

Week of 5 to 10 July

S U M M A R Y

p. 2 ENVIRONMENT: Ministers agree on environmental protection

European Environment Ministers have adopted two important measures aimed at reducing the risk of industrial accidents and lead pollution.

p. 3 ENERGY: Biomass - energy of the future?

An international biomass conference opens in Berlin in September, together with an exhibition of the latest developments in biomass technology.

p. 4 HUMAN RIGHTS: European Human Rights Foundation

Grants for human rights-related projects are now available from a new fund.

ENVIRONMENT: Ozone threat

We report on progress in the struggle to reduce the use of chlorofluorocarbons which are destroying the ozone layer.

p. 5 TOURISM: Why holidays should be taken seriously ...

The European Commission has outlined a plan to boost Europe's massive tourist industry.

p. 6 IN BRIEF: Tourism: Bigger duty-free allowance in 1983

Sport: Rome vs Paris

Parliament: A new Treaty for Europe

p.7-8 CLOSE-UP

Storm over the Atlantic

Relations between the EEC and the US have never been worse. Dollar fluctuations, interest rates, agriculture, steel and East-West relations - EUROFOCUS spells out some of the problems.

This newsheet is published in six languages (English, French, German, Dutch, Italian and Spanish) by the Directorate-General for Information of the

Commission of the European Communities,
Rue de la Loi 200 - 1049 Brussels - Belgium.
Tel.: 2351111 - Telex: 21877 COMEU B

Its contents do not necessarily reflect the official views of the Community institutions.

Editor: Will. J. Reckman



ENVIRONMENT: Ministers agree on environmental protection

Even in times of economic difficulty, the fight for a cleaner environment is a vital investment for the future of mankind.

European Community Environment Ministers meeting in Luxembourg have confirmed their commitment to combat pollution despite adverse economic conditions.

In the face of appeals from some industries that regulations should be delayed because of the financial burden, they maintained their view that it is less costly to prevent pollution in the first place than to repair the damage afterwards.

Ministers adopted several measures that may have a major impact on air and other forms of pollution. The most noteworthy was the adoption, after years of discussion, of a measure to prevent chemical contamination similar to that which occurred in Seveso, Italy. The new measure will establish a uniform safety system for major chemical and industrial plants, aimed at reducing the likelihood of other disasters.

Community Ministers also adopted measures to reduce discharges of lead into the atmosphere and into water. Both types of pollution have generated considerable concern in Europe and elsewhere in recent years and lead pollution from car exhausts and industrial processes has come to be regarded as a worldwide problem. It has already been the subject of other national and Community legislation in the past.

The meeting also served as a reminder of the problems blocking agreement on some important anti-pollution measures. Ministers failed to reach agreement on a Commission proposal to institute a system of preliminary environmental impact studies and reports before the start of major industrial and public construction projects. While a number of EEC countries already subscribe to similar schemes, other Community countries feel that a mandatory requirement of this type would be an unnecessary economic burden for industries and authorities.

Ministers also made further progress toward the adoption of a third major multiannual Community action programme for environmental protection that will guide future EEC policy.

ENERGY: Biomass - energy of the future?

The abrupt rise in oil prices in 1973 encouraged a number of European Community Member States to step up research into alternative energy sources. Biomass is now seen as one of the most promising areas of research into new forms of energy.

Biomass covers energy produced by organic wastes (wood, industrial and household waste, used rubber, harvest waste, etc.) which is released through combustion, fermentation, electrolysis or gasification. It also covers the cultivation of plants for the production of energy, including sugar cane, manioc, and fast-growing forests.

The French government estimates suggest that biomass should cover 7% of its national energy requirements by 1990.

The European Commission is playing an active part in promoting biomass and is financing four pilot projects for the production of methanol from wood. The projects should be complete by 1983. The Commission is also financing 15 demonstration projects (see Eurofocus no. 23/82) dealing with different aspects of biomass energy and its financial contribution to the two programmes is put at £1.53 million and £5.85 million, respectively.

Following the first conference on biomass energy held in Brighton (UK) in 1980, the Commission is to organise a second meeting on the same subject in Berlin from September 20 to 23 of this year. More than 700 scientists, engineers, agronomic experts and agricultural technicians are expected to take part in the conference. Berlin will also be the venue for the first European exhibition of biomass technologies, which will be held at the same time as the conference. Entitled "Biomass Berlin 1982", it will be aimed at interested professional circles and potential biomass users in the Community and will represent a unique opportunity to compare technical advances in the sector. Further information can be obtained from: AMK Berlin, Ausstellungs-Messe-Kongress GmbH, M 11, Dr. H.-J. Petersen, Postfach 19 17 40, D-1000 Berlin 19, B.R.D.

HUMAN RIGHTS: European Human Rights Foundation

The Universal Declaration of Human Rights is a collection of self-evident truths that was adopted by the United Nations General Assembly in 1948 and is remarkable in that it has probably been abused to a greater extent than any other single resolution approved by the UN. Torture, imprisonment without trial, discrimination and sometimes death still await people who express opinions that differ from those of the authorities in the vast majority of countries that signed the Declaration thirty-four years ago. The European Human Rights Foundation is a new body aimed at the promotion and protection of human rights throughout the world. Founded in the Netherlands in 1980 and part-funded by the European Commission, it provides limited finance for individuals and non-governmental organisations for research across the whole spectrum of human rights issues. Around 40 FHRF grants, which rarely exceeded £3.000 (5.300 ECU) have already been made available for projects dealing with Eastern and Western Europe, South and Central America, Asia and Africa. Application forms for awards in 1982 are available from the following address and should be returned by 30 October 1982: Peter Ashman, Administrator, European Human Rights Foundation, 95a Chancery Lane, London WC2A 1DT.

ENVIRONMENT: Ozone threat

It is no secret that the atmosphere's ozone, which protects the earth from harmful ultraviolet rays, is threatened by the effects of chlorofluorocarbons (CFC), a product used in aerosols, refrigeration, synthetic foams and detergents.

The European Community has been trying since 1978 to reduce the use of CFC's and to encourage the use of substitutes. To date, most progress has been made in the aerosol sector. Recent figures show that use of CFC's in aerosols fell by 34.4% during the period 1976 to 1981.

The European Commission is also in the process of drawing up codes of conduct for industrialists, encouraging them to reduce voluntarily the production and use of CFC's in the refrigeration sector. It is also financing research into the possibility of recuperating CFC emitted during the manufacture of rigid and flexible synthetic foams.

The destruction of the ozone would wreak changes in ground temperature, climate and general atmospheric conditions and would also affect human health.

TOURISM: Why holidays should be taken seriously ...

It is difficult to think of enjoyable activities like entertainment, sports, eating and drinking or tourism as serious occupations. But in fact, they are a way of life for millions of people and are becoming increasingly important to many economies.

Take tourism for instance. Statistics issued recently by the European Commission in Brussels showed that spending on tourism represents about 7% of total consumer expenditures in the European Community or about 4% of total gross domestic products of the ten EEC countries. Of course, the importance of tourism varies from country to country, but in some it represents as much as 20% of their foreign currency earnings -- a level that makes it as important as traditional industries such as steel or cars.

The growing importance of tourism has prompted the European Commission to call for a joint EEC policy programme to encourage the development of tourism in Europe. In a communication to the Council it lays emphasis on the growth of a type of tourism that is not detrimental to the environment or the architectural or cultural heritage of Europe. Too many of Europe's most impressive treasures have been spoiled in the past by uncontrolled touristic exploitation, it says. Commission experts want a whole range of EEC measures to stimulate tourism, including a series of actions already under consideration. Among them are the simplification of formalities at border crossing points, the reduction of air fares and uniform health care and social security procedures throughout the EEC. In addition, some EEC Social, Regional and Agricultural funding could be earmarked for specific tourist development projects, including the construction of roads and transport systems, and the training of personnel. Tourism could become an alternative economic activity providing jobs in some agricultural and industrial areas hit by the recession.

So that EUROFOCUS can be better adapted to serve your needs, do not hesitate to send us your comments, criticisms and suggestions. If you use one of our articles, a mention of the source and a cutting of the article would be appreciated. Thank you.

TOURISM: Bigger duty-free allowances in 1983

If you are travelling in the European Community this summer, don't forget that, despite the Common Market, you may have to pay heavy duties (or face the consequences) if your bags are stuffed with large quantities of Moselle wine, whisky, cigarettes or French perfume. The quantities allowed duty-free into any Community country are limited to: 300 cigarettes, 1.5 litres of whisky, 4 litres of wine and 75 grammes of perfume per person. Other items bought in any EEC country are only allowed in duty-free if their value is 180 ECU (£100 or less).

This figure was set in 1978 and has not been changed since, even though the European Commission suggested in 1979 that it should be increased to 210 ECU. The Ten's ministers have agreed to the increase but it will only be implemented from January 1983. Holiday makers will not be able to benefit from it this summer.

Over three years, the real value of the increase has been cancelled out by inflation and the Commission has called for a multiannual programme to allow for a progressive increase in the buying power of travellers. It wants the duty-free allowance raised to 270 ECU per person.

SPORT: Rome vs Paris

As part of the festivities marking the 25th anniversary of the signing of the Treaty of Rome, the city of Brussels invited sportsmen and women from the ten European capitals to take part in a big friendly competition. For different reasons, the United Kingdom, Ireland and Denmark declined the invitation, but the seven other EEC capitals were represented at the tournament held at the Heysel stadium in Brussels on June 5. More than 400 athletes took part. Paris won the prize for the best female and the best all-round athlete, winning the Brussels trophy. The team from Rome won the best male athlete award, receiving the European Commission Cup.

PARLIAMENT: A new Treaty for Europe

An institutional committee was set up in January 1982 in the European Parliament to review the Treaties of Rome and Paris and the prospects for European union. The committee presented the guidelines of its study this week. Detailed analyses are expected for the end of the year or the beginning of 1983. Eurofocus will, of course, give details in future issues.

Storm over the Atlantic

"Trade relations between Europe and the United States have deteriorated", said EEC Industry Commissioner Etienne Davignon, summing up relations with the White House in a recent statement. "Low blows", "personal antagonisms" and "declarations of war", are how the European press described the situation. The controversy raging between the United States and the European Community has perhaps never been so serious, despite the promises and expressions of good faith made at the recent summit meeting of the leaders of the industrialised nations at Versailles. Disagreements have multiplied and escalated between EEC member states and the US and now cover subjects as varied as monetary policy, textiles, steel, agriculture and East-West relations. Europeans have been complaining for months about the uncontrolled fluctuations of the US dollar, and with some justification. The recent rise in the exchange rate of the dollar, due to high US interest rates, has succeeded in wiping out the effects of the current easing of oil prices and has meant a significant increase in the EEC's energy bill.

US policy aimed at reducing inflation has hindered attempts to stimulate a European economic recovery. European banks are more or less obliged to align their interest rates with those of the United States, which has led to a slowing down of investment.

In the agricultural field, on the other hand, the Europeans are under fire from the United States. For nearly a year and a half, the Reagan Administration has criticized the EEC's Common Agricultural Policy, blaming it for many of the difficulties which American agriculture is currently undergoing. The Community is specifically accused of paying out unfair subsidies to promote exports of its farm products. The Europeans have countered with a series of arguments pointing out that all industrialised countries, including the United States, subsidise their farm exports in one way or another. In addition, the United States is the world's leading farm exporter and the Community is its leading client. In 1980, the EEC experienced a trade deficit of some 30 billion dollars in agricultural trade with the rest of the world. The European Commission acknowledges that European exports of grain, milk, meat, beet sugar and wine have been on the increase in recent years, but it says that the share of European products on the world market has decreased. Codes adopted in the General Agreement on Tariffs and Trade (GATT) explicitly authorise subsidies when they are not aimed at materially altering the market share of an exporter, so the EEC feels that Community subsidies,

aimed at aligning European prices with those on the world market, are valid. By attacking them, the United States is turning its back on painstakingly negotiated international agreements, they say.

The controversy concerning steel is based on similar claims. The major US steel companies say that European steelmakers benefitted from subsidies from the Community in order to "dump" or sell their products below production costs, on the American market. In June, Washington decided to levy a surcharge, amounting to as much as 40% in some cases, on a large portion of the steel exported by the EEC to the United States. The European Commission denounced this decision and claimed that financial aid granted by the Community was destined solely to help the European steel industry to modernise and cut back its productive capacity. The American decision will have the effect of substantially reducing steel exports from certain member states, thereby threatening a number of jobs in an already hard-hit sector. In the meantime, the American administration has been pressing Europe to stiffen its attitude toward Eastern Europe and has imposed a ban on the exporting of American technology licensed to European firms to assist in the construction of a major pipeline to provide Western Europe with Siberian natural gas. EEC Foreign Ministers meeting in Luxembourg recently announced their intention of defending the Community's legitimate interests in the appropriate international organisations, and especially in the subsidy committee of the GATT and the steel group of the Organisation for Economic Cooperation and Development (OECD).

A week later at a summit meeting, EEC leaders confirmed their willingness to vigorously counter-attack on all fronts. Problems affecting relations between the EEC and the USA will no doubt be debated in the coming weeks, but it is still too early to say who will have the upper hand.