



COMMISSION
OF THE EUROPEAN
COMMUNITIES

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THE WEEK IN EUROPE

EC breaks farm subsidies deadlock. After a difficult negotiating marathon in Brussels, EC farm and Trade Ministers reached a compromise agreement on Tuesday night to reduce Community agriculture subsidies. The agreement combines a commitment by the EC to cut farm subsidies by 30% with promises to protect farmers from loss of income. It commits the EC to protect them against cheap foreign imports. UK Agriculture Minister John Gummer said the Commission had stood firm by its original proposals. A successful outcome to the GATT talks had now to be ensured. The compromise agreement will be put to the EC's international trading partners as a basis for talks in the current Uruguay Round of the General Agreement on Tariffs and Trade talks. If they decide that the EC offer is insufficient, next month's Brussels GATT ministerial could collapse with the possibility of global trade conflicts and protectionism. The US and the Cairns Group of 14 farm exporting countries, including Australia and New Zealand, had all threatened to walk away from the Uruguay Round unless there were more significant EC concessions on farm reform. Agriculture Commissioner Ray MacSharry welcomed the outcome of the marathon as realistic.

US Trade Representative in Brussels. Mrs Carla Hills discussed the outcome of the marathon yesterday (Wednesday) with Vice-President Frans Andriessen, who will be leading the Community team in the GATT talks. It is understood that Andriessen took the opportunity to impress on Mrs Hills the need to take a global view of all the dossiers under discussion. Both sides said they were determined to keep to the timetable laid down for the completion of the Uruguay Round.

EC Foreign Ministers emergency meeting. An emergency meeting of EC Foreign Ministers in Rome on Monday agreed a four-point package to help to liberate the hostages held by Iraq. As a result of the meeting Italian Foreign Minister Gianni De Michelis, current President of the Council, contacted UN Secretary-General Javier Perez de Cuellar and urged him to renew his efforts to get a UN mission into Iraq to negotiate the unconditional release of all hostages and explore a peaceful solution to the Gulf crisis. De Michelis said afterwards: "We say publicly, so that Iraq can hear it, that its use of hostages to divide governments can dangerously complicate the Gulf crisis." He said that the EC Foreign Ministers had unanimously reaffirmed the decision of 28 October not to bargain with Baghdad, but they might hold more emergency meetings on the hostage issue in the weeks ahead.

"Social Europe" report. On Monday the Commission presented its report "Social Europe" which aims to analyse both the sectoral and national effects of the EC's internal market. The report was presented to journalists by Director Michael Emerson who co-ordinated the work. Experts from each Member State collaborated in this project. Together with the Commission's services, they devised a common method for assessing the impact of economic integration on industrial sectors in each Member State. This particular report concerns itself only with manufacturing industry. It offers analytical answers to questions such as: which sectors will be most affected by the completion of the internal market? How important are these sectors in each Member State's economy? How competitive are these sectors in each Member State? What structural adjustments can be expected in the medium-term, and how will they be affected by Community policies? The report warns against a simplistic view of the consequences of 1992 in terms of "winners and losers". The nature of the impact depended on the initial strengths or weaknesses of particular industries in the Member States, and on the strategies chosen by enterprises in response. The report concludes that countries that are initially relatively weakly positioned may now benefit substantially from the effects of the Internal Market, either by upgrading their traditional industries, or by developing new industrial specialisations.

Millan in West and South Yorkshire. Commissioner Bruce Millan, responsible for regional policies, paid an extended visit to West and South Yorkshire on 1 and 2 November. In Bradford he opened Merchants House, converted to provide fully-serviced small-unit workspace, to which the European Regional Development Fund has contributed over £800,000. In Castleford, Millan opened Wakefield Council's Resource and Enterprise Centre, which provides training courses as well as services to small businesses. It has received help from the ERDF and the European Social Fund. In Barnsley, the

Commissioner visited the EC Business and Innovation Centre. This was formed in 1987 with support from Barnsley Metropolitan Council, British Coal Enterprises Ltd and the EC. To date, £1.13 million has been contributed from the ERDF and the ESF. While in Barnsley, Millan had discussions with the Coalfield Communities Campaign about the Community's RECHAR initiative.

Women of Europe Award. A rich harvest of excellent nominations has been received in the United Kingdom this year, offering difficult choices for the jury. The British Woman of Europe will be announced following the EC briefing at the Commission's London office, at midday on Thursday 15 November. Further information from Alison Parry on 081 891 1021.

Building a People's Europe: 1992 and the Social Dimension by Marie Maes. Foreword by John Drew, Head of the UK Offices of the European Commission. Price £14.50. ISBN 1870332 85 7. From Whurr Publishers Ltd, 19B Compton Terrace, London N1 2UN. Tel 071 3595979. Fax 071 2265290

"Europe of many circles." A new book from New European Publications by Sir Richard Body MP. According to the author, his book shows the EC is both too big and too small. Price £14.95. ISBN 1872410 01 4. Sir Richard will launch his new book at the House of Commons (St Stephen's entrance) at midday on Wednesday 14 November.

"What Price Europe - The Inside Story" by Jack Peel, former Commission Director of Industrial Relations, addresses the question what the Single Market means for the individual, for management, labour, Trade Unions and for industry as a whole. Price £4.95 (inc p+p) from Common Cause Publications Ltd, 329a Fleet Road, Fleet, Hampshire GU1 8BU.

"The impact of Eastern Europe" This new report by a panel of CEPR Research Fellows analyses the key implications of policy-making in Western Europe of recent events in the East. Available, price £7.50 + 50p p&p in the UK from CEPR, 6 Duke of York Street, London SW1Y 6LA.

The Competition rules of the EC. An essential guide to Articles 85 and 86 of the EEC Treaty. Available free of charge from Manches & Co, solicitors, 3 Worcester Street, Oxford OX1 2PZ. Tel 0865 722106 or Fax 0865 726096.

"1992, Who's ready?" Issues in European Policy, number 2. From Department of European Studies, University of Bradford. Authors Dr Kevin Featherstone and Professor Kenneth Dyson look at the results of a large-scale mail survey of over 900 firms. Price £25 including p&p from Horton Publishing Ltd, 6 Southbrook Terrace, Great Horton, Bradford, West Yorkshire BD7 1AB. ISBN 1871099 404.

Conference and Diary dates

Briefing by Director Michael Emerson on his report "One market, one money" at Jean Monnet House, 8 Storey's Gate, Westminster on Friday 9 November at 4pm.

Marketplace - Hungary, EC and Poland. 19-23 November in Budapest and Warsaw. A week of conferences, workshops and private meetings for EC business to meet potential partners. Organised by the European Commission. For details contact Business Briefings Ltd on 071 381 1284. Fax: 071 385 0974.

EC Energy Policy. 21 November 10am - 5pm. Organised by UACES. Venue - Council Room, King's College, Strand, London. Details from Eva Evans on 071 240 0206.

Are the costs of cleaning up Eastern Europe exaggerated? A lunchtime meeting at 1.30pm on 26 November with speaker Professor Gordon Hughes of Edinburgh University and CEPR. Venue - Jean Monnet House, 8 Storey's Gate, London SW1.

"Capital People". The first European Conference on human resource strategies in financial services: Queen Elizabeth II Conference Centre in Westminster, 7 December. Registration: Lynn Brook, Touchstone Exhibitions and Conferences Ltd, Clifton House, 83-89 Uxbridge Road, London W5 5TA. Tel 081 840 3888.

General Affairs Council	12 November	Brussels
Agriculture Council	12-13 November	Brussels
General Affairs Council (Uruguay Round)	15 November	Brussels
Budget Council	16 November	Brussels
ECO/FIN Council	19 November	Brussels
European Parliament Session	19-23 November	Strasbourg
Social Affairs Council	26 November	Brussels
Industry Council	26 November	Brussels

Our next briefing will be on 15 November at 11.30am. The British Woman of Europe will be announced afterwards.