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ENVIRONMENT: The EYE ends in a flurry of awards

Stanley Clinton Davis applauds the alliance between environmental protection and industrial innovation.

Industry has its own form of green fingers, as it demonstrated during the prize-giving ceremony which marked the end of the European Year of the Environment. The Green Product design award was won by a battery manufacturer while a major Dutch company won the Good Environmental Management award.

Two series of prizes were awarded, one for industry, the other for local authorities, groups and individuals, in the framework of the Environmental Year, which opened on the first day of spring last year and closed on March 21. The prizes were awarded in Brussels on March 17, at a ceremony attended by the European Community's Environment Commissioner, Stanley Clinton Davis.

The most remarkable achievements were perhaps those which won the Better Environment awards for industry. As Mr Davis pointed out, environmentalists and industrialists are less opposed to each other now. A growing number of industrial companies are turning to clean technologies. For the Environment Commissioner, this "new alliance between environmental awareness and industrial innovation" should produce "prosperity without pollution".

The European Clean Technology award was won by Dr. Hagenmeier, of Tübingen University (Germany), for his low-temperature process for eliminating the most toxic of the emissions from municipal waste incinerators. The process ensures the almost total elimination (99%) of such dangerous substances as dioxins, and this at considerable savings in fuel.

The prize for Good Environmental Management was won by the Dutch company, Philips, whose Environmental Protection Manual seeks to ensure that the company's products and processes satisfy environmental requirements. In each factory an environmental coordinator advises on and stimulates environmental protection.

The Green Product design award was won by the French firm Cipel-Wonder, for its mercury-free battery. Because of its use in batteries, mercury is the cause of widespread environmental pollution. Some 54 tonnes of the heavy metal are rejected into the environment in France alone each year.

A PEOPLE'S EUROPE: Better openings in the public services for European job seekers?

The European Commission clarifies its intentions.

Belgian schools may soon have French science teachers and Italian state hospitals Spanish nurses, although there will be no Danes in London's metropolitan police nor Greeks among Dutch factory inspectors.

The European Commission has spelled out its views on how to open up jobs in the public service to nationals of all European Community countries in a communication published in the Community's Official Journal at the end of March. The Commission had announced certain initiatives in this field last December.

In the context of the single European market, due to be inaugurated in 1992, the Commission wants to take the steps needed to ensure that Europeans can work in another Community country than their own, by virtue of the right they enjoy under the "European Constitution". However, this "Constitution", which is the Treaty of Rome, excludes "employment in the public service" from the free movement of workers.

The EC Court of Justice has held, on several occasions recently, that this exception applies only to jobs involving the exercise of official powers and state security. The European Commission took into account both the Court's position and the studies carried out in all 12 member states before seeking the elimination of national obstacles which prevent Europeans from holding jobs not covered by the exception set out in the Treaty of Rome.

The Commission has decided to give priority to those sectors which (1) are already the object of the European Court's rulings and (2) employ large numbers of people, notably public transport, the postal and telegraphic services, public utilities, scientific research in civil establishments and the health service.

The Commission notes that all these activities can also be in the private sector. There are fee-paying schools and universities where nationals of any Community country can teach. Britain, for example, does not require those employed by the N.H.S. to be British nationals. There is no reason why other member states must reserve such jobs for their own nationals.

However, the Treaty of Rome does exclude, the Commission believes, the "Europeanization" of such services as the army, police, taxation, the judiciary, the diplomatic services and factory inspectors.

HEALTH: A need for greater transparency in the pricing of pharmaceutical products

The European Parliament approves an amended version of a draft Commission directive.

If you are addicted to medicines you would be better off living in Spain, where they are cheapest. Medicines are dearest in Germany, as a Table drawn up for the 12 European Community countries showed last year.

Using Spanish prices as a benchmark (100) the prices of pharmaceutical products averaged 251 in Germany. The indices for the other Community countries were Portugal - 107; France - 113; Italy - 119; Belgium - 132; Britain - 201; the Netherlands - 230 and Ireland - 234. The differences were even greater in the case of individual products; in some cases prices were as much as ten times higher in one EC country than in another.

These differences are due to a variety of reasons. They range from differences in national laws and in the repayments made by the health services to differing levels of taxation and of mark-ups. Thus wholesalers' margins vary between 7.9% and 17.4%, those of retailers between 23% and 42%. VAT rates range from zero to 22%. In the face of such diversity, it is clear that a semblance of order is needed in the run-up to the single internal market.

As a report of the European Parliament has underlined, there is no question of setting European prices for medicinal products; what is needed, rather, is a certain transparency as regards the national systems which determine how prices are set.

This transparency is all the more necessary given the size of the Community's pharmaceutical industry: 2,100 firms, 400,000 jobs, an annual production worth ECU 37,000m+ and exports for a total of ECU 11,000m. While the European industry is competitive, it is under threat from Japanese and American competition. The share of new products has fallen in France, for example, from 18% in 1961-65 to 7% in 1981-85. Comparable figures for the United States and Japan point to an increase from 21% to 25% in the first case and from 10% to 22% in the second.

The stakes are high. But the European Parliament is very divided on the issue. The Socialists fear the multinational corporations will raise their prices at will, while the Christian-Democrats are afraid that too much public regulation of firms will push the same multinationals to leave the Community.

The Euro-MPs were rather prudent on the whole, as is clear from their amendments to the European Commission's draft directive on the subject: Brussels should not interfere at this stage in the national legislation regarding the classification of medicines

(Contd.)

covered by the health service; the period of time at the end of which decisions on prices can be taken should be extended by 90 days; the possibility of a derogation from a system of price freezes should be possible, but only in "exceptional cases"; the consultative committee which it is proposed be set up should aim at "the development of a Community policy for medicinal products" rather than at setting prices and levels of repayment; a European database should be created, which would make it possible to know the characteristics of the pharmaceutical products which enter into the setting of prices.

The fact is that at present no one really knows why the box of tablets displayed by the Irish Euro-MP, Patrick Lalor, should cost nearly IRL23 in Dublin, just over IRL12 in Brussels and less than IRL10 in Strasbourg.

+ 1 ECU = UKL0.69 or IRL0.78

#### EXTERNAL TRADE: Here comes Sch...es!

European mineral water to slake Japanese thirst.

One litre of mineral water per person per year! The Japanese, clearly, are insensitive to the delights not only of European wines and liqueurs but also mineral water. How on earth do the Samurai slake their thirst - bearing in mind that 55m. Frenchmen and women get through 3,200m. litres of mineral water a year?

The Belgian Euro-MP, Luc Beyer de Ryke, was sufficiently concerned to ask the European Commission if it planned to encourage European producers not already established in Japan to take advantage of the concessions that were squeezed out of Tokyo in 1986. That was the year in which Japan amended its legislation, thus making imports easier.

The fact is the Japanese market for mineral water was practically closed until 1986, because legislation required all imported waters to be pasteurized - i.e. shipped in glass bottles. Since then European Community exports have more than doubled in a single year, Commissioner Willy De Clercq told the Euro-MP.

French firms have been the major beneficiaries so far but prospects are bright for all European producers, given the current Japanese preoccupation with health and the quality of their own drinking water.

The European Commission, Mr De Clercq pointed out, has approached the Japanese authorities in the past and is prepared to do so again should fresh problems arise.

TECHNOLOGY: Reviving sunset industries through Community R&D

More cash for the second phase of BRITE.

The programme for developing advanced technologies for the European Community's traditional industries is to get a fresh injection of funds. The Twelve have decided to allocate ECU 60m.<sup>+</sup> to BRITE<sup>++</sup> from the Community's budget, thus bringing the total to ECU 185m. for the period 1985 to 1988.

The additional funds will allow some 66 extra research projects to be undertaken, making a total of 112 projects for the second phase of BRITE. This means especially that applicants who could not take part in the first phase in 1985 will now receive financial support.

The Commission will be able, in the second phase, to give preference to projects involving at least two industrial organizations based in different Community countries. In addition, more small and medium-sized enterprises (SMEs) will be selected this time round. Finally, firms and research institutes in other West European countries will be able to take part in the programme, but they will have to meet their own expenses.

<sup>+</sup> 1 ECU = UK£0.69 or IR£0.78

<sup>++</sup> Basic Research in Industrial Technologies for Europe.

CONSUMERS: Banned toys

The European Parliament favours a European symbol to identify toys which could prove risky if misused.

The long debate over the European Community's proposed directive on toy safety seems to be nearing its end, some eight years after the European Commission first submitted its draft to the member states.

The European Parliament has just adopted the amendment put forward by the Danish Euro-MP, Jeanette Oppenheim, to the text approved by the EC Council of Ministers.

The amendment notably reintroduces the proposal for a European symbol, to be affixed to toys to caution users to follow the instructions carefully. The Euro-MPs felt their solution to be preferable to the Council's, which is a label in nine languages. They also took the view that it was not for the Community authorities to set the standards for the use of heavy metals in toys; the task fell, rather, to the European Standards Centre (CEN).

The European Commissioner for Consumer Protection, Grigoris Varfis, agreed to changes proposed by Parliament. He also accepted its refusal to extend the directive's scope to equipment used on sports fields and to catapults, slings and steel-tipped darts, which are not really toys but weapons.

UNEMPLOYMENT: Fewer jobless than one would think

10.9% according to Eurostat, 12% according to national statistics.

In January 1988, 10.9% of Europeans of working age were without a job and looking for one, whereas 12% of these same Europeans were officially registered as unemployed in their respective countries. In other words, the European Community has fewer unemployed than one would think. To find out just how many jobless there really are in the Community, Eurostat, the EC's statistical office, used the same criteria for all 12 member states, those of the International Labour Office (ILO) and the OECD.+

This gave an unemployment rate for January of 10.4%, taking seasonal factors into account. The unemployment rate for men was 8.4% and for women 13.4%. In addition, 20.6% of those under 25 years of age were unemployed, as against only 7.9% of adults.

Luxembourg had the lowest unemployment rate: 3.1%. In Denmark, Germany and Portugal the rate varied between 5% and 7%; it was between 9% and 10% in Britain and the Netherlands. The French unemployment rate was equal to the average for the Community as a whole (10.4%); in Belgium and Italy it was 11.1%, in Ireland 18.9% and in Spain 21%. Eurostat had no precise figure for Greece.

Eurostat so far has used the number of registered unemployed in each European Community country. But a survey based on the situation in the spring of 1986 revealed that these figures cannot give the number of those "really" unemployed - i.e. those who are jobless and are actively looking for work.

The fact is that some in this category do not register themselves with an unemployment exchange because they see no point in it. Others who are not actively looking for work seek registration in order to take advantage of certain social benefits.

Finally, the legislation in force in each of the 12 European Community countries is not identical. Some require or incite those who are not genuinely unemployed to register with unemployment agencies. As a result, in the spring of 1986 some 16m. persons were registered as unemployed in the 12-nation Community, while the number of those really unemployed was 15m.

+ The ILO is a specialized agency of the U.N. The OECD is the Paris-based Organization for Economic Cooperation and Development.

ENVIRONMENT: A "green" information network for Europe

All you want to know about clean technologies from NETT.

Companies, public and private bodies as well as individuals interested in clean technologies can obtain the information they want from NETT, a European network for environmental technology transfer. Set up with the backing of the European Commission, NETT has been accessible since 21 March, the last day of the European Year of the Environment.

With the creation of this information network, the Commission hopes to speed up the development and application of ecologically sound technologies, especially by industry. Studies carried out in all the European Community countries have shown that such a network meets a need on the part of companies.

Set up as an independent, non-profit organization, NETT will provide information on the markets for clean technologies; the full range of technical options available for industry; existing and forthcoming environmental standards and regulations; R&D programmes for which financial aid is available and the financial and technical assistance extended by the European Commission and national government agencies.

In addition to its own database, NETT provides access to a range of environmental databases. The network can also put manufacturers and users in touch with each other and advise on local market conditions, regulations and technical standards. The Commission hopes that NETT will help achieve better standards of environmental protection in the 12-nation Community and keep small and medium-sized firms better informed.

NETT will cost just under ECU 2m.<sup>+</sup> over the period 1988-1991. The European Commission will meet 43% of this. Annual membership costs ECU 350 for general members based within the Community and ECU 700 for those based elsewhere. Individuals can become associate members on payment of ECU 100 a year, regardless of where they are located.

<sup>+</sup> 1 ECU = UK£0.69 or IR£0.78

Further information can be had from the NETT Secretariat in Brussels. The address is: 5, rue de la Science, B-1040 Brussels, Belgium. Telephone : 231 03 61. FAX : 231 06 84.



INTERNAL MARKET: After three years, progress remains slow

The European Commission's third annual report expresses disappointment.

It is some three years since the European Community adopted the programme leading to the creation of the single internal market, but no more than a quarter of the necessary decisions have been taken so far. In its third annual report on the programme's implementation, the European Commission has expressed its disappointment at the slow pace set by the EC Council of Ministers, which contrasts sharply with the commitment by the Community's heads of state or government to complete the single market by 31 December 1992.

The report gives two main reasons for the slow rate of progress during the last 12 months: (1) the delay of some six months before the Single European Act<sup>+</sup> came into force and (2) the Council's refusal to allow the Commission to play a more important role in the execution of its decisions.

The Council has definitively adopted 69 Commission proposals - that is to say, one-third of the texts submitted to it. If to this are added the six proposals which have been partly adopted, then roughly one-quarter of the measures which the completion of the single market requires have secured the Council's approval. The Council has also adopted a common position on 14 proposals, which now await examination by the European Parliament. Finally, as many as 126 texts are still being studied by the ministers and their experts.

It is clear from these figures that the Council is not holding to its own time-table, according to the Commission. It has put at 286 the number of measures that must be adopted to complete the single market. When the goal of an internal market by 1992 was set, it had announced 298 measures. So far the Commission has sent the Council 206 proposals, and plans to submit another 50 or so before the end of this year.

During the last 12 months the most striking Council decisions have related to technical standards, the "clean" car, pharmaceutical products and air transport. But decisions regarding sanitary standards for plants and animals have been delayed; the European Commission does not have enough staff to draw up its proposals quickly and the Council has 23 texts still pending.

<sup>+</sup> Under the Single European Act a number of decisions regarding the single market no longer require unanimity; the Council of Ministers can adopt them by majority vote.