

# FORUM

*Recent Developments in the European Community*

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Contact: Ella Krucoff  
(202) 862-9540

**To Editors—More information is available on the following topics:**

**E.C.-U.S. Cooperation on Telecommunications.** The European Community and the United States have agreed to exchange information regularly on technical and political developments in the telecommunications sector. E.C. and U.S. delegations meeting in Brussels in February outlined specific areas for cooperation in 1987 and 1988, particularly technical specifications and standards. They agreed to organize a meeting of technical experts to discuss U.S. and E.C. implementation of standards for Integrated Services Digital Networks based on International Telegraph and Telephone Consultative Committee recommendations. The networks use digital technology to transmit sound, documents and computerized data over telephone lines. The two sides also agreed to arrange regular exchanges of information between European and American standards coordinating bodies. The consultations followed a European fact-finding mission to the United States in June 1986, which took place against a background of concerns on both sides about market access for telecommunications equipment and services. That delegation proposed closer U.S.-E.C. cooperation on the issue of standards, noting that both sides wanted to ensure the "interoperability" of new products.

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EC OFFICE OF PRESS AND PUBLIC AFFAIRS

Washington: 2100 M Street NW Seventh Floor Washington DC 20037 / telephone (202) 862-9500 / telex 64215 EURCOM-UW

New York: 3 Dag Hammarskjold Plaza 305 E 47th Street New York NY 10017 / telephone (212) 371-3804 / telex 661100 EURCOM-NYK

**A Boost for Information Technology.** The European Community in 1984 launched a 10-year program aimed at strengthening Europe's information-technology base--ESPRIT (European Program for Research and Development in Information Technology). As a result, 201 research and development projects are under way in the fields of microelectronics, information-processing systems and information-technology applications. These involve an estimated 2,900 researchers and, in addition to research institutes and universities, 240 companies--with an emphasis on cross-border cooperation. Funding is shared by the Community and industry. "ESPRIT is paving the way for a European Technology Community," the E.C. Commission says in a recent report on ESPRIT's first three years. "This means creating and promoting transnational opportunities for European companies, leading to technological renewal and economic competitiveness." The Commission praised ESPRIT's success in involving small and medium-sized businesses, which would not ordinarily have the resources for significant research activity. As examples of ESPRIT's impact, the report cites the introduction of a new computer software product, EMERAUDE, and the development of a high-speed, high-density microchip.

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**Community Speed Limits.** Speed limits for cars on Community highways range from 62 to 87 miles per hour--except in the Federal Republic of Germany, which recommends, but does not enforce, a maximum speed of 80 miles per hour. The E.C. Commission has proposed that these national rules be replaced by a "normal" Community speed limit of 75 miles (120 kilometers) per hour--subject to modification depending on the characteristics of the highway. "Stricter limits would save lives and reduce the burden of pollution," says Commissioner Stanley Clinton Davis. Furthermore, since the Community is striving to remove physical and economic barriers between its member states by 1992, the Commission says in a recent report to the Council of Ministers, "it is unreasonable to have different speed limits

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for the same type of infrastructure." The Commission proposes that speed limits be enforced on all Community roads, and that those for buses and trucks and for rural roads other than highways be set significantly below the "normal" 75.

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**Plastic Money: Leaving Home With It.** A citizen of Munich should be able to use his or her plastic payment card in Glasgow, Copenhagen or Madrid. So says the E.C. Commission, which has proposed a plan for ensuring that the various card systems in the Community are technically compatible. The payment cards, which incorporate magnetic stripes or microcircuits, are being used increasingly in Europe to withdraw money from cash dispensers and to pay for purchases at stores that have terminals. Within 10 years, according to forecasts, there will be 80 million such cards throughout the Community. The Commission proposes that standards be set for the physical characteristics and security aspects of "plastic money," and that issuing institutions cooperate to make their systems mutually accessible. The initiative is another part of the Commission's strategy for creating a unified internal market by 1992.

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**E.C. and Latin America: Strengthening the Links.** Despite close historical and cultural ties between Western Europe and Latin America, the two regions drifted apart following a break in relations during World War II. But a number of factors have kindled a mutual interest in strengthening the relationship: the European Community's increasing involvement in world affairs, particularly in regard to Central America; the return to democracy in both Latin America and southern Europe; and the enlargement of the Community to include Spain and Portugal. The E.C. Commission recently proposed some guidelines for stepping up political and economic cooperation with Latin America over the next few years. They call on the Community to improve coordination of its development assistance; reintroduce export

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credits for certain countries; provide for political consultation with Latin American countries or regions; work toward improving the international economic and monetary system; and strengthen its dialogue with Latin America on international economic problems. The proposed guidelines will be considered by the E.C. Council of Ministers and the European Parliament.

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**European Steel Statistics.** The European Community exported 25.2 million tons of steel in 1985--a high for the 1980s. Asia took the most exports (24.5 percent), followed by the United States (19 percent). The Community imported 8.6 million tons, with most coming from the European Free Trade Association (Austria, Finland, Iceland, Norway, Sweden, Switzerland, 48.8 percent) and Eastern Europe (22 percent). Steel consumption has fallen since 1973 in the Community, the United States and Japan--but the most dramatic drop has occurred in the United States. Consumption there fell from 735 kilograms per head in 1973 to 450 kilograms in 1985. Those are among the statistics included in the 1986 edition of the Iron and Steel Statistical Yearbook just published by the E.C.'s Office for Official Publications. It is available for \$24 from Publications, E.C. Office of Press and Public Affairs, 2100 M Street, N.W., Seventh Floor, Washington, D.C. 20037; (202) 862-9500.