



COMMISSION
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COMMUNITIES

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THE WEEK IN EUROPE

Historic agreement at Maastricht. The European Community summit at Maastricht reached a climax early yesterday (Wednesday) with agreements on new Treaties creating European Political Union and Economic and Monetary Union. The twelve expect the Treaties to be signed in early February. Final roadblock to agreement was cleared away in the early hours of the morning when the State and Government leaders agreed to take out the entire chapter on social policy. This chapter now forms a special protocol which will enable the UK's eleven partners to undertake the measures they want. The result on Economic and Monetary Union reflected to a considerable degree the blueprint put forward at the beginning of the discussions by the ad hoc group under Commission President Jacques Delors. The first stage of EMU is already under way and the final stage including the introduction of the common currency is scheduled to take place at the latest by 1999 by those who qualify. There is a specific "opting out" protocol for the UK and a protocol for Denmark, which take account of their political circumstances. But the Commission remains confident that these arrangements respond to immediate circumstances and will not at a later stage represent an impediment for those member states or for the Community. The result on Political Union is more mixed. The Treaty creates the European Union covering the Community's existing and increased responsibilities and has specific new features. These are: the creation of the common foreign and security policy covering the formulation in the longer term of a common defence policy, which may in time lead to a common defence; an increase in the role of the European Parliament which includes specific measures such as a right of enquiry, a more formal right of petition, and the appointment of an ombudsman plus an improvement in the Parliament's legislative powers by the introduction of the co-decision procedure; redefinition or extension of Community competence in education, training, cohesion, research and development, environment, trans-european networks, industry, health, culture, consumer protection and development cooperation; for the first time a citizenship of the Union is introduced with certain specific rights for citizens; for the first time too the Treaty covers a substantial range of issues in the area of juridical and internal affairs but a large part of this is in an intergovernmental pillar of the treaty. The Commission will in future be appointed by Member States after investiture by the Parliament. From 1 January 1995 the term of office will be five years. A further conference will take place in 1996 in order to carry forward the process of European Union. In addition to the main business of the summit concerning EMU and EPU, the European Council expressed its preoccupation with the critical food supply situation in Moscow and St Petersburg and agreed that the Community should take rapid steps to help the people living there. The Summit also adopted a declaration on the peace process in the Middle East saying that it considered it of vital importance that the momentum gained at Madrid is not dissipated on procedural matters. The European Council took note of the decision of the Republics of Byelorussia, Ukraine and Russia to form a "Commonwealth of independent states", which other republics have been invited to join. The Council underlined the necessity for a constructive dialogue among all parties concerned to ensure that the process of transformation of the Soviet Union, which has entered a crucial phase, continues in a peaceful, democratic and orderly manner. A special additional declaration said Member States welcomed development of a European security and defence identity as a means of strengthening the European pillar of the Atlantic Alliance. They invited all Member States to join Western European Union or become observers. The declaration assumed the required Treaties and agreements could be concluded by 31 December 1992.

The 1991/92 EC wine harvest. In terms of quantity the 1991/92 wine harvest in the EC has been uneven according to a report drawn up by the Commission. After a poor harvest last year, Italy remains the biggest producer with 60m hectolitres. Next comes France which is down 25% due to frost last April and has produced around 40m hectolitres. Production in Spain is slightly down this year with about 30m hectolitres. Production in Greece and Germany was average: respectively 4m and 9m hectolitres. The Portuguese wine harvest amounts to little more than 9 hectolitres.

Millan launches urban projects. Parts of Stoke and Belfast are the beneficiaries of a further set of urban pilot projects launched by Bruce Millan, Commissioner for regional policy, under Article 10 of the European Regional Development Fund regulation. Commenting on the projects Millan said that with the Structural Funds under review the Commission is testing out some new ideas which may eventually feature more strongly in future regional policy actions within urban areas. The urban pilot projects address three important themes which are relevant to developing the synergy between cities and their regions. These are urban renewal with the aim of helping run-down areas integrate into the economic mainstream of the city and regions (Aalborg, Copenhagen and Lyon), the restoration of historic centres (Salonika and Lisbon) and better coordination

between economic and environmental goals (Stoke and Belfast). Total ERDF aid for these projects is 22m ecus (£15.4m). The Belfast project intends to reconcile economic development of the harbour area with the environmental protection of a site considered to be one of the most important bird sanctuaries in Europe. The Stoke project in the Gladstone/St James area aims to rehabilitate an industrial area based on one industry (ceramics) linking training and cultural heritage to industrial rehabilitation.

RENAVAL programmes for Strathclyde and Fife. Commissioner Bruce Millan has also announced two programmes intended to help the economic conversion of Travel-to-work-areas of Glasgow and Greenock and the intermediate areas of Fife, all hard-hit by the decline of the shipbuilding industry. The Commission decided in July 1990 that these areas should benefit from the Community RENAVAL programmes. The Strathclyde programme, which covers the period up to December 1993, includes a contribution of £14.7m from the European Regional Development Fund which will be matched by a commitment from central and local government of around £14.4m plus £700,000 from private companies. The Fife programme, which also runs up to December 1993, includes a contribution of £2.3m from ERDF, matched by a government contribution of around £2.3m. Key theme of the Strathclyde programme is the economic regeneration of the former shipbuilding areas along the River Clyde. It will focus primarily on the local economies of Inverclyde, Govan and Clydebank which have suffered the greatest job losses in the shipbuilding industry.

Programme for West Cumbria. On the initiative of Commissioner Millan, the Commission has also approved an operational programme for West Cumbria with the ERDF contributing £5.9m to a number of capital projects in the Allerdale and Copeland Districts of Cumbria in support of a programme whose total value will exceed 20m ecus (£14m). Among projects expected to be financed are West Lake Science Park; Moresby Park industrial estate; historic town schemes in Cockermouth and Whitehaven; improvements in Workington and Maryport harbour, as well as major visitor attractions in Maryport and Whitehaven. A second West Cumbria programme will be announced early in 1992.

EC's £10.8m for UK rural areas. Agriculture Commissioner Ray MacSharry has announced a total of £10.8m EC aid to help rural developments in the UK. Projects benefitting are located in N. Ireland, Western Isles, Shetlands, Argyll, Lochaber, Caithness and Sutherland, Galloway, S. Pembrokeshire, Menter Powys, Teifi Valley, S. Gwynedd, N. Tamar, W. Cornwall.

City-Region cooperation networks. Commissioner Bruce Millan last week launched 21 cooperation networks within the RECITE (Regions & Cities for Europe) programme with an ERDF contribution of 34.8m ecus (£24.4m) and a further network to enhance cooperation between cities and regions in the Community with those in Central and Eastern Europe (ECOS) with an ERDF contribution of 4.9m ecus (£3.4m).

Humanitarian aid to Dubrovnik. The continuing bombardment of the historic Croatian city of Dubrovnik has prevented the docking there of the EC and France-financed ship "Cap d'Afrique" carrying EC humanitarian aid. Due to rocket attacks by the Yugoslav Federal Army the Commission felt obliged to interrupt the operation and order the ship to anchor off Dubrovnik until unloading was possible. The Commission deeply regrets this situation and condemns the bombardment of Dubrovnik. It estimates some 36,000 people including 8,000 small children urgently need the aid.

"Eurobarometer: the dynamics of European public opinion" Edited by Karlheinz Reif and Ronald Inglehart. This book traces changes in the social and political orientations of the EC public from 1970 to 1988. Price £50.00. Published by Macmillan. ISBN 0-333-52754-2.

"Commercial debt in Europe: Recovery and Remedies" Richard Guy and Hugh Mercer have compiled a practical guide to quick and effective Court procedures for recovering debts in each EC Member State including procedures to obtain interim and final judgements. 448 pages. Price £49.50. Available (on 21 days approval) from Longman Law, Tax and Finance, Freeport, 21-27 Lamb's Conduit Street, London WC1N 3BR. Freephone 0800 289 618. ISBN 0-85121-701X.

Europa Institute of the University of Edinburgh will publish on 18 December a 15-20 page study on the European Political Union dimension of the Draft treaty on European Union. Price £4.00 from Miss Margaret Ainslie, European institute, Old College, South Bridge, Edinburgh EH8 9YL. Fax: 031-662 0883.

Conference and Diary Dates EMU, EPU and the East: A Deeper, Wider Community? A panel discussion on this theme will be held at the Commission's London office on 16 December at 1.15pm, Chaired by Anthony Loehnis of S G Warburg and CEPR.

General Affairs Council	16-17 December	Brussels
Transport Council	16-17 December	Brussels
Fisheries Council	17-18 December	Brussels
Internal Market Council	19 December	Brussels

Our next briefing will be on Thursday, 19 December at 11.30am.