

COMMISSION OF THE EUROPEAN COMMUNITIES

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THE WEEK IN EUROPE

WE/9/93 4 March 1993

Aid to ex-Yugoslavia. The Commission agreed yesterday (Wednesday) the first tranche of humanitarian aid this year, some 60m ECUs, for war victims in former Yugoslavia. Since the beginning of the conflict in 1991, the Community has contributed 290m ECUs. The European Communities' Humanitarian Office (ECHO) estimates that around 650m ECUs will be required in the first six months of this year, half of which is already in place, to cope with food and support facilities for some three million refugees. The share-out of the remainder is as follows: the Community will provide 162.5m ECUs; Member States 81.25m ECUs; and other G-24 countries 81.25m ECUs. Further EC aid will be released once a UN/EC mission reports back in mid-March. The UN and non-governmental agencies will act as distributors.

Consumer contracts. After more than two years of discussion, Consumer Affairs Ministers meeting in Brussels on Tuesday approved proposals to give consumers greater protection from unclear and unfair small print clauses in contracts. Consumer Affairs Commissioner Christiane Scrivener welcomed the decision saying it would reinforce consumer confidence in the Internal Market by going a long way to harmonise Member States' laws on consumer contracts. The Directive, due to come into operation from 1995, includes an indicative, but not exhaustive, list of the type of clauses considered by the Commission as weighted against the consumer. Offending clauses which would be outlawed under the proposals include those allowing the service provider unilaterally to change the contract's terms and conditions without giving the consumer right of redress, and small print limiting the legal liability of the supplier.

<u>Time-shares scrutinised.</u> While awaiting an opinion from the European Parliament, Consumer Affairs Ministers favoured giving purchasers of time-share properties greater safeguards. Under the proposals, advance down-payments would be abolished and purchasers would have the right to withdraw after signing the first contract. National officials will continue work on the proposals, which may extend to time-shares outside the Community. The Commission was also asked to look at better product labelling.

<u>US-Airbus dispute.</u> As the new Airbus A321 was rolled out in Hamburg yesterday, Industrial Affairs Commissioner Martin Bangemann expressed his surprise at recent statements by the US that Airbus was responsible for the downturn in the American aircraft industry. Aircraft manufacture worldwide was experiencing a crisis because of the recession and the reduction in defence spending, he said in Brussels. The European Community would not blame competitors for a situation which was affecting the entire industry. Bangemann also questioned the US's reasons for apparently wishing to reopen the quarrel on subsidies, a chapter which had closed last year with the signing of a bilateral agreement.

US-EC steel talks. This week, the European Community made a formal request to start talks with the United States under the GATT Anti-Dumping Code after a decision by the US Commerce Department to impose countervailing duties of up to 109% on Community steel. Economic Affairs Commissioner Sir Leon Brittan repeated that the duties were not only unjustified on economic grounds, but sent the wrong political signal at a time when the world needed reassurance of America's intention to stand by its commitment to free trade. At a meeting between EC and US negotiators last week, the Community questioned the methods used by the US to calculate subsidies made to EC producers, critising them as "arbitrary". The Community also doubts that EC steel imports have caused injury to US producers. Since 1989, the share of EC producers has stagnated or dropped in almost every product sector.

Pollution in the Black Sea. The European Commission has earmarked 2m ECUs assistance as part of a worldwide effort to help eradicate the severe environmental problems facing the Black Sea. The funds, to be distributed to five countries bordering the Black Sea - Romania, Bulgaria, Georgia, Ukraine and Russia - will be spent on identifying pollution, water monitoring, improving local utilities', harmonising legislation and increasing public awareness of the problems. Sewage, toxic waste, agricultural fertilisers and off-shore gas installations in particular have decimated fish stocks and led to cholera epidemics among tourists. The funds are in addition to some 13.4m ECUs already being spent on cleaning up the Danube, the source of many of the Black Sea's pollutants.

<u>Tropical forests.</u> On Monday, the Commission gave the go-ahead to a proposal providing 50m ECUs for projects to save tropical forests. The plans, in keeping with international measures agreed at last July's Earth Summit in Brazil, will promote sustainable forest management, encourage the involvement of indigenous populations in environment policy and set up research and training resources to bolster

local institutions. The funds build on last year's 52m ECUs Community programme for tropical forests.

Syria-EC talks. Syria's Foreign Minister Farouk Al Sharaa had talks with External Affairs Commissioner Hans van den Broek last week on the Middle East peace process and EC-Syrian bilateral relations. Al Sharaa expressed his hope that President Clinton's US administration would give "new dynamism" to the peace process, but regarded the compromise solution on the Palestinian deportees as "insufficient" and a persistent obstacle to progress. Van den Broek stressed the Community's desire for the United Nations' resolution to be respected. On the EC's financial accords with Syria, the Commissioner highlighted the importance of human rights in the country as a precondition for their adoption. Al Sharaa rejected the link, saying he considered human rights' abuse in Israel a more pressing matter.

<u>Programme for disabled.</u> Last week's Industry Council approved funding for the next HELIOS action programme which is designed to improve the lives of disabled people. The three year 37m ECU HELIOS II programme will concentrate on the following key areas: mobility for the handicapped; their integration into the education system and professional and economic life; and their freedom to lead independent lives. HELIOS II aims to increase the exchange of information across the Community.

Rail companies agree tariffs. Last week the Commission decided to allow the twelve major Community rail companies to set uniform tariffs for goods transport. The Commission had considered the agreement, forged by the railways in 1990, a restriction on competition. The Commission has now decided that uniform Community-wide tariffs would help freight companies work out the cost of choosing various routes by making price comparison easier. The authorisation is for five years.

European publishers. Commissioner for Communication, Culture and Audio-visual policy Joao de Deus Pinheiro met representatives of the European Federation of Publishers to discuss their concerns about VAT on books, copyright and the state of the book market. De Deus Pinheiro announced Commission plans for an initiative to stop the abuse of copyright by photocopying. The Commission will launch a book promotion campaign in Copenhagen on 22 April to run until the 1994 Frankfurt Book Fair.

Enlargement talks. The next round of talks scheduled with Austria, Finland and Sweden at ambassador level for 11-12 March will provide a forum for a question-and-answer session aimed at identifying problem areas before the detailed accession negotiations start. Two states have already highlighted relatively easy areas for discussion. For Austria, these include the four freedoms of capital, goods, services and people as well as fisheries, research, information and company law. Sweden has said it expects similar areas to be agreed quickly, but indicated it will seek the same exemptions as Denmark to the freedom of movement to prevent summer houses being bought by non-nationals.

Woman of Europe. The committee for the Woman of Europe Award, is calling for nominations for the 1993 UK award. Set up in 1987 under the auspices of the European Commission, European Parliament and the European Movement, the award is presented each year in recognition of an outstanding voluntary contribution towards European integration. It is not tied specifically to promoting the interests of women. Nominations for the UK Woman of Europe should be made through members of the press by 27 September. For details, contact Alison Parry on 081 891 1021.

<u>Health & Safety Year ends.</u> A final press conference will be held at the London office of the Commission at 11.30am on Tuesday, 9 March. Details from Michael Pillinger on 071 973 1992.

<u>"The DTI Euro Manual".</u> This manual is a straightforward two-volume guide for managers to over 200 EC legislative measures which affect the running of every UK business. Cost £49.95 a set. Available from CCH Editions Ltd. Call the bookline on 0869 247864 or fax: 0869 245814.

Conference & diary dates:

"European Challenges post-1992". A press conference takes place at the London office of the Commission on Monday, 8 March, 11.30am, to launch this major publication. Details: 071 973 1970. "1993 Woman and Europe conference". Organised on Monday, 8 March by the Federation of International Women's Associations in London and the European Movement. Speakers include Commissioner Christiane Scrivener and MP Emma Nicholson. Details from Focus: 071 937 0050. Research & Development. A one-day seminar to be held at Brooke City Technology College, Corby on EC funding to help companies with R&D. Details: Northamptonshire County Council: 0604 236762.

Council Meetings:	General Affairs	8-9 March	Brussels
	European Parliament plenary	8-12 March	Strasbourg
	Transport	15 March	Brussels
	Fcofin	15 March	Brussels

Our next Week in Europe briefing will be on Thursday, 11 March at 11.30am.