



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

Monetary union timetable adopted. Following hard on the heels of the Madrid Summit where a compromise on the three-stage Delors plan for monetary union was agreed, Finance Ministers meeting in Brussels on Monday took the process one step further. They agreed that the initial preparations both for embarking on stage one of the process and for convening a special Inter-Governmental Conference (IGC) to consider changes to the EC Treaty should be completed within six months. Speaking at a joint press conference after the meeting Pierre Berezogovoy, French Finance Minister (France took over the Presidency from Spain on 1 July) and Commission Vice-President Henning Christophersen stressed the importance of the timetable for the implementation of the Madrid decision on economic and monetary union in the Community. Christophersen also said that Member States will thus have six months of adaptation before the coming into force of phase one of EMU on 1 July 1990. Concerning the preparation of the IGC, Christophersen promised to submit to the French Presidency a list of topics before the end of the month to enable a first discussion to take place at the informal meeting of Finance Ministers on 9-10 September. Berezogovoy told the meeting that the Community had to proceed apace so that enough headway was made before the next Summit in Strasbourg on 8-9 December.

At the same meeting the Commission presented Ministers with a five-point plan designed to minimise the risk of international tax-dodging when most Member States lift their exchange controls in July next year. In her paper to Ministers, Commissioner Christiane Scrivener, responsible for taxation, made informal proposals which will get a thorough discussion in the Autumn. They are for: more systematic reminders by tax authorities and financial institutions such as banks to their clients of their fiscal responsibilities; States to require statistical information from citizens exporting any significant amount of capital; closer co-operation between national authorities in cases of suspected fraud; all EC States should sign and ratify a 1959 Council of Europe Convention on judicial co-operation in the event of suspected large-scale fraud linked to crime or drug trafficking; new discussions bilaterally with the USA, Japan, EFTA countries and within the Organisation for Economic Co-operation and Development for improved international tax co-operation.

Commission launches new EC Company Statute. The Commission yesterday (Wednesday) tabled its modified plans for an EC Company Statute. Launched by Commission Vice-President Martin Bangemann at a Press Conference in Brussels, the plan would allow cross-border mergers and joint ventures to incorporate under European rules, free from the company laws of Member States in which they do business. The main modification to the scheme put forward last year is that governments would be allowed to sanction a particular form of worker participation within their own borders within a range set by the new plan. Bangemann pointed out that "there will be no European company without a clear definition of the way in which workers participate in decisions". The legal framework of the plan put forward by the Commission is such that the Council of Ministers will be able to pass it on a majority vote. The choice of three models of worker participation involves: one based on the German co-determination scheme; a system of workers' consultative committees, or finally a loose arrangement under which collective bargaining agreements make some general provision for workers to be given information about company plans.

Commission adopts energy plan. Commissioner Antonio Cardoso e Cunha, responsible for energy, yesterday (Wednesday) launched a three-point plan aimed at opening up the EC's energy market and facilitating cross-border transfers of gas and electricity. The plan involves transfers, energy price transparency for consumers, and investment co-ordination.

Commission to draft a Social Charter. An informal meeting of Social Affairs Ministers in Auxerre on Monday agreed an outline procedure for producing a Charter of Fundamental Social Rights, enforceable throughout the EC. The Commission is to be requested to draft this Charter which, it was hoped, would be adopted by Ministers in October.

Marin visits Front-Line States. Commission Vice-President Manuel Marin visited Zambia, Botswana and Zimbabwe last week for discussions with leaders on the situation in the region.

EC/USA oilseeds dispute. At the request of the US Government, the EC has agreed to submit to the GATT dispute settlement procedure, an argument with the USA over the EC oilseeds policy. However, the US Trade Representative decided on 5 July that in accordance with Section 301 of the US Trade Act that its rights were being denied by EC oilseed subsidies. The Commission has replied by deploring the US unilateral position and is requesting the opening of consultations with the appropriate bodies of the GATT.

Emergency assistance to Indo-Chinese refugees. The EC has decided to grant 1m ecus (£666,000) in emergency aid to Vietnamese refugees in Malaysia, Thailand, the Philippines, Indonesia and Hong Kong. Together with assistance to Khmer, Lao and Vietnamese refugees granted last week, this brings to 6.6m ecus (£4.4m) the total of EC assistance since the International Conference of Indo-Chinese Refugees held in Geneva on 13-14 June 1989.

EC/Mexico Mixed Commission meets. The 8th meeting of the Mixed EC-Mexico Commissions met in Brussels on 10 and 11 July. Relations between the EC and Mexico are governed by the agreement signed on 15 July 1975 which came into force in November of the same year. EC-Mexico trade 1988 - Imports (m ecus) 2,453; exports 2,298; EC deficit 155m ecus.

European Club Cricket Festival. Teams from Italy, Spain, the Federal Republic of Germany and Denmark plus a Durham Select XI with players from the United Kingdom and Holland will be taking part in a week-long European club Cricket Festival starting on 23 July. The Festival is being organised by the City of Durham Council with the Commission of the European Communities. All matches will be played on grounds in and around Durham. Details: Wouter Wilton tel: 01-222 8109.

Europe Against Cancer. A 90 minute video featuring four films on the Commission's programme of action in the fight against cancer is now available on loan from this office. Contact Julie Ayers - tel: 01-222 8122 ext 202.

Diary Dates.

General Affairs Council	17-18 July	Brussels
Internal Market Council	18 July	Brussels
Agricultural Council	24-25 July	Brussels
European Parliament Session	25-28 July	Strasbourg
Budget Council	28 July	Brussels
Informal ECO/FIN Ministers	9-10 September	Antibes

Our next briefing will take place on Thursday, 20 July at 11.30 am.