



COMMISSION  
OF THE EUROPEAN  
COMMUNITIES

Jean Monnet House  
8 Storey's Gate London SW1P 3AT  
Telephone: 01-222 8122  
Fax: 01-222 0900

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**THE WEEK IN EUROPE**

Commission takes UK to Court over Drinking Water. The European Commission announced yesterday that it was after all taking the United Kingdom before the European Court of Justice because of its alleged failure to follow the Directive on drinking water quality. Environment Commissioner Carlo Ripa di Meana announced the decision yesterday (Wednesday) following further talks with Chris Patten, UK's new Environment Minister, in the Council of Ministers. Standards laid down in the Directive should have been reached by July 1985. In their decision yesterday the Commission especially referred to excessive levels of lead in water in parts of Scotland and the level of nitrates in water in parts of East Anglia. Most of the UK's EC partners are also being pursued by the Commission for failure to observe the standards laid down. Belgium and France are already before the Court.

Broad agreement on new EC Environment Agency. Otherwise the Ministers reached a broad consensus on the principle of setting up a new EC Environment agency. This meeting was the forum for the first substantial discussion by Ministers of the idea. While there was agreement on the principle, sharp differences remain about the agency's scope and its relations with non-EC countries. Some countries, including the UK, wish to restrict the activities of the agency to research, the monitoring of pollution data and the provision of such information to EC countries. However, Ripa di Meana has raised the possibility of a more wide-ranging initiative. He has suggested that the new agency's powers should be examined at the end of a first stage in about three or four year's time. It now looks as if an outline agreement on the new agency's functions could be agreed by as early as November. Still to be sorted out is the precise scope of the agency, the extent of its independence from the EC and its relationship with EFTA, Eastern bloc and other Mediterranean countries.

The new Environment Secretary Chris Patten, who attended the meeting in person, the first Secretary of State to do so in years, is believed to be interested in exploring the possibility of Eastern European countries being involved in the work of the new agency. Industry in Eastern Europe lags behind the West in environmental controls and its emissions pollute EC countries.

"Progress made" on EC merger control powers. Commission Vice-President Sir Leon Brittan, responsible for Competition Policy, said Industry Ministers "made progress on most points" on Monday during their negotiations on EC merger control powers. He said the overall aim of the merger plan was "to increase the effectiveness of Community competition policy, without changing its direction". At the meeting, the French Presidency sought to bridge differences over where the dividing line should be drawn between Commission and national competence over mergers and over what criteria Brussels should use to judge mergers. The compromise formula for the financial threshold at which the EC would step in on the case of a proposed merger has been raised to 5bn ecus (£3.4bn) worldwide and this was generally found to be acceptable by Ministers. Other threshold criteria made referral to Brussels compulsory if more than 250m ecus (£168) of the worldwide combined turnover is within the Community, and not more than two thirds of that turnover within one EC State.

36.2bn ecus for weakest regions. Yesterday (Wednesday) the Commission adopted draft Community Support Frameworks which lay down spending between now and 1993 for the regions. Of the total of 36.2bn ecus (£24bn) the UK will receive 793m ecus (£528m). Commissioner Bruce Millan, responsible for Regional Policy, said: "This is a vitally important decision by the Commission in our objective of strengthening economic and social cohesion". Northern Ireland will receive the entire UK quota.

Monetary union proposal approved. Two proposals for Council decisions on stage one of Economic and Monetary Union have been approved by the Commission. Firstly, a Committee of Central Bank is to be set up to promote the cooperation between the Central Banks of the Member States; second the Council is to undertake multilateral surveillance of the economies of Member States. These proposals are based upon the ideas of the Delors Report on EMU, the conclusions of the Madrid Summit and the debate at the informal ECO/FIN meeting in Antibes, 9-10 September.

Poland and EC sign trade deal. The European Community, represented by Roland Dumas, Chairman of the EC Council of Ministers and French Foreign Minister, and the Polish Government signed a five-year trade deal on Tuesday aimed at easing mutual access to the EC and Polish markets. M Dumas, who was in Warsaw together with Vice-President Frans Andreissen, the External Affairs Commissioner, said the agreement, similar to others the EC had already signed with Hungary and Czechoslovakia, was a "first step" to help Poland and that further measures would follow.

Aid to Guadeloupe after Hurricane Hugo. Immediate emergency aid of 1.3m ecus (£850,000) has been given to the Caribbean island of Guadeloupe by the Commission following the devastation caused by Hurricane Hugo, and a further 1m ecus (£650,000) of emergency supplies to Commonwealth members in the area plus the Dutch Antilles.

Change of Address With effect from 25 September the address of the Centre for European Business Information (Small Firms Service) will be: 11 Belgrave Road, London SW1V 1RB. Tel: 01-828 6201. Fax: 01-834 8416.

Marjolin's Memoirs. Just published is the English edition of the memoirs of Robert Marjolin, one of the key architects of the Community and post-war Europe. As EC Vice-President, it was Marjolin who proposed the Committee for European Central Bank Governors, now the possible precursor of a future European Central Bank. This lively book is published by Weidenfeld and Nicolson (price £18.95). Already available in French and German, this translation was organised by American Express Bank, which also runs the annual economics and finance essay competition in memory of Marjolin.

European Business Journal. Third issue just published. Articles by Michael Heseltine MP and George Robertson MP. Details from Whurr Publishers Ltd, 19b Compton Terrace, London N1 2UN. Tel: 01-359 5979.

Conference and Diary Dates

"Which Law in Europe? Which Law for Europe?" International Symposium under the patronage of the President of the French Republic. Cannes, 2-4 November. Details from Sunazur International, 15 Rue Ricord-Laty, 06400, Cannes, France.

Agriculture Council	25-26 September	Brussels
Industry Council	26 September	Brussels
Social Affairs Council	29 September	Brussels
General Affairs Council	2-3 October	Luxembourg
ECO/FIN Council	9 October	Luxembourg
Internal Market Council	10 October	Luxembourg
European Parliament Session	9-13 October	Strasbourg
General Affairs Council (informal)	14-15 October	Chateau d'Esclemont
ECO/SOC Plenary Session	17-19 October	Brussels

Our next briefing will be on Thursday, 28th September at 11.30 am.