

WEEKLY

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\*\* THE RISE IN FOOD PRICES in the European Community during 1973 was less than in most other large industrialized countries. This is pointed out by the European Commission in its reply to a written question by a member of the European Parliament. Furthermore the Commission stresses that, in 1973, the common agricultural policy proved to be a stabilizing factor for food products rather than a source of inflation, since the rise in Community farm prices was distinctly less sharp than for farm products in world markets.

ANNEX 1 gives details on the subject.

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Further information is available from the Commission's press and information offices in the countries listed on the inside cover.

*The information published in this bulletin covers the European Communities' activities in the fields of industrial development, protection of the environment and consumer welfare. It is therefore not limited to recording Commission decisions or opinions.*

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\*\* In some Member States of the European Community 20-60% of WASTE OILS are currently disposed of without any controls being applied. The resulting water pollution could represent 20% of all industrial pollution. In order to ensure effective protection for water, air and soil against harmful effects of dumping, discharging and treatment of these waste oils, the European Commission has just proposed that the Council of Ministers of the European Community should adopt a directive comprising a coherent body of regulations applicable in all Member States for the uniform disposal of waste oils throughout the Community. A decision on this proposal should be taken by the Council of Ministers by July 1974, otherwise the present diversity of legislation, which will be reinforced by new laws in this field due to come into force in France and the Netherlands, will hinder the smooth operation of the Common Market and have a distorting effect on competition.

ANNEX 2 gives a short summary of the European Commission's proposals.

\*\* We have asked various organizations in the Community responsible for consumer protection matters to supply us periodically with details of the latest developments in each of the nine Community countries on subjects of direct interest to CONSUMERS. It is understood that these texts are the sole responsibility of their authors.

ANNEX 3 is an article sent to us by the Fédération BELGE des coopératives.



\*\* The European Commission has just put forward a proposal to the Council of Ministers of the Community for SETTING UP A WORLD FUND amounting to about \$3 000 million to be used as aid to the poorest DEVELOPING COUNTRIES and to those whose financial situation has deteriorated seriously as a result of international price movements. In 1974 the rise in prices of crude oil, cereals and essential industrial products, such as fertilizers, will in fact mean an increase in expenditure on imports amounting to about \$15 000 million by the developing countries as a whole, which are customers for these products. The European Commission hopes that the setting up of this world fund, to which the Community could contribute \$500 million, can be proposed to the other rich nations at the special session of the United Nations General Assembly which will be devoted to raw materials and development.

\*\* According to present estimates the NORTH SEA OIL RESERVES could in 1980 cover about 15% of Community oil requirements. These reserves clearly offer very considerable technical and economic advantages to the Member States which exercise jurisdiction over parts of the North Sea, advantages which will also accrue through these countries to the Community as a whole. In the present energy crisis situation there are good reasons why the initial development of these reserves should be undertaken as quickly as possible. This is pointed out by the European Commission in its reply to a written question by a member of the European Parliament.



- \*\* The European Parliamentary Committee on Public Health and the Environment has just pronounced in favour of a European Commission proposal whose aim is to establish a EUROPEAN FOUNDATION FOR IMPROVING LIVING AND WORKING CONDITIONS (see IRT No. 213).
- \*\* In order to improve the SAFETY OF MOTOR VEHICLES, the European Commission would rather see proposals for higher safety standards for some vehicle components than the attempt to construct an altogether new type of vehicle. This is the gist of the reply given by the European Commission to a member of the European Parliament with regard to the possibility of constructing "an experimental safety vehicle".
- \*\* The percentage CONTRIBUTIONS of the nine Member States to the total Community BUDGET are as follows:

	1973	1974
Belgium	7.36	7.04
Germany	29.04	28.45
France	24.78	24.29
Italy	19.04	18.21
Luxembourg	0.17	0.17
Netherlands	9.42	9.02
Denmark	1.12	1.40
Ireland	0.28	0.35
United Kingdom	8.78	11.03





- \*\* In the "Memorandum on the rational use of energy" which the European Commission will shortly be forwarding to the Council of Ministers of the Community, the Commission intends to submit a proposal for developing recycling measures which should help to LIMIT THE WASTEFUL USE OF RAW MATERIALS.
- \*\* The European Commission has set in train studies whose aim is to determine the economic benefits which could accrue from a COORDINATED EUROPEAN TELECOMMUNICATIONS POLICY. A meeting between heads of national telecommunications authorities and representatives of the European Commission will shortly be held in order to examine and consider solutions to common problems in the field of telecommunications.
- \*\* The European Commission is currently considering Community action for the PROTECTION OF MIGRATORY BIRDS. Recently the Commission invited independent experts from Community countries to a meeting in order to decide upon the objectives to be aimed at, and the measures to be taken at Community level in this field.
- \*\* Changes in organization and in management training will be the theme of the third annual conference of the EUROPEAN FOUNDATION FOR MANAGEMENT DEVELOPMENT to be held from 19 to 22 May 1974 in Turin. (Further information can be obtained from the EFMD Conference Secretary, c/o Fondazione G. Agnelli, Via Giacosa, 38 - 10125 Turin - Italy.)



\*\* In order to guarantee the safety of agricultural workers driving tractors, the European Commission has proposed that the Council of Ministers should adopt a directive limiting the ADMISSIBLE NOISE LEVEL FOR TRACTORS to 90 decibels throughout the Community. This limit represents a reduction of about 90% compared with the level of noise at present emitted by tractors. If this directive were adopted it would also have the effect of preventing the varying laws currently in force in the nine Member States of the Community from hampering the smooth operation of the Common Market.

\*\* An international symposium, arranged by the European Committee of Organizations involved in the study and development of projects, will take place in Brussels on 27 March 1974. The theme will be "THE STUDY AND DEVELOPMENT OF PROJECTS, A MEANS TO PROGRESS AND DEVELOPMENT", and leading personalities from the European Commission will be participating.



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INCREASES IN COMMUNITY PRICES FOR FOOD PRODUCTS IN 1973

The rise in food prices in the European Community during 1973 was less than in most other large industrialized countries. This is pointed out by the European Commission in its reply to a written question by a member of the European Parliament. Furthermore, the Commission stresses that in 1973 the common agricultural policy proved to be a stabilizing factor for food products rather than a source of inflation, since the rise in Community farm prices was distinctly less sharp than for farm products in world markets.

Increases in Community prices for food products in 1973

COUNTRY	Increase in %	
	January 1973 over July 1972	July 1973 over January 1973
West Germany	3.1	4.3
France	4.1	5.9
Italy	6.2	7.4
Netherlands	5.2	3.3
Belgium	4.5	3.1
Luxembourg	3.0	3.1
United Kingdom	5.8	6.3
Ireland <sup>1</sup>	8.5	4.2
Denmark	2.9	9.7 <sup>2</sup>

<sup>1</sup> For Ireland the figures relate to February 1973 over August 1972 and August 1973 over February 1973.

<sup>2</sup> Increase partly due to abolition of subsidies for milk products as from 1973.

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COUNTRY	Increase in %	
	January 1973 over July 1972	July 1973 over January 1973
Australia	3.4	10.2
Canada	5.3	9.0
Finland	4.5	8.6
Japan	4.8	7.9
New Zealand	2.6	8.1
Spain	5.1	7.8
United States	3.5	9.6

During 1973, the common agricultural policy proved to be a stabilizing factor for food products rather than a source of inflation. Whereas the price increases on the world market were particularly sharp during the period 1972-73 (59-72% for cereals and sugar; over 20% for beef), the corresponding rise in Community farm prices was distinctly less sharp (between 4 and 9% for the products quoted). The moderating role played by the common agricultural policy is also shown by the fact that the consumer price index rose on average far less in the Community than in the main non-member countries, as illustrated by the table below, for the 1972/73 marketing year. Consequently, price increases for food products cannot be attributed to the common agricultural policy.

Products	Increase in % of common prices <sup>1</sup>	Increase in % of prices on world markets <sup>2</sup>
Soft wheat	+ 4.0	+ 68.9
Barley	+ 4.3	+ 71.3
Maize	+ 4.5	+ 68.0
Sugar	+ 2.6	+ 61.9
Beef - of which:		
adult cattle	+ 9.0 <sup>3</sup>	+ 26.5 <sup>4</sup>
veal	+ 2.4 <sup>3</sup>	+ 32.3 <sup>4</sup>

<sup>1</sup>Increase in common prices for the marketing year 1972-73 in comparison with 1971-72.

<sup>2</sup>Increase in import prices for the period August 1972-July 1973 for cereals and July 1972-June 1973 for sugar. The periods coincide with the agricultural years for all the products concerned.

<sup>3</sup>For these products, the marketing year runs from 3 April to 1 April of the following year. The price increase in the marketing year 1973-74 in comparison with 1972-73 was 10.5% for beef and 7.5% for veal.

<sup>4</sup>Increase noted between 3 April 1972 and 31 January 1973. For the period between 1 February 1973 and 31 August 1973 the price increases for the two products were between 15 and 20%.





DISPOSAL OF WASTE OILS

In some Member States of the European Community 20-60% of waste oils are currently disposed of without any controls being applied. The resulting water pollution could represent 20% of all industrial pollution. In order to ensure effective protection for water, air and soil against harmful effects of dumping, discharging and treatment of these waste oils, the European Commission has just proposed that the Council of Ministers of the European Community should adopt a directive comprising a coherent body of regulations applicable in all Member States for the uniform disposal of waste oils throughout the Community. A decision on this proposal should be taken by the Council of Ministers by July 1974, otherwise the present diversity of legislation, which will be reinforced by new laws in this field due to come into force in France and the Netherlands, will hinder the smooth operation of the Common Market and have a distorting effect on competition.

Legislation currently in force in different Member States

An agreement between the European Commission and the Member States (see IRT No. 177) provides that the latter shall inform the Commission of any new legislation they plan to bring into force for the protection of their environment, so that the Commission may propose the extension of this legislation to cover the whole Community, should the occasion arise. With regard to waste oils, the European Commission has been informed of two new draft laws being framed in France and the Netherlands respectively. It is therefore as a direct result of these two drafts that the Commission

is proposing to the Council of Ministers that it adopt a Community directive which would permit the harmonization of laws on the disposal of waste oils.

The present regulations for the disposal of waste oils already vary a great deal from one Member State to another:

- in Germany and Denmark very detailed and complete legislation provides for a collecting and financing system which ensures the safe disposal of waste oils. In Germany a fund has been set up to cover the costs of the disposal of these oils. It is financed from a levy on sales of lubricants to the consumer.
- in the United Kingdom there is legislation to ensure control of all polluting waste materials, including waste oils.
- in France and Italy regenerated oils are freed of tax in order to ensure the recycling or safe disposal of waste oils.
- in the other European Community countries there exist at present neither legislation, nor any proposals for regulations specifically concerning waste oils.

#### Quantities of waste oils produced in the Community

There are thus some gaps in the provisions in the form of legislation or regulations currently in force in the different Member States. As a result, considerable quantities of waste oils are disposed of without being subject to any controls:

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TABLE ('000 tons)

COUNTRY	Consumption of lubricating oil	Quantities of waste oils	Quantities eliminated without being subject to controls	%
Germany	1 081	520	57	8.7
France	834	458	120	26
Italy	548	275	134	48.5
United Kingdom	1 295	650	85	13
Ireland	35	17.5	?	?
Denmark	90	45	?	?
Belgium	?	?	?	?
Luxembourg	11.3	0.6	0.6	100
Netherlands	209	105	45	43
Total (approximate figures)	4 150	2 070	450	

Currently therefore about 50% of waste oils is recovered. Only about one million tons of waste oils are at present recycled. One million tons of the raw material are lost in the form of energy or lubricants. This loss has significant consequences for both the environment and for the implementation of a coherent fuel supply policy. In addition, the great variety in legislation throughout the Community makes for distortion in competition and constitutes a barrier to the smooth operation of the Common Market. Community action is therefore shown to be necessary.

Re-use of waste oils

In the proposal for a directive which it has just forwarded to the Council of Ministers of the Community, the European Commission requests Member States to take all the measures required to ensure the disposal of waste oils by re-use, that is through regeneration or incineration. These two disposal methods are in fact the least harmful to the environment, and it is important to ensure that the greatest possible use is made of these waste oils. It would therefore appear that mere destruction of waste oils can no longer be condoned.

Collection and disposal of waste oils

The European Commission proposes that the following should be prohibited:

- discharge of waste oils in inland surface waters, in underground waters, in coastal waters or in drains;
- dumping and discharge of waste oils that would have harmful effects on the soil;
- any treatment of waste oils which could cause more pollution than the minimum that is inevitable in the present state of technology.

In order to prevent these methods of elimination, the collection and safe disposal of waste oils should be organized. Where these operations are not economically viable, one or more undertakings

should be authorized to conduct these operations. The undertakings would benefit from compensation for services rendered. This compensation would be financed by sales levies on the consumption of lubricating oils. Only the introduction of this type of levy would permit the application of the "polluter pays" principle approved by the Council of Ministers of the Community for the protection of the environment (see IS No. 10/74).



RECENT DEVELOPMENTS IN CONSUMER PROTECTION IN BELGIUM

We have asked various organizations in the Community responsible for consumer protection matters to supply us periodically with details of the latest developments in each of the nine Community countries on subjects of direct interest to consumers. It is understood that these texts are the sole responsibility of their authors. The article reproduced below was sent to us by the Belgian organization, Fédération belge des coopératives.

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The first quarter of 1974 was marked by much sharper confrontation between consumer organizations on the one hand and the production sector on the other, in three particular areas: in consumer programmes on radio and television, through suspension proceedings, and over the energy problem.

Consumer programmes on radio and television

For several months these have been particularly numerous and well thought-out, which increasingly appears to be incurring displeasure in certain quarters. The evening flashes on television, in particular, have been the subject of protests to programme directors. The Belgian consumer organizations are championing these programmes through a consultative commission for consumer programmes on RTB (Belgian radio and television).

Suspension proceedings

The consumer organizations have the power to halt immediately any publicity which they can prove to be misleading. One such suspension procedure is currently under way and an action is to be brought before the President of the commercial tribunal (Tribunal de Commerce) which is the only authority empowered to stop the misleading publicity in question.

This is the first time that this weapon has been used by consumers of the National Consumer Council (Conseil national de la consommation).

The energy problem

The difficulty of supplying oil for central heating has brought some consumer organizations face to face with their responsibilities: in this case that of giving concrete help to individual consumers to enable them to benefit from the Ministry's requisition orders.

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The confrontation described in the three examples given above is offset by an example of the cooperation possible between consumers and distributors.

The provisions of a recent draft law prohibited the setting up of large new distribution complexes (of over 2 500 m<sup>2</sup>) during the next three years (or possibly ten years according to a second draft).



Consumers expressed their disapproval of this draft in articles, in letters to the press, through their organizations in the central economic council (Conseil central de l'économie), and through a special distribution commission (la Commission spéciale distribution). Now an experiment in controlled establishments is under way (the criteria being socio-economic and urban requirements) and the proposed law has been withdrawn.

