



COMMISSION
OF THE EUROPEAN
COMMUNITIES

Jean Monnet House
8 Storey's Gate London SW1P 3AT
Telephone: 071-973 1992
Fax: 071-973 1900

WE/42/91
28 November 1991

THE WEEK IN EUROPE

Commission worries over IGCs. In a Statement issued after its meeting in Brussels yesterday, the European Commission expressed its concern about the concept of European Unity as defined in the current version of the draft Treaty before the Intergovernmental Conference on European Political Union (EPU). Difficulties would exist over the Union's representation in international law, the Commission said. The new Treaty must make a qualitative leap forwards towards a common foreign and security policy, greater democracy in decision-making and a coherent, balanced economic and social area. The European Parliament should also be given greater powers and become a co-legislator for Community policy. As for the IGC on Economic and Monetary Union (EMU), the Commission said it was vital that all Member States confirm their full acceptance of EMU's objectives. There were risks in a general opt-out clause, but the Commission stated it would do all it could to help the necessary consensus emerge and make the December European Council in Maastricht a success. Meanwhile Government leaders were continuing an intensive programme of visits. Prime Minister John Major travelled yesterday (Wednesday) to Rome and to Bonn, after which he said negotiations were "edging forwards." He has a second round of talks with Prime Minister Ruud Lubbers in The Hague on Sunday and President Mitterrand is expected in London on Monday.

EMU difficulties narrowed. Economic and Finance Ministers managed to narrow differences on EMU on Monday and Tuesday. "We managed to make a considerable amount of progress", Commission President Jacques Delors told a news conference afterwards. Dutch Finance Minister, Wim Kok who chaired the meeting, said Finance Ministers would attend the EC summit in Maastricht to take part in the final bargaining. EC summits are usually confined to Heads of Government, Foreign Ministers and key advisers.

Portuguese PM meets Delors. Portuguese Prime Minister Anibal Cavaco Silva met Commission President Jacques Delors in Brussels on Tuesday for discussions on the European Council in Maastricht and the forthcoming Portuguese Presidency (Portugal takes over from the Netherlands on 1 January 1992 and holds the Presidency until 30 June 1992 when the UK takes over for six months). Cavaco Silva outlined the main priorities of his Presidency: completion of the internal market; follow-up on monetary and political union; new financial perspectives; structural funds; reform of the CAP; relations with Mediterranean and Maghreb countries, Latin America and Africa; promotion of human rights in areas where they are not respected.

Woman of the Year. Juliet Lodge, Professor of European Politics, Jean Monnet Professor of European Integration at the University of Hull, has been selected as the British Woman of Europe to hold the title for 1992. She was chosen by a jury from a list of nominations presented through the UK media and receives the award at a ceremony today conducted by Mrs Edwina Currie MP. Juliet, who is married and has three young children, has been described as "someone who eats, drinks and sleeps the European Community". As the British Woman of Europe Juliet has been invited to Portugal next Spring with the Women of Europe nominated from the eleven other Member countries of the EC. Juliet's CV is available from this office or tel: 0482-472672. Suggestions for sponsorship for 1992 and further information about the Women of Europe Award contact Alison Parry on 081-891 1021 or Fax: 081-744 1980.

Andriessen in Japan. The EC has stepped up pressure on Japan to cut the country's growing trade surplus in the Community, and asked it to find ways to redress the investment imbalance, running heavily in Japan's favour. Commission Vice-President Frans Andriessen, responsible for external affairs, in Tokyo for meetings with Prime Minister Kiichi Miyazawa and senior Japanese ministers, stressed the importance of the Uruguay Round trade talks and the need for Japan to open its market further. Andriessen said that Japan, like the EC, would have to make sacrifices and that its rice market could not remain closed. Andriessen also expressed growing unease about the size of Japan's surplus with the EC- running at £12.9 bn in the first ten months of 1991- and the difficulty of penetrating the Japanese market. The Commissioner said unequal investment flows between Japan and the EC were also a concern. The EC reckons Japanese investment in the community exceeds EC investment in Japan 17:1.

European Drugs Monitoring Centre. The Commission is urging the Council and the European Parliament to take a quick decision to accept their proposal for setting up a European Drugs Monitoring Centre (EDMC). The aim of the Centre, first suggested by President Mitterrand, is to provide the Community's Member States with reliable and comparable data to help them combat drug abuse.

Commission decision on air fares. The Commission yesterday (Wednesday) announced that British Airways is among several leading European airlines found to be charging unnecessarily high fares on European routes. The finding comes less than a year after the UK authorities requested the Commission to examine the fares charged during the Winter season 1990/91 by British Airways, Sabena, TAP, Air France, SAS, Lufthansa, Iberia, Alitalia and Olympic Airways on 25 different routes from or to the United Kingdom. The decision, which the Commission has notified to the authorities of the Member States concerned, finds that 40 fares (of the 88 referred) do not comply with the criteria laid down in the regulations regarding the relationship between cost and fares. The Member States concerned must now take the necessary steps to ensure that these fares are not used as a basis for determining new fares in the future.

New EIB loans. The development of the Scott field in the UK North Sea, 130km off shore north-east of Aberdeen, is being supported with a \$200 million loan(162.4 m ecus) from the European Investment Bank. The EIB's loan goes to Deminex UK Oil and Gas Ltd for its share in the project's cost. Including this loan, the EIB has lent a total of £ 1,197 m in the UK so far this year, of which nearly £350 m. for investment projects in the North Sea. A second EIB loan of £20 m. goes to Northumbrian Water Ltd for schemes to improve water quality in rivers and on beaches and to enhance drinking water supplies in the north-east. With this loan, the EIB has advanced a total of £396m to nine UK water companies so far this year.

European Energy Charter. Representatives of 36 countries and the Commission reached agreement late Thursday on the final draft, due to be signed in The Hague on 16-17 December.

EC-Eastern Europe agreements. Hungary, Poland and Czechoslovakia last week began the long haul towards membership of the EC when they initialled association agreements mapping out closer political and economic ties and the eventual creation of a free trade zone. The pacts were the first of a series the EC hopes to conclude with Eastern European countries. Pablo Benavides, the EC chief negotiator, is reported to have said: "These are very ambitious agreements. They can help the countries face up to the challenge of joining the Community one day".

Credit for Soviet Union. The Commission has granted credit guarantees for 500m ecus (£350m) for the loan of the same amount made by the EC to the Soviet Union so that it can buy food quickly on the open market.

EC and FAO. The European Community was accepted on Tuesday as a member of the Food and Agriculture Organisation of the United Nations, following a vote by the organisations' governing body, the Conference. Speaking in Rome, Agriculture Commission Ray MacSharry described the decision as one of particular importance both from a political and practical point of view, since it was the first time that the Community had been accepted as a member in its own right into any UN organisation.

European Architectural Heritage. Commissioner Jean Dondelinger, responsible for cultural matters, yesterday (Wednesday) inaugurated in Brussels the first exhibition dealing with the conservation of European architectural heritage. Thirty seven pilot projects throughout Europe were also chosen as worthy of financial support by the Commission in this field. The UK winners were: Barnham Tower windmill, West Sussex; Newport Transporter Bridge; Levant Mine Beam Engine, Pendeen, Cornwall; the Upper Swaledale and Arkengarthdale Conservation Zone.

Chapmans European Directory by Peter Kaye has just been published at £65. It is a major new reference source for those wishing to do business or communicate with the EC. Endorsements and contributions from Jacques Delors, Enrique Baron-Crespo, Sir Fred Catherwood and Sir John Harvey-Jones. From Bookshops or Chapmans Publishers, 141-143 Drury Lane, Covent Garden, London WC2B 5TB. ISBN 1 85592 508 7.

Conference and Diary Dates

The London Europe Society's European Luncheon Club will meet at the Café Royal, Regent Street, London W1 on 5 December. The speaker will be Chief Emeka Anyaoku, Secretary-General of the Commonwealth. Details from Dora Prag. Tel: 043871 2999.

"Europe - 1992 and beyond: the Single Market and a Free Europe". Conference organised by the York Euro-constituency 1992 Club and York Chamber of Commerce to discuss the implications of the European Economic Area and Association Agreements. 2-6pm. 13 December. Speakers: Commission Vice-President Sir Leon Brittan, Giles Merritt, Tibor Antalpeteter. Info - Tel: 0653-693277 or Fax: 0653-696108.

General Affairs Council	2-3 December	Brussels
ECO/FIN Council	2-3 December	Brussels
Social Affairs Council	3 December	Brussels
European Council	9-10 December	Maastricht
European Parliament Session	9-13 December	Strasbourg
Agriculture Council	11-12 December	Brussels
Joint Environment/Energy Council	12 December	Brussels

Our next briefing will be on Thursday, 5 December at 11.30am.