Italy and Greece had sought to have the directive's main provisions annulled, on the grounds that the Commission had exceeded its powers and impinged upon the powers of the Council of Ministers.

Higher travellers' allowances

From 1 July inhabitants of the European Community will be able to bring back without any formalities, from another EC country, purchases worth ECU 600 — approximately UKL 420 or IRL 460. The EC Council of Ministers decided on 18 March to increase the maximum authorized amount, at present equal to ECU 390. This is a record increase, previous increases in travellers' allowances having amounted to little more than adjustments aimed at offsetting the effects of inflation on an amount first set in 1969. This time round the increase marks a step towards the elimination of formalities for purchases by private individuals in an EC country other than their own. Besides, the Twelve also agreed on the principle of border-free purchases and purchases without restrictions for private individuals from 1 January 1993. For the present, the ECU 600 allowance applies only to persons aged 15 years and over; the allowance for the under-15s will be ECU 150 only. Within the ECU 600 limit, no single purchase can exceed ECU 340 for people living in Denmark and Greece and ECU 95 for the inhabitants of Ireland. Finally, certain 'sensitive' products will remain subject to quantitative limits: cigarettes (300 pieces); wine (5 litres); fortified wines below 22° (3 litres) and spirits over 22° (1.5 litres). Stricter limits will be in force for Denmark and Ireland until the end of this year.

Down with gas and electricity monopolies

The European Commission has brought the single market in energy a stage nearer by launching, on 21 March, infraction proceedings against 10 Member States of the European Community. The Commission accuses nine of them — the Twelve less Germany, Belgium and Luxembourg — of maintaining monopolies for the import and export of electricity. It holds the same grievances against Belgium, France and Denmark as regards gas. Its decision of 21 March represents the first stage in the realization of a precise objective, which is to give a company based in one Member State the possibility of freely importing gas and electricity from another Member State. The Commission has already announced the second stage: an examination of the conditions for the distribution of gas and electricity.

BRIEFLY

The regions facing industrial decline which have already been helped by the European Community since 1989 will be able to receive the same kinds of financial support until the end of 1993. Following a decision of the European Commission of 20 March 1991, the list of these regions, published in the EC's Official Journal of 25 April 1989 (No L 112), will remain valid for a further two years. More than 53 million people (15 % of the Community's population) live in the regions in question, which are located in nine EC countries - the Twelve less Greece, Ireland and Portugal. These three countries are the beneficiaries of special Community assistance to regions that are lagging behind economically.

A directive ('European law') adopted by the European Community's Transport Ministers on 27 March seeks to meet the challenge posed by the increased trade between the Member States in the 1992 single market, even while containing environmental damage and the risk of road accidents. The new directive will facilitate the combined carriage of goods between EC countries and in transit across certain third countries, such as Switzerland and Austria.

The European Commission adopted on 19 March a development programme for the former East Germany. It will provide a frame of reference for Community aid during the period 1991–93. The aid, amounting to ECU 3000 million in all, will facilitate the integration of the regions in question into the large single market.

Provision has also been made for pure-bred animals in the single market. The European Community's Agriculture Ministers adopted on 25 March a directive ('European law') harmonizing national requirements for the marketing of these animals.

TOWARDS A EUROPEAN TECHNOLOGICAL COMMUNITY

by Otto von Schwerin, Brussels

There is a long tradition of science and research in Europe. Almost all of the pioneering inventions and technological developments have had their origin in the Old World. Even after the Second World War the list of European Nobel Prize winners continues to be impressive, while in some areas the EC countries still have their strong points. However, they are running the risk of missing out in those hi-tech areas which will decisively affect worldwide competition at least up to the turn of the century: information, communications and biotechnology, and materials research. Their effects on the economy, society, and general living standards are today scarcely less far-reaching than those of the industrial revolution on the previous century. With 1992 in view the Community thus has a new job in hand: building a European research and technology Community forming an integral part of the European internal market.

The new legal basis

Since Euratom fell foul of national ambitions in the 1960s, EC research policy has largely taken a back seat as far as European integration is concerned. A further obstacle in the 1970s and early 1980s was acceptance problems and uncertainty as to the point and value of technical progress. The popular buzz word at the time was 'Eurosclerosis', but this can no longer apply:

(i) Scientific know-how and technological developments are again being taken seriously and we are now meeting head-on the challenge being mounted by Japan and the USA, Europe's competitors on the world's markets, after spending years as passive onlookers.

(ii) Technical progress has become both the driving force and yardstick for worldwide competition: production cycles in advanced technologies are getting shorter and shorter, while R & D costs are rising at previously unheardof rates. In technological terms international interdependence is just as total as in economic and monetary relations. New markets are constantly opening up throughout the world, while others are disappearing. The electronics industry's recent ups and downs provide a striking example of the white-hot pace of modern hi-tech developments.

(iii) The cumulative effect of new phenomena such as deforestation, ozone depletion or climatic change has opened our eyes to the fact that we are subject to highly diverse living and environmental conditions which constantly require new research, and above all basic research, which cannot be managed at national level in either material or financial terms.

It is now generally recognized in politics, economics and science that research and technology policy can no longer

be conducted solely on a national basis — and this has become clear even in those Member States which, a few years ago, stood relatively aloof from EC research policy. Europe's problems reside in neither the quality nor the quantity of its scientific and technological performance rather they are due to a lack of transparency, mobility, cooperation and overall strategy. This applies not only to transactions between States but also within national boundaries. Scientific and industrial circles thus work together much more naturally in Japan and the United States than in a European country. It was therefore not only necessary but also high time that the European Community used the Single European Act (1987) to form the basis for its own technology policy.

Basically, when turning this policy to practical account it could not be expected that the EC countries' need to catch up in key technological areas could be met at EC level alone: despite significant growth rates, the amount of money allotted to EC research constitutes just 4 % of Member State spending in this area, or 2 % of total spending — both public and private — on research and development. Moreover, the 4 % share of research and technology in the EC budget is, when compared with its ambitions, rather modest. It is barely 10 % of the amount spent on the common agricultural policy. As early as 1985 the Heads of State or Government had announced a rate of 6 % for research in the 1990s.

The subsidiarity principle

It is obvious that at these levels of magnitude not everything that is interesting and promising can be placed on a European level. In line with the principle of subsidiarity it is rather a question of hoisting up to Community level whatever 'adds value' in European terms but cannot be done either by the private or public sectors at national level. In practical terms this applies, for example, to basic environmental and climatological research or to the technological aspects of the internal European market, and in particular norms and standards.

The critical problems facing the European technological community are structural in nature and can therefore only be dealt with on a long-term basis.

(i) The gap between the highly developed and structurally weak provinces and regions within the EC is even wider in technological than in economic terms: a ratio 12:1 between the extremes in the Member States, versus 28:1 between the regions; 75 % national research spending within the EC is accounted for by only three countries (Germany, France and the UK). A number of southern European countries are still largely lacking any technological infrastructure.

(ii) While they have a great need and possess great potential for innovation, medium-sized companies — as ever the

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backbone of the European economy — often face serious staffing and financing problems when wishing to conduct research.

(iii) Apart from in Germany and Belgium private research is relatively underdeveloped in the EC countries, compared with Japan and the USA.

The Single European Act provided the means for putting research policy into practice: the medium-term framework programme adopted unanimously by the Council of Ministers is a legally, politically and financially binding instrument for a five-year period.

The framework programme is implemented by a large number of special programmes — each adopted after two readings involving cooperation between the Council and the European Parliament. They reflect the entire spectrum of modern research and technology: health, environment, nuclear safety, through hi-tech industries and energy research to marine technology.

A vector in the form of 'shared-cost programmes'

Some aspects of the sponsored research differ fundamentally from other EC financial instruments. As opposed to the EC structural Funds for instance it contains no national proportionality or even quota requirements at all. There is a further practical difference in that applications are not to be made via national institutions (e.g. in Germany the federal or provincial governments) but can be sent direct to the EC Commission. Now and again this might cause problems of access or information, but should nevertheless be viewed as an asset and opportunity.

The most important vector of research sponsorship is 'shared-cost programmes': paying up to 50 % of their cost the Commission supports cooperation on joint projects between industrial companies, universities or private research institutes from various Member States. Although the demand is lively, the money available is limited (on average roughly 20 % of the projects worthy of support are accepted). The requirements concerning scientific quality, originality and innovative value are thus very high.

Apart from the cross-frontier cooperation that is a routine requirement within the EC (at least two partners from the industrial or research worlds in different Member States) EC-sponsored research in essence concentrates on:

1. **Basic research**, where the lost ground is becoming more and more of a problem, above all for medium-sized companies.

2. **Precompetitive research** in order to avoid conflict with Community competition policy since the development of marketable products or processes are basically a matter for the private sector.

In the 1970s and early 1980s, EC research had largely concentrated on energy. In the second framework programme the emphasis was shifted to industrial research aimed at improving international competitiveness. Actually more than 60 % of its overall volume is covered by the Esprit (information technology), RACE (telecommunications) and Erite/ Euram (new technologies in traditional industries, and materials research) programmes.

Shift in priorities

Just two years after the adoption of the second framework programme (1987–91) the Commission put forward a third (1990–94). This was adopted by the Council in April 1990.

With its 15 (instead of 32) individual programmes the new programme is slimmer and more homogeneous. It also sets new priorities: thus the share for environmental research and biotechnology has increased considerably; support for industrial competitiveness (information, communications and materials technologies) remains at the same high level as the second programme, whereas energy research has visibly contracted.

The third framework programme is not merely a continuation of the second, but opens up a number of new prospects: 1. The aim in the information and telecommunications sector is to interlink the existing Member State networks to form a 'European nervous system' which, once the internal frontiers have been removed, will be a reliable source of information on customs and transport matters, on medicine and social security.

2. Environmental research is now being given more money and substance: in addition to the traditional areas of air and water pollution support is now being given, above all, to research into climatic change, destruction of the ozone layer and the dynamics of the ecosystem. Even beyond 'pure' environmental research ecological criteria are a programme component, especially where they can be applied to industry.

3. Grants awarded under the 'human capital and mobility' programme are intended to underpin the international exchange of 5 000 young researchers (post-doctoral theses).

This shift in emphasis away from industrial research towards the environment and the quality of life should in no way be taken as being a break in continuity; indeed the links between the two are becoming more pronounced. Environmental problems nowadays carry so much political weight throughout the world that they have become a decisive factor in maintaining European competitiveness.

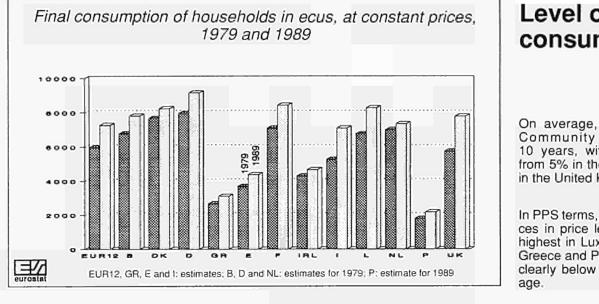
Over just a few years since the entry into force of the Single European Act the Community's research and technology policy has thus gained stature even though the institutional decision-making process has not exactly been made easier by that reform of the Treaty.

A further revision of the Treaties could simplify matters, for example by combining the current two-stage process and thus boosting the flexibility and adaptability of EC research policy.

In recent years the EC has become the prime focal point for European cooperative research and development. However, this does not mean that it makes any claims to a monopoly: bilateral or multilateral projects such as Airbus and Ariane retain their value, as do the Eureka projects Jessi (semiconductor technology) and HDTV (high-definition television) in which the Community is also involved. These activities are basically commercial in nature, whereas the EC is largely concentrating on basic research. This division of labour within European technological cooperation has proved its worth in the past.





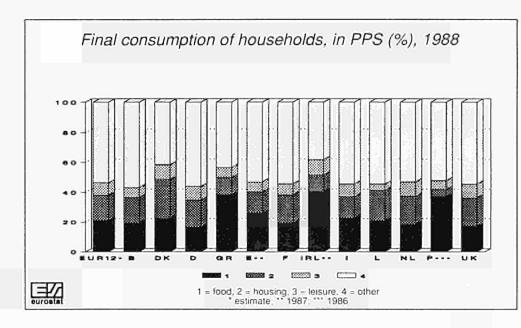


Level of consumption

On average, consumption in the Community has risen 22% in 10 years, with increases ranging from 5% in the Netherlands to 35% in the United Kingdom and Italy.

In PPS terms, i.e. ruling out differences in price levels, consumption is highest in Luxembourg, whereas in Greece and Portugal the figures are clearly below the Community aver-

Per capita consumption, 1989, in PPS												
EUR 12*	в	DK	D	GR*	E*	F	IRL	P	L	NL	p•	UK
8 939	9 440	8 093	9 881	5 097	7 126	9 472	5 564	9 473	10 363	8 702	5 121	9 700
Estimate												

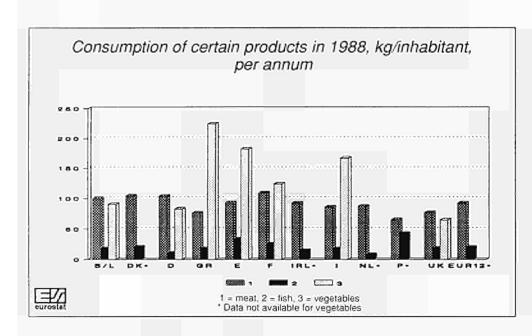


Consumption in the European Community

The percentages accounted for by the different functions of the final consumption of households vary considerably in the European Community, from 16% to over 40% for food and from 5% to 26% for housing.

The countries which spend the highest percentage on food are those whose per capita GDP is lowest.

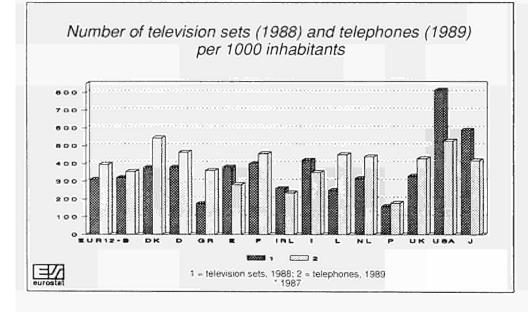
The food/housing total accounts for between one third and one half of the final consumption of households.



A few consumption items

The pattern of food consumption varies considerably from one Community country to another. The countries of southern Europe eat more vegetables (225 kg/inhabitant in Greece as against 65 in the United Kingdom) and fish (43 kg in Portugal as against 8.5 kg in the Netherlands).

The French eat almost 110 kg of meat per year and the Danes 104 kg as opposed to 65 kg in Portugal.



Household amenities

Ownership of television sets in the Community varies as well. In Italy, there are almost 2.5 times as many sets as in Portugal. With the exception of Italy, the southern European countries are less well equipped than the other Member States.

There are greater differences in numbers of telephones. In southern Europe, only Greece comes close to the Community average.

Europe is way behind the United States and Japan when it comes to ownership of telephones and television sets.

INITIATIVES

• Consumer legislation takes precedence

Since 1 April, unless expressly stated otherwise, the legislation in force in the consumer's country of residence applies to all contracts covering goods and services, with the exception of insurance policies, if the parties are established in one or the other of nine European Community countries — the Twelve less Greece, Spain and Portugal. Hitherto the law of the country in which the seller was established took precedence more often than not. This modification has come about thanks to the signature by the UK, at the end of March, of the Rome Convention concluded by the Nine in 1980. The text was to have come into force once it had been ratified by seven of the signatory countries. This is now the case.

• France: a more European civil service

Citizens of the other 11 European Community countries will soon be able to enter the French civil service, although they will be barred from holding jobs involving 'prerogatives of public authority', such as judge or police commissioner. The French Government adopted draft legislation along these lines on 20 March, thus conforming to the Treaty of Rome, the 'European Constitution', as interpreted by the European Court of Justice.

• A 14-nation single market of the skies

The single European market in air transport will have 14 members. The fact is that the European Commission, Norway and Sweden concluded an agreement on 20 March which provides for the enforcement by the two Nordic countries of all the 'European laws' in this sector, present as well as future. Oslo and Stockholm will also respect European competition rules for the sector. The EC Council of Ministers must give the agreement its blessing before it can come into force.

• Cross-border payments under study

With a view to eliminating the botheration, excessive charges and delays encountered by Europeans when transferring money from one European Community country to another, the European Commission decided on 20 March to launch two studies. The first will aim at finding technical solutions to the problems in question, and will be carried out by a group of specialists from both commercial and central banks, such as the Bank of England or the Bank of Ireland. The second study will aim at expressing the needs of consumers, and will be conducted by representatives of consumer organizations, retailers, small and medium-sized enterprises. They will be joined by specialists from the first expert group. The two groups will submit their conclusions before the end of the year. The Commission will then ask the banks to take the necessary measures without delay, failing which it will propose European legislation to the Twelve.

• The single market and the environment

In order to guarantee the enforcement by the Twelve of strict ecological standards, even while maintaining the unity of the single market, the European Commission, on 26 March, adopted guidelines which provide for a two-stage procedure. During the first stage the Commission will set a mandatory standard for the Twelve, to be implemented as rapidly as possible and based on the technology available at the date set for its entry into force. In the second stage the Twelve will fix an 'objective' standard, which would apply three or four years after the first standard and would correspond to the highest possible level in the light of scientific progress. The European Commission would authorize the Member States to grant tax incentives in anticipation of the standards to be set during the first stage and, under certain conditions, those of the second stage.

○ BRIEFLY

The European Commission and Yugoslavia, on 27 March, concluded an agreement which will facilitate the **transit of goods between Greece and the rest of the European Community**. Under its provisions the quotas granted to road hauliers in the Community will be increased annually by 5 %. Heavy goods vehicles meeting Community standards will be able to move freely over Yugoslav motorways while rail transport and the combined carriage of goods will be better organized. The Community will join in financing the transit roads in question.

The cross-border banking system envisaged for 1 January 1993 will be stronger and more stable if the Twelve adopt a directive ('European law') proposed by the European Commission on 21 March. It would **require banks to distribute their risks** by imposing a ban on loans representing more than 25% of their own funds to a single customer and by requiring them to notify the authorities of loans which exceed 10% of their capital. The banks would have until 1 January 1998 to conform to these rules.

Twelve-star pensions' would be a good translation of the title of a brochure in French which gives a bird's-eye view of the various retirement schemes in force in the various European Community countries. It is the work of university professors and the decision to publish it was taken by Belgium's State Secretaries for the Europe of 1992 and pensions. The brochure is aimed above all at Belgians who already work in another Community country or would like to do so. It is distributed by Inbel (3, avenue des Arts — B-1040 Brussels, Belgium) and costs BFR 150, plus BFR 25 postage. The title in French is 'Pension à douze étoiles'.

The **European electronics and computer industry** is suffering from the fragmentation of the Community market. This claim is made by the European Commission in a Green Paper presented to the Twelve on 26 March. To redress the situation the Commission has outlined five areas of action. They include: stimulating demand at the Community level; speeding up the adoption and enforcement of Community standards; market-oriented research; better vocational training and easier access to third-country markets.

SEEN FROM ABROAD

Gaining ground in Switzerland

Swiss business circles are looking at the single European market with growing interest. Some 90 % of Swiss companies want to see their country inside a European economic area consisting of the EC and EFTA, according to a survey of 300 Swiss companies carried out by a Zurich consultancy firm and published on 20 March. Forty-nine per cent of the managers of these companies want to see Switzerland join the European Community. This is a higher percentage than that recorded for the population as a whole. For its part, one of the country's largest banks, the Union des banques suisses (UBS), has asked the Swiss federal authorities to harmonize Swiss taxation with that of the European Community. In a study published on 3 April, the UBS estimated that the Swiss system of indirect taxes and its tax on investments were incompatible with the Community's provisions in the matter, and therefore a handicap for Switzerland.

▷ BRIEFLY

The number of **Japanese companies with manufacturing activities in Western Europe** rose by 28 % in 1990, according to statistics published by Jetro, the Japanese external trade organization, on 2 April. As of 31 January 1991, 676 Japanese companies had factories in Europe, including 187 in the UK, 122 in France and 109 in Germany.

'No question is of greater importance for Poland than membership of the European Community', the country's President, Lech Walesa, declared during a visit to the European Commission in Brussels on 4 April. During his press conference Mr Walesa called for **access to the Community market for Polish goods**. 'You can find Western products in Poland, but not Polish products over here', he claimed.

SMEs

Tourism: a Community action plan

Tourism accounts for 5 % of the European Community's gross domestic product (GDP) and, with nearly 8 million workers, for 6 % of total employment.

Given the sector's importance, the European Commission proposed a Community action plan in favour of tourism at the end of March, with a view to improving the quality and competitiveness of Community tourist 'products' and strengthening the promotion of Europe as a tourist destination.

A complement to national and Community actions already undertaken, the plan seeks also to improve knowledge of the sector by means of studies and the development of Community statistics. It will also serve to coordinate national and Community policies, and stimulate the efforts undertaken to stagger vacations and protect holiday-makers.

Through specific medium-term activities the plan will also encourage diversification into cultural, social, rural and youth tourism. It will provide backing for actions carried out jointly by border areas or in cooperation with Central and Eastern Europe. Finally, the plan will ensure that European tourism is more effectively promoted on international markets.

The Community's plan in favour of tourism is based on the numerous successful initiatives launched in the framework of the European Tourism Year, which was brought to an official close in Luxembourg on 29 April.

Coming shortly information centres in third countries

Numerous third countries would like to take advantage of the information services which the Euro-Info-Centres offer small and medium-sized enterprises (SMEs) located in European Community countries. The European Commission is open to the idea in principle.

'Correspondence centres' could therefore be set up in third countries under certain conditions. The request would have to come from the interested country and be accompanied by reliable guarantees as regards their funding and operations.

Among the countries requesting such centres are the members of the European Free Trade Association (Austria, the Nordic countries and Switzerland) and certain countries of Eastern and Central Europe.

'European' loans

In 1990 the European Investment Bank, the Community's financial institution, granted ECU 2 000 million in loans for investments in small and medium-sized enterprises (SMEs). Of the 7 447 loans in question, 5 633 (ECU 1 600 million) related mainly to industry. Roughly two-thirds of the loans were extended to companies located in the Community's least well-off regions, while some 50 % of the total went to companies employing fewer than 50 workers. The total volume of EIB loans came to ECU 13 400 million in 1990, an increase of 9. 4 % over the previous year. The Bank is a non-profit organization. It finances investments which must contribute, in the main, to the improvement of the transport, telecommunications and energy infrastructures as well as to environmental protection and job creation.

Strengthening industry's international competitiveness and supporting small and medium-sized enterprises (SMEs) are also among the EIB's priority objectives. It helps finance small and medium-sized investments, particularly those of SMEs, by means of global loans. These are in the nature of temporary credit lines granted to banks or financial intermediaries in the Member States, who use them to finance projects selected according to the EIB's economic, financial and technical criteria.

43 young Europeans head for Japan

The European Commission has sent a group of 43 young Europeans to Tokyo, in the framework of its 11th executive training programme. They will spend 18 months in Japan, devoting 12 of them to studying the language and spending another six with a Japanese company. The aim of the programme is to increase the effectiveness of European companies in their efforts to penetrate the Japanese market, by creating a team of young executives who know Japan, its language, culture and, above all, its business environment.

Since 1979 more than 350 executives from different Community companies have taken part in the programme. The process of selecting candidates for the next session, the 12th, is already under way. Applications from SMEs will receive special attention. A video cassette explains the strong points of the executive training programme in the nine Community languages. Bodies which advise businesses and provide them with information can ask for a copy.

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Access to Europe a handbook on European construction

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