



COMMISSION  
OF THE EUROPEAN  
COMMUNITIES

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### THE WEEK IN EUROPE

Irish take over Presidency. On 1 January Ireland took over the Presidency of the European Community from France for a six month period which will come to a climax at the European Council Summit on 25 and 26 June in Dublin. During the next six months of Irish leadership, the EC expects to conclude a series of agreements with the newly democratising countries of Eastern Europe and negotiate a 19-nation common "European Economic Space" with the governments of the European Free Trade Association. The Irish Government, which is the only neutral, non-NATO member of the 12 EC countries, also wants to explore Soviet thinking on pan-European unity and the possible role in this of the 35 nation Conference on Security and Co-operation in Europe. To kick off the new Presidency EC Commissioners and Irish Cabinet Ministers met in Dublin last weekend. They decided that an early meeting of EC Foreign Ministers is to be held later this month to assess the upheavals in East Europe. It was also confirmed that the Irish will have a special role in developing EC relations with the United States. Irish Prime Minister, Charles Haughey, along with the Commission President Jacques Delors, told a press conference that the Foreign Ministers would evaluate a 10 point plan put forward by FRG Chancellor Helmut Kohl on relations between the two Germanies. Recent Soviet proposals and the Mitterrand plan for a confederation of European States would also be discussed. The other key priorities for the Irish Presidency will be advancing the legislative programme of the 1992 Single European market and preparing the inter-governmental conference on European economic and monetary union which is to be formally opened in Rome under the Italian Presidency in December. Haughey also said plans agreed for the Irish Presidency envisaged setting up the European Environmental Agency and other important measures such as liberalising transport regulations, in particular air transport. This is the fourth time Ireland has held the Presidency since joining the EC in 1973.

EC agrees cross-border merger regulations. Four days before Christmas, Ministers of the twelve EC countries agreed regulations for vetting large cross-border mergers after years of complex and tough negotiations. The new system may involve around 40 multi-million pound takeovers being subject to the approval of the Commission each year. Under the scheme, which will operate for four years, the Commission will have the sole authority to investigate and - where it deems fit - veto mergers involving transnational companies with a combined turnover of more than £3.7bn a year. This will apply where at least two of the firms earn £170m or more of that turnover in the EC but do not earn more than two thirds of their total turnover in a single EC country. In addition, proposed mergers involving companies with a turnover of less than £1.4bn may be examined by the Commission at the request of an affected Member State. All other mergers will fall under the jurisdiction of national authorities where such authority exists. The new scheme will come into force on 21 September 1990.

UK regions to get £955m. The UK's regions have been allocated nearly 1.3bn ecus (£955m) by the Commission over the next two years. North-West England, including Cumbria, has been given 21.5% of the total, closely followed by the Western half of Scotland, which includes the Strathclyde region.

Andriessen to visit Eastern Europe. External Affairs Commissioner, Frans Andriessen, has been formally invited to visit Czechoslovakia, Rumania and Bulgaria for talks this weekend on recasting trade and co-operation agreements with the first two countries and concluding such an agreement with Bulgaria. The Commission has also discussed a report from its officials who were in Bucharest in late December on what emergency food aid the new Rumanian government wants and what the Community can provide. So far Bucharest has received 6.5m ecus (£4.8m) in emergency food aid. EC governments, and the FRG in particular, have set mid-1990 as the deadline for conclusion of a trade and co-operation agreement with East Germany, whose former regime was the last in Eastern Europe to request such a link.

Commission challenges Dutch postal service. The Commission has told the Netherlands to change a recent law which gives its nationalised postal monopoly an unfair advantage over private courier companies. The intervention comes under Article 90 of the Treaty of Rome which gives the Commission direct power over Member States' legislation when nationalised monopolies are seen to be distorting competition.

Brittan urges CAP reform. Speaking in Oxford last week, Commission Vice-President Sir Leon Brittan said reform of the Common Agricultural Policy will have to be intensified if there is to be a full and fair system of green currencies by 1992. Sir Leon said this would be much easier if the UK were a member of the Exchange Rate Mechanism of the European Monetary System. He also said he doubted whether the £20bn the Community spent annually through Brussels and national governments on direct agricultural support was correctly targeted. Too often aid was paid out for its own sake rather than to improve the viability of a farm or protect the environment.

Cars in the EC. CEPR has published two reports on cars in the EC. They are "The Market for cars in the enlarged European Community" by Alasdair Smith and "Counting the Cost of Voluntary Export Restrictions in the European Car Market" by Digby, Smith and Venables. Available for £2 each in advance from CEPR, 6 Duke of York Street, London SW1.

Business Europe. A unique news service which selects and highlights for business managers only the useful marketing/selling facts from information on Europe started in January 1990. Ten issues per year. Annual subscriptions £120 UK & Eire. Overseas £130. From the Bower House Publishing Group Ltd, Bower House, Bower Garden, London Road, Maldon, Essex. Tel: 0621 858410.

Eurofi has published five major studies of the implications of the internal market, for financial services and insurance; the food industry; information technology, telecommunications and broadcasting, the engineering industries and chemicals, pharmaceuticals and biotechnology. Details from Eurofi, Newbury. Tel: -635 31900.

European Tax Law. Ten-chapter review by the Financial Times. Price UK £150. From Marketing Department, Financial Times Business Information, 7th Floor, 50-64 Broadway, London SW1H 0DB. Tel: 01-799 2002.

Glasgow: Cultural Capital of Europe 1990. A firework display on New Year's Eve marked the launch of Glasgow's one-year term as Cultural Capital of Europe. A diverse programme of events, designed to stress the importance of the arts and culture to the UK and to Europe as a whole, has been planned for 1990. This includes a number of international arts and music festivals, concerts by major orchestras from all over Europe, art exhibitions and sports events. For more details contact the Greater Glasgow Tourist Board. Tel: 041 204 4400.

British woman chosen as EC guest singer of the year. Ann Mackay, the British soprano, has been selected as the European Community Chamber Orchestra's guest singer of the year. A photocall will be held at Jean Monnet House at 3 p.m. on Tuesday 16 January, when John Drew, head of the European Commission's U.K. offices, will present Miss Mackay with a floral tribute as she sets off on a series of tours with the orchestra. Further information: Paul Winner on 01 730 8525.

Briefing by Lord Mackenzie Stuart. Lord Mackenzie Stuart, former president of the European Court of Justice, will be in the London office for the next in the regular series of briefings at 11 a.m. on 18 January. He will be talking about the work of the Court of Justice and the application of community law. For more details please contact Carole Smith on 01 222 8122.

Diary Dates

Fisheries	18 January	Brussels
Agriculture	22/23 January	Brussels
General Affairs Council	5/6 February	Brussels
ECO/FIN Council	12 February	Brussels
Internal Market Council	22 February	Brussels

Our next briefing will be on Thursday, 18 January, when material will be available after Lord Mackenzie Stuart's briefing.