



COMMISSION  
OF THE EUROPEAN  
COMMUNITIES

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THE WEEK IN EUROPE

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**Major tours EC.** UK Prime Minister John Major this week began a tour of EC capitals to prepare for the European Council summit in Edinburgh over which he will preside on 11,12 December. The tour began in Brussels on Tuesday as EC governments were digesting the agreement reached last week with the USA on agricultural subsidies. This promises a breakthrough in the six year discussions on reforming the GATT system of world trade. The French Government have already said they would veto the EC/US deal. The GATT prospects have now been added to the crowded agenda for Edinburgh where EC leaders will also have to decide what to do about the Maastricht Treaty ratification process and particularly how to find a formula which might persuade the Danish voters to reverse their negative referendum vote of last June.

**GATT deal endorsed.** The European Commission has given full endorsement to the agricultural deal concerning mainly oilseed subsidies brought back by its negotiators from Washington last week. The deal was welcomed by Prime Minister Major in his capacity as EC President and by US President George Bush for improving prospects for agreement among the 108 participants involved in the Geneva talks.

**Growth initiative.** The Commission wants the Summit to discuss a unified EC strategy to stimulate growth in the Community's ailing economies. A package of coordinated Community and Member State actions which would provide a substantial investment in infrastructure projects was presented at a meeting of Economic and Finance Ministers in Brussels on Monday. The initiative proposes extending European Investment Bank loan facilities, complemented by private loans, with Member States reallocating resources to capital spending. At the weekend, Commission Vice-President Sir Leon Brittan told UK Conservatives in Cumbria that the message of private sector involvement, without excessive Community or national public spending, was familiar to the British. Edinburgh was the chance to make the right policies for Britain more effective by making them the right policies for Europe.

**UK Woman of Europe.** Valerie Strachan, Deputy Chairman of HM Customs and Excise, has been chosen as the 1992 UK Woman of Europe. The presentation was made today at the European Commission's London office by Helena Kennedy QC. The citation described Valerie Strachan as the "driving force behind the openness and positivism with which HM Customs and Excise has embraced the Single Market programme". Valerie will be the UK's candidate for the Community-wide Woman of Europe award, the winner of which will be announced tomorrow.

**Norway votes on EC.** The Norwegian parliament voted last week by 104 to 55 in favour of joining the European Community. However, recent opinion polls in the country show most voters opposed to membership. Norway's prime minister Gro Harlem Brundtland travelled to Britain yesterday to present its application to Prime Minister John Major.

**UK condemned over drinking water.** The European Court of Justice ruled on Wednesday that the UK had breached EC rules on the quality of drinking water in 28 areas in England. The ruling followed complaints from Friends of the Earth that the level of nitrates in water supplied to some 800,000 people exceeded limits set in a 1980 EC Directive. Twenty-one of the zones are in the Anglian Water region, the others are in the Severn-Trent water region, Three Valleys Water area (north of London) and South Staffordshire. The UK claimed to have taken "all practicable steps" to comply with the standards. The Court dismissed a further complaint about alleged levels of lead in some Scottish water regions.

**Single market for cars.** In a speech to the Society of Motor Manufacturers in London on Tuesday, Competition Commissioner Sir Leon Brittan urged manufacturers, dealers, consumers and car-workers to rethink the confrontational approach prevalent in the industry. Everyone wanted the same result, a healthy, competitive, successful car industry, he said. The UK was just becoming a net exporter of cars. The Commission was striving to build a single market for cars and would not hesitate to intervene against measures which kept the Community market divided, he said.

**Investment services.** Ecofin ministers have finally endorsed the Investment Services Directive, which Sir Leon Brittan described as the "culminating step" in the creation of an internal market in financial services. The Directive aims to establish a single European market for investment services, the so-called "single passport principle" which enables shares dealers to operate throughout the Community solely on

authorisation from their home country. Sir Leon said that the Directive respected the diversity, and therefore the strength, of Europe's financial markets which could become world leaders.

**VAT computer system.** Taxation Commissioner Christiane Scrivener unveiled the Commission's new VAT communications network at a press conference in Brussels on Tuesday. The Commission and Member States are putting the finishing touches to a computerised telecommunications system which will provide an ultra-rapid service to help traders meet their obligations in the frontier-free Europe. Computerisation will dispense with some 60 million customs documents a year. The system, which will also link up VAT control authorities in Member States to help the fight against fraud, breaks new ground in the use of information technology to underpin the smooth running of the Single Market.

**Assistance to the Baltic states.** Senior officials of the G-24 countries met leaders of Lithuania, Latvia and Estonia in Riga on Monday to pledge continued support for the economic and political development of the Baltic states. Under EC chairmanship, the G-24 identified the complete collapse in trade with neighbouring countries as the main economic problem facing the states. To cover the balance of payments shortfall, Ecofin ministers agreed on Monday to grant the Baltic states loans of some 220m ECUs, which represents half the total G-24 commitment.

**Railway tickets.** The Commission ruled yesterday that the International Union of Railways (UIC) infringed competition laws by restricting ticket sales to a limited number of approved travel agencies. The infringement is considered serious as it restricts agency competition with the railways and denies customers the benefit of any price reduction. However, after an undertaking by the UIC to conform with EC rules, the Commission imposed only a moderate fine of 1m ECUs. The Commission wishes to see an effective distribution system for rail tickets to ensure a greater role for rail passenger transport.

**Fillip to electronics industry.** In response to the current difficulties being faced by the electronics industry, the Commission this week announced a 3m ECU pilot project to help improve the competitiveness of the component supply industry for consumer products. The industry-led project has the support of both European and Japanese-affiliated manufacturers in Europe. The venture, sponsored by the Japanese government, is an important development in EC/Japanese industrial cooperation.

**Films funded.** Six UK films are among those to receive funds under the European SCRIPT fund's autumn awards. France was the main beneficiary with 12 awards. British award winners include "Germany Calling", a film about the life of Lord Haw Haw. Sir Richard Attenborough, SCRIPT's chairman, said SCRIPT was having a significant impact on the development of film in Europe.

**Prince Charles in Strasbourg.** Prince Charles was in Strasbourg last Thursday on an "informal" visit to the European Parliament and Council of Europe. He met President Jacques Delors and other Commissioners and attended a conference on "European Business and the Environment".

**Safety Officer award.** The Royal Society for the Prevention of Accidents (ROSPA) and the company, Kimberley Clark have launched a "Safety Officer of the Year" award to recognise outstanding work in occupational health and safety. The award is open to anyone responsible for health and safety at work. For further information, contact Peter Vezey or Donald Johnson on 071 255 2424.

**Social partners and the EEA.** Representatives of EC employers, trade unions and consumers and the EFTA Consultative Committee meet in London on 2 December to discuss the EEA agreement due to enter into force next year. For invitations to the press lunch, contact Joao Vale de Almeida or Francis Whyte, ECOSOC Press Division, Brussels on Tel: 32 2 519 9280 or fax: 32 2 513 48 93.

#### **Conference and diary dates.**

**"Ageing well".** A major conference in London on 30 Nov-1 Dec aimed at health professionals, older people and senior government officials from across Europe to discuss issues affecting older people and 1993 as European Year of the Elderly. Contact Katrina Webster on 081 679 8000.

**"What powers should the European Community have?"** A public inaugural lecture by John Temple-Lang LL.D from the EC Competition Directorate. At 2pm, Friday 27 November at Hull University. Admission free. Contact the Law School on 0482 466320 or fax: 0482 466388.

**"Setting Standards in Europe".** The ESRC's single market initiative and UACES conference on 11 December at King's College, London. Contact Sarah Leeming or Duncan Matthews on 071 222 7665.

#### **Council meetings:**

Education	27 November	Brussels
Energy	30 November	Brussels
Social Affairs	1 December	Brussels
Trevi (immigration)	30 Nov-1 Dec	London

**Our next briefing will be on Thursday, 3 December at 11.30am.**