

COMMISSION OF THE EUROPEAN COMMUNITIES

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> WE/34/91 3 October 1991

THE WEEK IN EUROPE

Problems over Dutch EPU plan. The Netherlands EC Presidency ran into trouble on Monday over its controversial new draft treaty for European Political Union. EC Foreign Ministers meeting in Brussels strongly criticised various aspects of the draft. It emerged afterwards that many preferred the draft presented last June under the Luxembourg Presidency. With barely ten weeks to go before the European Council summit at Maastricht in December, the Dutch are now engaged in exhaustive discussions with their Community partners to find a way forward which could provide some guarantee for success at Maastricht. Difficult problems which have to be resolved include Community moves towards a modified Treaty of Rome to bring in Foreign and Defence policies as well as the prospects for more controlling powers for the European Parliament. Netherlands Prime Minister Ruud Lubbers and Commission President Jacques Delors are flying into London this (Thursday) afternoon for talks at 10 Downing Street with UK Prime Minister John Major. These are ostensibly to discuss the aid to be offered the Soviet Union under the plans drawn up by the Group of Seven of which Major is the current chairman. The occasion, however, provides an obvious opportunity for them to discuss how to bring prospects for European Political Union into line with recent progress on the parallel talks on a Treaty for Economic and Monetary Union which should also be endorsed at Maastricht.

Europe Against Cancer. Health Minister Virginia Bottomley came to Jean Monnet House in London this (Thursday) morning to launch the fourth European Week Against Cancer (7-13 October). Mrs Bottomley said the European Weeks and the UK government's own campaigns had helped heighten awareness of the disease especially among women. The latest survey released to coincide with the Week showed that two thirds of European Women have had a cervical smear (UK - 83%) and a quarter a mammography, but the proportions vary greatly from one country to another.

<u>Takeover blocked.</u> The Commission yesterday (Wednesday) blocked a proposed takeover of de Havilland, the Canadian aircraft maker, by Aerospatiale of France and Alenia of Italy. It is the first time the Commission has used its year old anti-trust powers to turn down a merger. Competition Commissioner, Vice-President Sir Leon Brittan, said the merged companies would have had a 50% share of the world market and 67% of the EC market for commuter aircraft of 20 to 70 seats.

<u>Commission queries FIAT aid.</u> The European Commission has opened an inquiry into the Italian government's proposed injection of new investment into FIAT's plans for expansion in the depressed regions in Southern Italy. EC competition officials said it was a routine inquiry into regional aid in the Mezzo-Giorno that was probably justified. Sir Leon Brittan commented: "we wanted to make sure that it was justifiable so that we could defend it".

EC-EFTA accord deadline. EC Foreign Ministers, meeting in Brussels on Tuesday, set 21 October as the deadline for agreement on the creation of a common economic area with the seven EFTA countries. Substantial problems still have to be resolved especially in the areas of fishing rights, road transit rights and money for poorer Member States. Parallel meetings between EC Foreign Ministers and EFTA Foreign Ministers are planned for 21 October, probably in Luxembourg. Next week EC Transport Ministers will examine ways of reaching a deal on road transit with Switzerland and Austria.

Energy tax idea welcomed. Meeting in Luxembourg on Tuesday, EC Environment Ministers gave a general welcome to the Commission's discussion paper produced last week which suggests a tax on energy aimed at reducing carbon dioxide emissions and combatting global warming. The Ministers agreed to make up their minds by December on whether to ask the Commission to bring forward legislation. The Twelve decided to set up an ad hoc group to look in detail at how the proposals could be made to work. Environment Commissioner Carlo Ripa di Meana said the head of the Commission's environment directorate was going to Washington this week to discuss the EC plans and that talks with a Japanese government delegation would take place in Brussels later this week. The aim is to take an agreed policy to next June's global warming conference in Rio de Janeiro.

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Brighter prospects for Association Agreements. Prospects for the conclusion of association agreements between the EC and Poland, Czechoslovakia and Hungary brightened after Monday's meeting of Foreign Ministers in Brussels when France dropped its opposition to improved access to the EC market for meat from central Europe. The breakthrough means the way has been paved for free trade within ten years and eventual EC membership for the three countries. The EC Foreign Ministers also agreed to let their planned 500m ecus (£350m) credit guarantee to Moscow be used to buy food from the east - as well as the west - European market to feed the Soviets. Within six years all import quotas on textiles from Czechoslovakia, Hungary and Poland will be phased out provided this sets no precedent for wider negotiations in GATT.

Angolan President in Brussels. The Angolan President Jose Eduardo dos Santos paid an official visit to the Commission last week where he met Commission President Jacques Delors and Vice-President Manuel Marin.

EC/Turkey Association Council. The 32nd meeting of the EC Turkey Association Council was held in Brussels on Monday. The meeting was presided over by Safa Giray, Turkish Foreign Affairs Minister and the EC delegation was led by Dutch Foreign Ministers Hans van den Broek. The Commission was represented by Abel Matutes, who is responsible for Mediterranean policy.

Aid to Guatemala. The Commission has allocated 200,000 ecus (£140,000) to finance relief programmes for the victims of the earthquake which struck Guatemala on 18 September.

Toy safety. A brochure on toy safety has just been issued by the Consumer Policy Service of the Commission with an introduction by Karel van Miert, Commissioner in charge of consumer policy. The brochure points out that significant disparities in national safety standards and regulations between the Member States made it essential for the Community to take action in this area. The provisions of the Directive on the safety of toys, adopted in May 1988, took effect on 1 January 1990.

<u>Dorset in Europe.</u> Festival 5-13 October. Details and programme available from festival coordinator Barbara Reckman and Marilyn Ward on 0202-559000 / 559090.

Shropshire Eurofest '91. 14-20 October. Details from Bill Webster, Eurofest '91 coordinator, Economic Development and Employment Department, Shropshire County Council, The Shirehall, Abbey Foregate, Shrewsbury SY2 6ND. Tel: 0743-252259. Fax: 0743-360315.

<u>Irish Woman of Europe Award 1991.</u> Nominations for the Woman of Europe Award 1991 are now sought from journalists. Nominations for the Irish Laureate should be made through members of the press to the Irish Council of the European Movement before 25 October. Details from Patricia Lawler. Tel: Dublin 714300. Fax: 6798203.

New European. Just out, Volume 4 Number 3 with contributions from Leopold Kohr, Sir Richard Body MP, Horst Schade, Sara Parkin and David Begg. Details and subscription from MCB University Press Ltd, 62 Toller Lane, Bradford, West Yorkshire BD8 9BY.

<u>Chapmans European Directory</u> by Peter Kaye will be published by Chapmans on 14 October at £65; 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.

Conference and Diary Dates

Euromoves Conference. Organised by Organization Resources Counsellors Inc, Touche Ross and Noble Lowndes. 29-30 October. Intra-European Mobility Conference. Venue - Runnymeade Hotel, Egham, Surrey. Details from ORC Inc, 78 Buckingham Gate, London SW1E 6PE. Tel: 071-222 9321. Fax: 071-799 2018.

Europe's Future: Four Scenarios. One day seminar organised by the Federal Trust for Education and Research. Details from Judy Keep. Tel: 071-259 9990. Fax: 071-824 8124.

| ECO/FIN Council | 7 October | Luxembourg |
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| Transport Council | 7 October | Luxembourg |
| European Parliament Session | 7-11 October | Strasbourg |
| Informal Health Ministers | 8-10 October | Noordwijk |
| Informal Environment Ministers | 11-13 October | Amsterdam |
| Informal Commerce Ministers | 11-12 October | The Hague |