



COMMISSION  
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COMMUNITIES

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### THE WEEK IN EUROPE

Franco/German defence initiative. French and German leaders yesterday (Wednesday) announced their readiness to commit forces to help build a powerful European Army Corps. Initially, the joint Corps would be responsible to the Western European Union. The two governments also insist that a range of foreign and security policy issues should be decided by the European Community collectively rather than by national governments and that some at least may be decided by majority vote. Although most of the Franco-German declaration deals with faster moves towards a common EC foreign and security policy, the reference to a future European defence force has attracted most attention. Alternative proposals on security and defence policy were presented jointly by the British and Italian governments earlier this month as part of the negotiations on European Political Union which will be the central question at the European Council Summit in Maastricht on 9/10 December. The UK insists that the WEU should maintain close links with NATO. A NATO summit in Rome next month is expected to sanction drastically lower force requirements.

Delors proposes a Greater Europe. The EC should start work on creating perhaps a 30-nation Greater Europe as soon as it has signed a draft treaty on its own political and economic union, Commission President Jacques Delors said in an interview in the magazine *Belvedere* published in Paris on Sunday. "We have to multiply the links and work out a new political and institutional programme for a structure comprising 24 or 30 countries", Delors wrote. He said the 12 nation EC should begin work on the project immediately after the crucial summit meeting on EMU and EPU in Maastricht. In this week's edition of the German weekly *Der Spiegel*, Delors said his future as Commission President would depend on the outcome of the Maastricht summit. He added that a political superpower must emerge out of the dynamic economic and trading power the EC had become. Outlining his minimum requirements for a treaty on political union, Delors said there must be a common foreign policy, Community institutions must be more democratic, and efficiency must be improved. Finally, Delors warned that if the EC did not succeed with political union, then the historic decline of Europe which began with the First World War would resume.

Shropshire & Staffordshire EuroInfoCentre. This new EuroInfoCentre (EIC) hosted by Shropshire Chamber of Industry and Commerce in Telford, will be launched today by Sir Christopher Prout QC, leader of the European Democratic Group (Conservatives) in the European Parliament. The centre is one of 26 United Kingdom EIC's and forms part of a network of more than 200 throughout the European Community. The opening of this EIC marks an important step forward in linking Shropshire with other parts of Europe. Contact: Miss Mary Thompson. Tel: 0952 588766.

Product Liability. After more than three years of discussion the Council reached agreement on a common position on Tuesday over manufacturers' liability to their customers for the safety of their products. Consumer Affairs Commissioner Karel van Miert welcomed the breakthrough, saying it assured security for consumers in the big single market after 1992.

EC monitors to stay on. The European Community-sponsored Yugoslav peace conference, meeting on Monday in the Hague, agreed to extend the missions of EC monitors indefinitely despite the failure of a humanitarian convoy to enter the besieged city of Vukovar in eastern Croatia. The monitors' original three month mandate expired last Sunday. At the same time, conference Chairman Lord Carrington said the talks would reconvene "at the highest political level" on Friday in a fresh search for new solutions. Yugoslav leaders have also been in Moscow for talks with President Mikhail Gorbachev.

Single Market countdown. As at Monday 14 October, the official "score" for the 282 measures proposed in the European Commission's White Paper was: Directives implemented - 167; Council of Ministers adoptions - 202; partial adoptions - 5; Council common positions - 6; Commission proposals before the Council - 80.

Bonn "changes mind" on farm subsidies. The German government is reported to have undergone a possible change of heart on the controversial question of farm subsidies in the EC, a move described as very important by Arthur Dunkel, Director-General of the General Agreement on Tariffs and Trade (GATT). GATT's Uruguay Round is currently stalled over the question of subsidies with the USA and other grain exporting countries demanding deep cuts. The EC has offered to reduce subsidies by 30%. If the agricultural impasse was broken, Dunkel said, he could see no significant blocks to agreement on liberalising, for the first time, world trade in services, patents and copyrights, and investments.

Road cabotage proposal. On the initiative of Transport Commissioner Karel van Miert, the Commission has adopted a draft regulation liberalising cabotage of goods carried by road with effect from 1 January 1993. Safeguards will be applied in case of upheavals in the freight market after consultation with the Commission.

Pension Fund directive proposed. The Commission agreed yesterday (Wednesday) to propose to the Council a Directive coordinating Community laws on institutional pension funds. Commission Vice-President Sir Leon Brittan said the Directive would free pension funds from arbitrary national restrictions governing their choice of management and the investment of their assets; it also marked a beginning in the Community's efforts to overcome the many practical problems which faced companies with pension liabilities in several Community countries. The Directive is a short one, consisting of only seven Articles.

Panorama of EC Industry. Over the past five years, EC industry has consolidated its competitive position in the world, but US and Japanese industries have grown faster. European firms have concentrated their attention on the expanding Community market (intra-EC exports have increased by 40% between 1985 and 1990) rather than on the world market. Of the 100 largest enterprises in the world, 37 are now from the EC while six years ago there were only 30. These are some of the findings in the panorama of EC industry 1991/92 available from the Office of Publications, 2 rue Mercier, L-2985 Luxembourg. Price 110 ecus.

Safety on building sites. Building sites across Europe will be subject to strict minimum safety requirements from 1993 onwards under legislation agreed in Luxembourg on Monday by EC Social Affairs Ministers. On larger sites, contractors will have to appoint a safety coordinator and submit health and safety plans to the local authority before work begins. The new directive requires safety coordinators to take into account health and safety concerns from the early stages of project design. Most smaller projects will not have to prepare plans and appoint coordinators, but they will still be subject to a series of minimum health and safety requirements, including the establishment of adequate fire-fighting, evacuation and first aid procedure, and measures to ensure the safe day-to-day operation of the site.

Energy tax welcomed. EC Environment Ministers accepted in principle the Commission's plan for an energy tax to combat global warming. The weekend agreement, at an informal EC Environment Council in Amsterdam, follows last week's provisional approval by Finance Ministers. The tax, to be levied by Member States, should be fiscally neutral, offset by tax cuts in other areas. Energy Ministers are also expected to discuss the plan at their Council on 29 October.

Gambling and the Single Market. Gamblers across the EC spent more than 46bn ecus (£32.2bn) in 1989 on horse racing, lotteries, bingos, football pools, casinos and gaming machines. Turnover on gambling is greater than that of the computer and office equipment industry which ranks 13th in the EC. The Commission has announced it intends to hold hearings on gambling before the end of the year. Afterwards it will decide whether to look at gambling activities in the context of the 1992 process.

European Movement have moved to 158 Buckingham Palace Road, London SW1W 9TR. Tel: 071 824 8388.

Conference and Diary Dates.

**"A European Further Education Partnership."** An international conference to promote and establish joint programmes in practice in European vocational education and training. 25-27 October at The Conference Centre De Leeuwenhorst, Noorwykerhout, Amsterdam. Details AVC International on tel: 081 368 1299.

**The European Social Charter: The Impact on Small Firms.** Conference on 28 October at Queen Elizabeth II Conference Centre, London. Speakers include: Heinrich von Moltke, Director General DG XXIII and Dr Herman van Zonneveld, DG V, European Commission. Organised by Small Liaison Group. Contact Jane Hill for details: 071 486 0531. Fax: 071 935 7559.

**Forum for European Freight Transport.** Under the patronage of Commissioner Karel van Miert. 29 and 30 October at the Palais des Congres, Lille. Details from Jan Hillman on 0494 450 054. Fax: 0494 450 836.

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| Agriculture Council         | 21 - 22 October | Luxembourg |
| Transport Council           | 21 October      | Luxembourg |
| General Affairs Council     | 21 October      | Luxembourg |
| EC/EFTA meeting             | 21 October      | Luxembourg |
| European Parliament session | 21 - 25 October | Strasbourg |

Our next briefing will be on Thursday, 24 October at 11.30am