

Commission of the European Communities

**XXVIIth General Report
on the Activities of
the European Communities
1993**

Brussels • Luxembourg • 1994

Cataloguing data can be found at the end of this publication

Luxembourg: Office for Official Publications of the European Communities, 1994

ISBN 92-826-7187-9

© ECSC-EEC-EAEC, Brussels • Luxembourg, 1994

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged

Printed in Belgium

The President and the Members of the Commission of the European Communities to the President of the European Parliament

Sir,

We have the honour to present the General Report on the Activities of the Communities, which the Commission is required to publish by Article 156 of the EC Treaty, Article 17 of the ECSC Treaty and Article 125 of the EAEC Treaty.

This report, for 1993, is the twenty-seventh since the merger of the executives.

In accordance with the procedure described in the Declaration on the system for fixing Community farm prices contained in the Accession Documents of 22 January 1972, the Commission will shortly be sending Parliament the 1993 Report on the Agricultural Situation in the Community.

And, in accordance with an undertaking given to Parliament on 7 June 1971, the Commission is preparing its twenty-third annual Report on Competition Policy.

Please accept, Sir, the expression of our highest consideration.

Brussels, 8 February 1994

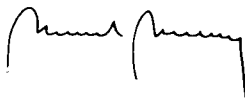
Jacques DELORS
President



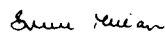
Christiane SCRIVENER



Manuel MARIN
Vice-President



Bruce MILLAN



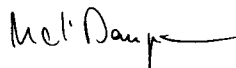
Henning CHRISTOPHERSEN
Vice-President




Hans VAN DEN BROEK



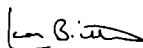
Martin BANGEMANN



João DE DEUS PINHEIRO



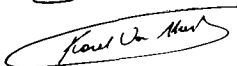
Leon BRITTAN



Pádraig FLYNN



Karel VAN MIERT



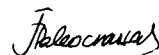
René STEICHEN



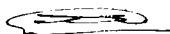
Antonio RUBERTI



Yannis PALEOKRASSAS



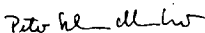
Abel MATUTES



Raniero VANNI D'ARCHIRAFI



Peter M. SCHMIDHUBER



NOTE

Starting this year, legislative instruments proposed by the Commission or adopted by the Council during the year under the cooperation, consultation or co-decision procedures and international agreements in the process of negotiation or conclusion appear in the text with an asterisk (*) and with no footnotes. These instruments will be listed in the table annexed to the final version of the General Report where references will be given (OJ, COM, Bull, earlier General Reports) for all the stages of the legislative procedure concerning each instrument.

As a rule, no references are given in the text for intermediate stages of procedures which started before 1 January 1993 and were not completed at 31 December 1993. These references also appear in the table annexed to the final version of the General Report.

The following currency abbreviations are being used in all language versions of the General Report and of the other reports published in conjunction with it.

BFR	=	Belgische frank/franc belge
DKR	=	Dansk krone
DM	=	Deutsche Mark
DR	=	Drachma
ESC	=	Escudo
FF	=	Franc français
HFL	=	Nederlandse gulden (Hollandse florijn)
IRL	=	Irish pound (punt)
LFR	=	Franc luxembourgeois
LIT	=	Lira italiana
PTA	=	Peseta
UKL	=	Pound sterling
USD	=	United States dollar

Summary

Overview of 1993	1
European Union	9
The single market and the Community economic and social area	15
External relations	225
The common foreign and security policy of the European Union	327
Cooperation in the fields of justice and home affairs	341
Human rights and fundamental freedoms	347
Community institutions and financing	353
Community law	399
The year in brief	417
Annexes	429
Institutions and other bodies	505
List of abbreviations	507
Publications cited in this Report	517

Contents

OVERVIEW OF 1993	1
CHAPTER I: EUROPEAN UNION	9
CHAPTER II: THE SINGLE MARKET AND THE COMMUNITY ECONOMIC AND SOCIAL AREA	15
Section 1: Economic and monetary policy	15
<i>Priority activities and objectives</i>	15
<i>The economic situation</i>	16
<i>Economic and monetary union</i>	18
— Preparation for Stage II of EMU	18
— Improved policy coordination in Stage I	19
— Thrust of economic policy in 1993 and 1994	20
— Medium-term economic development in the Community	21
— Operation of the EMS	22
— Wider use of the ecu	23
<i>The Community and international monetary and financial matters</i>	24
<i>Community initiatives and financial activities</i>	26
— European Investment Fund (EIF)	26
— Development of financing techniques	27
— Community borrowing and lending	27
— European Bank for Reconstruction and Development (EBRD)	28
— Macro-financial assistance for the countries of Central and Eastern Europe and for other third countries	29
<i>European Investment Bank</i>	29

Section 2: Statistical area	33
<i>Priority activities and objectives</i>	33
<i>Statistical information linked to the Single Act</i>	33
<i>Statistical information to support other Community policies</i>	34
Section 3: Internal market	36
<i>Priority activities and objectives</i>	36
<i>Free movement of goods</i>	39
— Implementation of Articles 30-36 of the EC Treaty	39
— Technical harmonization	41
— Implementation of the new approach to technical harmonization and standardization	43
— Certification policy	44
— Veterinary and plant health legislation, animal feedingstuffs	45
— Special arrangements relating to freedom of movement	47
<i>Free movement of persons</i>	48
— Abolition of frontier checks	48
— Free movement of persons in the Community	49
<i>Free movement of services</i>	49
— Implementation of Articles 59 to 66 of the EC Treaty	49
— Financial services	50
— Means of payment	51
— Other services	51
<i>Free movement of capital</i>	52
— Liberalization of capital movements and removal of exchange controls	52
— Balance-of-payments support mechanism	52
<i>Government procurement</i>	52
<i>Intellectual and industrial property</i>	53
— Industrial property	53
— Copyright and neighbouring rights	54
— Other measures	54
<i>Taxation</i>	55
— Value-added tax (VAT) and excise duties	55
— Direct taxation	56

<i>Company law</i>	57
<i>Trans-European networks</i>	57
— Transport	58
— Telecommunications	58
Section 4: Competition	59
<i>Priority activities and objectives</i>	59
<i>Competition rules applying to businesses</i>	60
— General rules	61
— Prohibited agreements	61
— Permissible forms of cooperation	62
— Mergers	63
<i>Public enterprises and national monopolies</i>	64
<i>State aid</i>	65
— General schemes	65
— Industry schemes	66
— Regional schemes	67
<i>International aspects</i>	67
Section 5: Enterprise policy and services	68
<i>Priority activities and objectives</i>	68
<i>Promotion of enterprises and the business environment</i>	68
<i>Supply of business services — Improving the adaptability of firms to the internal market</i>	69
— Improving the flow of information	69
— Fostering cooperation	70
— Preparing small businesses for the single market	70
— Seed capital	71
— Small businesses and the craft sector	71
— Other measures to assist small businesses	71
<i>The cooperative, mutual and non-profit sector</i>	72
<i>The distributive trades</i>	72
<i>Tourism</i>	72

Section 6: Industrial policy	73
<i>Priority activities and objectives</i>	73
<i>Industrial competitiveness — General aspects</i>	73
<i>Individual sectors</i>	74
— Basic industries (steel, raw materials)	74
— Transport	76
• Motor vehicles	76
— Maritime industries	76
— Textiles and clothing	77
— Aerospace	78
— Other activities	78
— Specific development programme for Portuguese industry (PEDIP)	78
<i>Information technologies</i>	79
<i>Computerized communication of data, information and administrative documents</i>	79
— TEDIS	79
— INSIS	80
— IDA	80
— Edicom	80
<i>Standardization in information technology and telecommunications</i>	81
Section 7: Research and technology	82
<i>Priority activities and objectives</i>	82
<i>Community R&TD policy</i>	83
— Framework programme 1990 to 1994	83
— Framework programme 1994 to 1998	83
— Joint Research Centre	85
— Other activities	85
<i>Implementation of the third framework programme</i>	86
— Information and telecommunications technologies	86
— Industrial and materials technologies	86
• Industrial and materials technologies	86
• Measurement and testing	87
— Environment	87
• Environment	87
• Marine science and technology	88

— Life sciences and technologies	88
• Biotechnology	88
• Agricultural and agro-industrial research	89
• Biomedicine and health	90
• Life sciences and technologies for developing countries	90
— Energy	90
• Non-nuclear energy	90
• Nuclear fission safety	91
• Controlled thermonuclear fusion	91
— Human capital and mobility	92
<i>Dissemination and utilization of R&TD results from Community programmes</i>	92
<i>Measures in support of the framework programme</i>	92
— Support for science and technology	92
— Support for Community policies	93
— International scientific and technical cooperation	93
<i>Other activities</i>	95
Section 8: Education, vocational training and youth	96
<i>Priority activities and objectives</i>	96
<i>Cooperation in the field of education</i>	97
<i>Higher education</i>	97
<i>Vocational training</i>	98
<i>Foreign language teaching</i>	99
<i>Open and distance learning</i>	99
<i>Youth</i>	100
<i>Cooperation with non-member countries on education, training and youth</i>	100
<i>European Centre for the Development of Vocational Training (Cedefop)</i>	101
<i>European University Institute, Florence</i>	101
Section 9: Energy	103
<i>Priority activities and objectives</i>	103
<i>Community energy strategy</i>	103
— Community energy policy	103
— Promotion of energy technology (Thermie)	104

— Promotion of energy efficiency (SAVE) and of renewable energy sources	104
<i>Internal energy market</i>	105
— Integration of the internal energy market	105
— Internal market in gas and electricity	105
— Oil and gas prospecting and extraction	105
— Economic and social cohesion and infrastructure	105
<i>Sectoral aspects</i>	106
— Oil and petroleum products	106
— Solid fuels	106
— Nuclear energy	107
— New and renewable energy sources	107
<i>Relations with energy-producing or energy-exporting third countries</i>	108
— European Energy Charter	108
— Technical assistance to the countries of Central Europe and the Independent States of the former Soviet Union	108
— Dialogue between producers and consumers	109
<i>Euratom Supply Agency</i>	109
Section 10: Transport	111
<i>Priority activities and objectives</i>	111
<i>General strategy</i>	112
— Development of the common transport policy	112
— Research and technological development	112
<i>Infrastructure</i>	113
— Transport networks	113
— Financial support for projects of Community interest	113
<i>Multimodal transport</i>	114
<i>Inland transport</i>	114
— Rail	114
— Road transport	114
• Admission to the occupation and market access	114
• Taxation	115

● Technical aspects	116
● Road safety	116
● Social aspects	116
— Inland waterways	117
<i>Urban transport</i>	117
<i>Sea transport</i>	117
— Implementation of the common policy	117
— Safety at sea	117
<i>Air transport</i>	119
— Implementation and finalization of the common policy	119
— Air traffic management	119
— Air safety	120
— Social conditions	120
<i>External dimension</i>	120
— Transit through non-Community countries	120
— Bilateral relations	121
— Air traffic rights	122
Section 11: Telecommunications, information market and exploitation of research	123
<i>Priority activities and objectives</i>	123
<i>Information technology</i>	124
<i>Telecommunications technology</i>	124
<i>Communications technology</i>	127
<i>Telematic systems of general interest</i>	127
— Administrations	128
— Transport	128
— Health care	128
— Flexible and distance learning	129
— Data communications systems for rural areas	129
— Linguistic research and engineering	129
— Libraries	130
— TIDE	130
<i>Standardization in IT and telecommunications</i>	130

<i>Dissemination and exploitation of the results of Community and national R&TD programmes</i>	130
<i>Promotion of innovation and technology transfer</i>	131
<i>Development of an information services market</i>	132
<i>International cooperation</i>	133
Section 12: Consumer policy	134
<i>Priority activities and objectives</i>	134
<i>Consumer participation</i>	134
<i>Consumer information and education</i>	135
<i>Protection of consumer health and safety</i>	135
<i>Protection of consumers' economic and legal interests</i>	136
Section 13: Economic and social cohesion	137
<i>Priority activities and objectives</i>	137
<i>Formulation, coordination and launching of policies and actions</i>	138
— Horizontal measures	138
• Reform of the Structural Funds	138
• Other activities	138
— ERDF	140
— European Social Fund	140
— EAGGF Guidance Section	141
— Financial instrument for fisheries guidance (FIG)	141
<i>Financial assistance</i>	142
— Regions whose development is lagging behind	142
— Declining industrial areas	143
— Combating long-term unemployment and the occupational integration of young people	143
— Adaptation of agricultural structures	144
— Development of rural areas	145
— Fisheries structures	146
— Community initiatives	147
— Other financial assistance	149

<i>Other measures for the regions</i>	150
— Greek Aegean islands programme	150
— Integrated Mediterranean programmes	151
<i>Cohesion Fund</i>	151
Section 14: Measures for the most remote regions	152
<i>Priority activities and objectives</i>	152
<i>Agriculture</i>	153
<i>Fisheries</i>	153
<i>Customs, tariff and trade measures</i>	153
<i>Taxation</i>	154
<i>Other measures</i>	154
Section 15: Social dimension	155
<i>Priority activities and objectives</i>	155
<i>Employment</i>	156
— Dialogue with management and labour	156
— Employment and the labour market	157
— Freedom of movement for workers	158
— Combating exclusion	159
<i>Structural operations</i>	159
<i>Social security</i>	159
— Social security and social action	159
— Social security for migrant workers	160
<i>Living and working conditions</i>	160
— Industrial relations	160
— Measures for workers in the ECSC industries	161
— European Foundation for the Improvement of Living and Working Conditions	162
<i>Health and safety</i>	163
— Health and safety at work	163
— Health and safety in the ECSC industries	164

<i>Equal opportunities</i>	165
<i>International cooperation</i>	165
Section 16: Environment	166
<i>Priority activities and objectives</i>	166
<i>Fifth action programme on the environment — Taking the environment into account in other policies</i>	167
<i>General</i>	168
— Application of Community law (legal and other aspects)	168
— Economic and fiscal instruments	168
— Financial instruments	168
— Public awareness, information and training	169
— International cooperation	169
<i>Industry and the environment, civil protection</i>	170
— Environmental control of products, industrial installations and biotechnology	170
— Emissions from industrial installations and products	171
— Waste management	171
— Civil protection	172
<i>Quality of the environment and natural resources</i>	172
— Protection of water, coastal areas, the environment and tourism	172
— Protection of nature, the environment and agriculture	173
— Urban environment, air quality, transport, noise and energy	174
— Global environment, climate change, geosphere and biosphere	174
Section 17: Euratom safeguards	177
Section 18: Nuclear safety	180
— Priority activities and objectives	180
— Radiation protection	180
— Plant safety	181
— Radioactive waste	181
— International action	182

Section 19: Agricultural policy	184
<i>Priority activities and objectives</i>	184
<i>Content of the common agricultural policy</i>	185
— Reform of the common agricultural policy	185
— Agricultural prices for 1993/94	185
— Transitional arrangements applicable to Portugal	186
— Structures and rural development	186
— Forestry, environment and agriculture	186
— Quality of agricultural products	187
<i>Management of the common agricultural policy</i>	187
— Adjustment to the market organizations	187
• Crop products	187
• Livestock products	190
— Other work	192
• Approximation of laws	192
• Agrimonetary measures	192
• Food aid for the needy	193
• Food aid for certain third countries	194
• Income aid	194
• State aid	194
• Farm accountancy data network (FADN)	195
• Advisory committees and relations with professional organizations	195
<i>Financing the common agricultural policy: the EAGGF</i>	195
— Guarantee Section	195
— Guidance Section	199
Section 20: Fisheries	202
<i>Priority activities and objectives</i>	202
<i>New common fisheries policy</i>	202
— Implementation of new basic Regulation	202
— New arrangements for monitoring application of the common fisheries policy	203
<i>Adjustment of Spanish and Portuguese accession arrangements</i>	204
<i>Internal resources and policy on conservation and monitoring</i>	204
— Community measures	204
— National measures	205

<i>External resources</i>	205
<i>Market organization</i>	208
<i>Structural action</i>	209
<i>State aid</i>	209
Section 21: A people's Europe	210
<i>Priority activities and objectives</i>	210
<i>Free movement of persons</i>	210
<i>Citizens' rights</i>	210
— Right to vote	210
— Right of petition	211
<i>Taxation</i>	211
<i>Public health</i>	211
<i>Fight against drugs</i>	213
<i>Solidarity</i>	214
— Measures to help the disabled	214
— Measures to help older people	214
— Measures to help disaster victims	215
Section 22: Information, communication, audiovisual media and culture	216
<i>Priority activities and objectives</i>	216
<i>Information and communication policy</i>	217
— Information and transparency	217
— Press, radio and television	219
— Office for Official Publications	220
— Historical archives	220
<i>Audiovisual policy</i>	221
<i>Culture</i>	222
CHAPTER III: EXTERNAL RELATIONS	225
Section 1: Priority activities and objectives	225

Section 2: Enlargement of the Community	231
<i>EFTA countries</i>	231
<i>Cyprus and Malta</i>	233
Section 3: Central and Eastern Europe and Independent States of the former Soviet Union	234
<i>Central and Eastern Europe</i>	234
— Overview	234
• Europe Agreements and other agreements	234
• Trade arrangements	235
• G24 coordination	236
• PHARE	237
• Other forms of cooperation	238
• Political dialogue	238
— Particular aspects	240
<i>Independent States of the former Soviet Union</i>	242
— Overview	242
• Partnership and other agreements	243
• Trade arrangements	244
• Assistance for the new Independent States of the former Soviet Union	244
— Particular aspects	246
Section 4: European Free Trade Association	248
<i>Relations with EFTA</i>	248
<i>Bilateral relations with the EFTA countries</i>	249
Section 5: Relations with the United States, Japan and other industrialized countries	252
<i>Western Economic Summit</i>	252
<i>United States</i>	253
<i>Japan</i>	255
<i>Other industrialized countries</i>	258
— Canada	258
— Australia	259
— New Zealand	260
— South Africa	260

Section 6: Relations with Mediterranean and Middle East countries	262
<i>Mediterranean countries</i>	262
— Northern Mediterranean countries (Cyprus, Malta, Turkey, Slovenia, Croatia, Bosnia-Herzegovina, the former Yugoslav Republic of Macedonia, Serbia-Montenegro, Andorra and San Marino)	262
— Maghreb (Algeria, Morocco, Tunisia and Libya)	266
— Mashreq (Egypt, Israel, Jordan, Lebanon, Occupied Territories and Syria)	267
<i>Middle East countries</i>	270
Section 7: Relations with the countries of Asia and Latin America	271
<i>Asia</i>	271
— South Asia	271
— South-East Asia	272
— China	273
— Republic of Korea	273
— Other Asian countries	274
<i>Latin America</i>	275
— Relations with regional bodies	275
— Bilateral relations	276
<i>Cooperation with the countries of Asia and Latin America</i>	277
Section 8: Relations with the African, Caribbean and Pacific countries and the overseas countries and territories	279
<i>Implementation of the fourth Lomé Convention</i>	279
<i>Trade cooperation</i>	280
<i>Stabex</i>	281
<i>Sysmin</i>	282
<i>Sugar Protocol</i>	282
<i>Industrial cooperation</i>	282
<i>Financial and technical cooperation</i>	283
<i>Regional cooperation</i>	285
<i>Institutional relations</i>	285

<i>Bilateral relations</i>	286
<i>Overseas countries and territories</i>	287
Section 9: General development cooperation	289
<i>Overview</i>	289
<i>Cooperation through the United Nations</i>	290
— United Nations Conference on Trade and Development	290
— United Nations Industrial Development Organization	291
— World Food Programme	291
— United Nations Food and Agriculture Organization	291
<i>Generalized tariff preferences</i>	292
<i>Commodities and world agreements</i>	292
<i>EC Investment Partners</i>	293
<i>Protecting the environment</i>	294
<i>Drug abuse control</i>	294
<i>AIDS</i>	295
<i>Food aid</i>	296
<i>Cooperation through non-governmental organizations</i>	297
Section 10: Humanitarian aid	299
Section 11: Multilateral trade negotiations — Uruguay Round	302
Section 12: Commercial policy	305
<i>General matters</i>	305
— Operation of the customs union and customs cooperation	305
• General legislation	305
• Harmonization of customs rules on trade with non-member countries	305
• Common Customs Tariff, Combined Nomenclature and TARIC	306
• Economic tariff matters	306
• Customs procedures with economic impact	306
• Customs cooperation	307
• Origin of goods	308

— Commercial policy instruments	308
— Import and export arrangements with third countries, State-trading countries and the People's Republic of China	311
— Treaties, trade agreements and mutual recognition agreements	312
— Export credits	312
• Agreement on officially supported export credits	312
• Export credit insurance	313
— Export promotion	313
<i>Individual sectors</i>	313
— Steel	313
• Relations with the United States	313
• Relations with the countries of Central and Eastern Europe and the Independent States of the former Soviet Union	314
• Autonomous ECSC arrangements	315
— Shipbuilding	315
— Textiles	316
• Consequences of the internal market	316
• Bilateral Agreements with non-member countries	316
• Preferential agreements with certain countries	317
— Automobiles	318
— Other products	318
Section 13: International organizations and conferences	319
<i>United Nations</i>	319
— General Assembly	319
— Economic and Social Council/Sustainable Development Commission	319
— Convention on the Law of the Sea	320
— United Nations Environment Programme	320
— International Monetary Fund (IMF) and the World Bank (IBRD)	321
<i>General Agreement on Tariffs and Trade (GATT)</i>	321
<i>Organization for Economic Cooperation and Development</i>	322
<i>Conference on Security and Cooperation in Europe (CSCE)</i>	323
<i>Council of Europe</i>	325
<i>European Bank for Reconstruction and Development (EBRD)</i>	326

CHAPTER IV: THE COMMON FOREIGN AND SECURITY POLICY OF THE EUROPEAN UNION	327
Section 1: Implementation	327
Section 2: European political cooperation	330
<i>Former Soviet Union</i>	330
<i>Former Yugoslavia</i>	332
<i>Mediterranean</i>	333
<i>Middle East</i>	333
<i>Africa</i>	334
<i>Latin America</i>	337
<i>Rio Group Countries</i>	338
<i>Asia</i>	338
CHAPTER V: COOPERATION IN THE FIELDS OF JUSTICE AND HOME AFFAIRS	341
<i>Priority activities and objectives</i>	341
<i>Asylum, external frontiers, immigration</i>	342
<i>Drugs</i>	343
<i>Judicial, customs and police cooperation</i>	344
CHAPTER VI: HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS	347
Section 1: Inside the Community	347
Section 2: Outside the Community	349
CHAPTER VII: COMMUNITY INSTITUTIONS AND FINANCING	353
Section 1: Institutions and other bodies	353
<i>Relations between the institutions</i>	353
— Commission programme	353
— Voting in the Council	354

— Inclusion of Parliament in the decision-making process	354
— Implementing powers conferred on the Commission	355
<i>Composition and functioning of the institutions</i>	356
— Parliament	357
— Council	361
— Commission	363
— Court of Justice and Court of First Instance	364
— Court of Auditors	365
— Economic and Social Committee	366
— <i>Committee of the Regions</i>	369
— ECSC Consultative Committee	369
— Ombudsman	370
<i>Administration and management of the institutions</i>	370
— Staff policy and Staff Regulations	370
• Staff remuneration	370
• Changes in the Staff Regulations	371
• Joint Sickness Insurance Scheme	371
• Transfer of pension rights	371
• Statute of the European Schools	372
• Buildings	372
— Data processing	372
— Language services	373
Section 2: Financing Community activities	375
<i>Priority activities and objectives</i>	375
<i>Budgets</i>	375
— General budget	375
• Structural and financial measures 1993-99: Implementation of the Conclusions of the Edinburgh European Council	375
• Budget procedure	378
• 1993 financial year	378
• Supplementary and amending budget	378
• Implementation of the 1993 budget	379
• 1994 financial year	379
• Budget procedure for 1994	379
• Own resources	388
• Discharge procedure	389
• 1991 financial year	389
• 1992 financial year	390
— ECSC budget	390

<i>Financial Control</i>	391
<i>Action to combat fraud</i>	392
<i>Borrowing and lending operations</i>	393
— Operations concerning the New Community Instrument	394
— EEC — Macro-financial assistance	394
• EEC — Balance of payments support for the Member States	394
• EEC — Macro-financial assistance for non-member countries	395
— Financing ECSC activities	396
— Financing Euratom activities	396
— European Investment Bank	397
<i>General budget guarantee for borrowing and lending operations</i>	397
 CHAPTER VIII: COMMUNITY LAW	 399
Section 1: General matters	399
<i>General principles of Community law</i>	399
<i>Judicial review and fulfilment by the Member States of their obligations</i>	400
Section 2: Interpretation and application of the substantive rules of Community law	402
<i>Free movement of goods and customs union</i>	402
<i>Competition — State aid</i>	403
<i>Free movement of workers and social policy</i>	407
<i>Freedom of establishment and free movement of services</i>	408
<i>Equal treatment for men and women</i>	409
<i>Common agricultural policy and fisheries</i>	410
<i>Common commercial policy and external relations</i>	411
<i>Development</i>	412
<i>Institutional and budgetary matters</i>	413
Section 3: Computerization of Community law	415
 THE YEAR IN BRIEF	 417
 27th GEN. REP. EC	

ANNEXES	429
Annex I — The principal stages in the procedures for the ratification of the Maastricht Treaty	431
Annex II — Progress of legislation	435
Annex III — International agreements	485
Annex IV — Annex to Chapter VIII (Activities of the Court of Justice and the Court of First Instance)	501
INSTITUTIONS AND OTHER BODIES	505
LIST OF ABBREVIATIONS	507
PUBLICATIONS CITED IN THIS REPORT	517

Overview of 1993

The year began under the cloud of economic recession and the unacceptable rise in the level of unemployment but ended with a number of major events which revived efforts to build a strong, dynamic and interdependent Europe. The completion of the ratification process and the entry into force of the Treaty on European Union on 1 November marked the beginning of a decisive stage in the process of European integration, dispelling the doubts which had been gaining ground among the general public. Equipped now with the instruments to match its new ambitions and invigorated by the cohesion it displayed in bringing the Uruguay Round to a favourable conclusion, the European Union is in a position to generate greater economic prosperity leading to a recovery in job-creating growth, to exert more influence throughout the world under its common foreign and security policy, to make the free movement and security of its citizens more effective and to achieve more democracy, openness and transparency in the workings of the Community.

Economic union, the natural complement to the single market, forms a basis for renewed economic growth. The Copenhagen and Brussels European Councils confirmed that the second phase would enter into force on 1 January 1994 as laid down in the Treaty. In addition to the secondary legislation needed for the transition to this second phase, the Council adopted its first recommendation for the broad guidelines of economic policy in 1994, providing a binding framework for economic policy-making in the Community and the Member States and setting the immediate priority of a return to sustainable and non-inflationary growth and a reversal in the rising unemployment figures. In view of the scale of job losses and the imperative need for a wide-ranging discussion of a new job-creating strategy, the Commission, at the request of the Copenhagen European Council, also adopted the White Paper on growth, competitiveness, employment — the challenges and ways forward into the 21st century, drawing on contributions from the Member States. In this White Paper, the Commission expresses the conviction, based on the renewed momentum which was created by Objective 1992 and displayed by European economies between 1985 and 1990, that Europeans can devise a development model which is in keeping with their traditions, preserves their social model, fully integrates technical progress

and the environmental dimension and offers everyone the prospect of being integrated into society. It therefore proposes a number of avenues to be explored to achieve an economy that is healthy, open, decentralized, more competitive and geared to solidarity. In the light of this White Paper, which it sees as a reference framework for future activities, the European Council has decided to implement an action plan accompanied by a follow-up procedure. This plan comprises measures to be taken by the Member States in a jointly defined general framework which none the less respects national features, and specific support measures to be conducted at Community level to take full advantage of the single market, speed up the completion of the major networks, develop an ambitious research policy and strengthen the social dialogue.

The White Paper's basic topic — joblessness, which must also be evaluated in terms of poverty, sickness, social problems, drugs, violence and social exclusion — is also at the centre of the Community's social policy deliberations. The Commission turned to this subject in May in a communication on a Community-wide framework for employment; the fight against unemployment was also one of the sections of the Green Paper on European social policy — options for the Union adopted in November; in this Green Paper the Commission, given the new opportunities for Community action in the social sector opened up by the Treaty on European Union, wishes to launch a wide-ranging debate on the strategies to be employed, on the basis of partnership, for combining economic dynamism and social progress.

Although a number of proposals put forward in the Community Charter of the Fundamental Social Rights of Workers are still pending before the Council, progress has been made in this sector thanks to the adoption of the Directive on the organization of working time and the Council's common position on the protection of young people at work. The Commission took advantage of the entry into force of the Treaty on European Union to give a new dynamic to its social policy and immediately adopted a communication on the measures for implementing the protocol and the agreement annexed to the Treaty, in particular in connection with the social dialogue, which, according to the European Council, is one of the priorities for Community measures to accompany the action plan adopted on the basis of the White Paper.

Another of these accompanying measures is the implementation of an improved and innovative education and training policy. In particular, the Commission has proposed a new action programme paving the way for closer and wider cooperation in the training sector and has, with the publication of a Green Paper, initiated a wide-ranging debate on the European dimension of education.

If citizens and operators are to derive maximum benefit from the single market and contribute at the same time to growth, industrial competitiveness and increased employment, a process based on partnership and dialogue must be set up so that a common legal framework can be consistently applied, interpreted and, where necessary, developed. In December, following wide-ranging consultations, the Commission therefore adopted a strategic programme which lists the priority measures to be introduced starting with the finalization of the basic legal framework of the internal market.

Although some of the Commission's proposals are still pending before the Council, notably on company law and intellectual property, some progress has been made on the technical harmonization of motor vehicles, foodstuffs and pharmaceutical and chemical products. In addition to the free movement of capital, which is now a fact and should act as a catalyst in speeding up integration of the markets, the free movement of financial services has made noteworthy progress, in particular as a result of the adoption of directives on capital adequacy of investment firms and credit institutions and on investment services in the securities field. Substantial progress has also been made in the field of intellectual and industrial property, especially as regards the protection of copyright, designs and models and the Community trademark. The aim of creating an all-embracing Community legislative framework for public procurement was fully achieved, while the abolition of tax-related barriers took a major step forward with the entry into force of the new indirect taxation arrangements that dispense with checks at internal borders and the Council's political agreement on duty-free arrangements for travellers and on tax arrangements for second-hand goods and works of art.

Completion of the internal market and the economic slowdown have highlighted the importance of a vigorous competition policy as a contributory factor towards recovery. The public authorities in the Member States have been under great pressure to provide aid for firms in sectors in difficulty, particularly in the steel industry, which was one of the Community's main concerns. The authorizations granted have been strictly dependent on considerations of economic and social cohesion and on capacity reductions and restructuring plans that could ensure longer-term competitiveness in the European industry and stable employment. In addition, the Council adopted a multiannual programme of Community measures for small businesses, which should allow this sector to make a useful contribution to renewed growth.

In the current economic situation, economic and social cohesion has assumed a prominent role and the Treaty on European Union has given it greater legitimacy. New rules have been adopted this year to increase the quality

and effectiveness of these measures while confirming and building on the fundamental principles laid down for the Structural Funds in 1988. In addition, in anticipation of the Cohesion Fund provided for in the Treaty, the cohesion financial instrument has already facilitated extra investment by the four Member States which will benefit from the Fund and so helped demonstrate Community solidarity.

The development of trans-European networks, one of the main development priorities in the Commission's White Paper, has also been at the forefront of the Community's activities, especially as regards transport. The Council adopted master plans for the road networks and the performance of these networks will be maximized by implementing the measures it has adopted in connection with road cabotage and charges for the use of road infrastructure by certain commercial vehicles; it also adopted master plans for combined transport and inland waterway networks. The Commission has been looking at new blueprints for ports, airports and the conventional rail network. This year the emphasis was also placed on the safety angle of road, sea and air transport and several programmes and proposals were adopted.

In the research sector, discussions continued until December when agreement was reached on the fourth framework programme, which is regarded by the action plan of the Brussels European Council as a major contributory factor towards economic recovery, particularly in the information technology sector. In this field the Commission sent to the Council communications on integrated broadband communications in Europe and on the development of the integrated services digital network (ISDN).

In the agricultural sector, the first effects of CAP reform, which aims to improve market balance and ensure greater stability in farm incomes, began to be felt, especially as regards cereals. The new provisions have introduced a certain degree of flexibility, particularly as regards the set-aside of farmland and the compensatory arrangements. The oilseeds dispute with the United States was finally settled. Lastly, changes were made to the agri-monetary arrangements as a result of the strains on the foreign exchanges in the course of the year.

The Community's activities on fisheries centred on implementation of the new common policy and, in particular, adoption of the new monitoring arrangements for fishing activities. The Commission proposed restructuring objectives and measures to produce a lasting balance between resources and catches over the years.

The Community's activities on the environment focused on taking greater account of the environment in its other policies and on an integrated and

preventive approach; the Regulation on the eco-audit scheme reflects this trend, as does the proposal for the establishment of an integrated pollution control system covering all pollution from the same industrial site.

The entry into force of the Treaty marked the beginning of a new stage where the Union will be able to exercise more influence and speak with a single voice in the international arena. The common foreign and security policy set up by the Treaty is aimed in particular at reducing the risks and uncertainties which could impair the territorial integrity and political independence of the Union and of its Member States, their democratic nature, their economic stability and the stability of the neighbouring regions. Following the conclusions of October's European Council, the Council made use of its new powers in adopting an initial series of common measures which were immediately implemented in Russia, Bosnia-Herzegovina and South Africa. It also decided on its first act of preventive diplomacy — the Stability Pact with the countries of Central and Eastern Europe.

The continuing fighting in former Yugoslavia continued to be a source of concern and of intense activity in the quest for a peace agreement, despite the mediation and assistance of the institutions. These attempts to bring the sides together were accompanied by a major humanitarian aid effort and also by the tightening of the embargo on Serbia and Montenegro and the extension of the positive measures in favour of the republics that cooperated in the peace process.

While making preparations for the implementation of the new instruments available to the Union in this sector, the Community began a new and important stage in its development with the opening of accession negotiations with Austria, Finland, Sweden and Norway and the finalization of the procedures necessary for the entry into force of the European Economic Area on 1 January 1994. Throughout the year it also continued to aim for closer and deeper relations with non-member countries, in particular by pressing ahead with the development of a network of agreements reflecting shared democratic values and accompanied by a political dialogue at all levels. New Europe Agreements were negotiated with Bulgaria, Romania and the Czech and Slovak Republics in anticipation of their accession, and partnership agreements were negotiated with certain Independent States of the former Soviet Union, in particular the Russian Federation. As regards the Baltic States, the Commission proposed that the current agreements on trade and cooperation should be converted into free-trade agreements. The Council authorized the Commission to negotiate agreements with Morocco and Tunisia based more on partnership than on the traditional concept of development aid. In order to support the Middle East

peace process, which produced a peace accord between Israel and the PLO in September, the Council also authorized the Commission to negotiate a new agreement with Israel in order to supplement the financial support granted to the occupied territories. New agreements were also concluded or negotiated with certain Asian countries such as India, Mongolia, Sri Lanka and Viet Nam, and with a number of regional organizations in Latin America, i.e. the Andean Pact countries and the countries party to the General Treaty on Central American Economic Integration, plus Panama. The Commission also proposed a mid-term review of the fourth Lomé Convention in its endeavour to promote a more balanced relationship with the ACP countries, turning them into genuine partners.

Relations with the United States, Canada and Japan were pursued within the framework of the joint declarations and were largely dominated, at bilateral final level, by the negotiations conducted under the Uruguay Round. The Final Act endorsed on 15 December by the 117 countries which were party to the negotiations is, in this respect, a considerable success for restoring confidence and guaranteeing greater commercial and economic opportunities, since the opening-up of markets is a key factor in international competitiveness and a means for maximizing growth in an interdependent world. This agreement also heralds the emergence of a new world order symbolized by the establishment of a world trade organization.

The Treaty on European Union also opens up new prospects for the Union to be more effective in fields which particularly affect its citizens, and confers fresh dynamism on forms of intergovernmental cooperation which have so far developed without any real coordination and which involve both the free movement and the security of persons. After the Treaty entered into force, December's European Council in Brussels highlighted this step forward by adopting an action plan which constitutes a first stage and mainly concerns measures to combat drugs and organized crime. The Commission, making use of the right of initiative conferred on it by the new Treaty, has proposed a Council Decision establishing a Convention on controls on persons crossing the external frontiers of the Member States; this is closely linked to its proposal for a Regulation determining the third countries whose nationals must be in possession of a visa when crossing these frontiers. These initial developments have thus paved the way for a new Union policy, the overall effectiveness of which will need to be guaranteed by greater consistency between the cooperation of the Member States and the implementation of Community instruments.

One of the major objectives of the new Treaty is to build a European Union which is closer to its citizens, more democratic and more open. The principle

of subsidiarity assumes its full importance in this context. Above all, this principle is intended to improve the quality of Community action by ensuring that anything done at Community level is justified in relation to the opportunities available at national, regional or local level and that it is in proportion to the objective pursued. To honour the undertakings given to the European Council, the Commission decided to withdraw or revise a number of proposals pending before the Council and reviewed existing legislation ahead of December's European Council meeting.

Similarly, a number of measures to improve transparency were adopted to make the Union more open and strengthen democratic control over the European institutions; the Commission took stock of these in its communication of 2 June. The main items were the new rules on public access to Community documents, covered by a code of conduct of the Council and the Commission, the appointment of an ombudsman to investigate cases of maladministration, Parliament's right of inquiry, which is currently under discussion, the admission of the public to some Council meetings, the publication of the Council's votes, increased use of legislative consolidation, White and Green Papers, and the publication of work and legislative programmes, etc. The culmination of this work was the adoption of an interinstitutional declaration on democracy, transparency and subsidiarity and a number of interinstitutional agreements in addition to the one relating to the budget.

Since the Union cannot progress unless its citizens fully subscribe to the values on which it is based, the Commission has developed a new approach for its information and communication policy. The aim is to explain to the public the nature and the scale of the challenges facing society, to demonstrate the benefits of European integration and to show people in concrete terms, at local level, the effect of European policies on their daily lives.

Finally, the Treaty on European Union favours the emergence of a European citizenship which now gives everyone the right not only to move around and reside freely anywhere in the Union but also gives them the means to exercise their civic rights no matter where they live. The adoption this year of the Directive on the right to vote and stand in European elections is the first step in this direction. In addition, democratic checks on the way in which the Community operates have been improved as a result of Parliament's increased powers under the co-decision procedure with the Council. However, it goes without saying that this European citizenship is supplementary to national citizenship and does not replace it. It is also true that the Union is enriched by the respect of differences and will not try to harmonize the lifestyles and tastes of its citizens but will, on the contrary, endeavour to defend their specific features and enhance them within a common framework.

Chapter I

European Union

1. The Treaty on European Union entered into force on 1 November, marking the beginning of a new stage in the process of European integration, with the aim of creating an ever closer union among the people of Europe, in which decisions are taken as closely as possible to the citizen. The Union, built around the European Communities and the new policies and forms of cooperation ushered in by the new Treaty, has set itself new ambitions and equipped itself with the tools it will need to restore public confidence, which has been badly dented in recent months by the economic crisis, the tragedy in former Yugoslavia and the somewhat turbulent ratification process in the Member States.¹

2. Economic and monetary union, the second phase of which begins on 1 January 1994, will make it possible to build a stable, employment-generating economy in Europe, primarily by means of increasingly coordinated economic and monetary policies. The Union Treaty also sets out the political ambitions of a Europe keen to play a greater, more effective role on the international scene by implementing a common foreign and security policy within the framework of a rational institutional structure, with definite objectives and fully involving the Commission. Furthermore, in opting for close cooperation on justice and home affairs and involving the Commission in much of their work, the Member States have made significant advances in areas where *ad hoc* arrangements have hitherto tended to predominate.

3. The Union Treaty also makes the Community more democratic in the way it functions, partly by giving Parliament a greater role and partly by recognizing the concept of European citizenship and involving citizens in Community affairs. As the European Council in Brussels pointed out on 29 October,² the

¹ The Annex to this Report contains a table summarizing the ratification procedures in the various Member States.

² Bull. EC 10-1993, point 1.1.1.

ratification process prior to implementation of the Treaty gave rise to a salutary public debate on European integration and its aims and methods, as well as revealing certain weaknesses. The European Council also confirmed its desire to 'introduce greater transparency, openness and decentralization' into procedures and to build a Europe which was close to its citizens and which intervened only where necessary in the pursuit of common interests, in strict accordance with the principle of subsidiarity; this is a new concept, formalized for the first time by the Union Treaty.

4. While the ratification process was being completed in Denmark,¹ the United Kingdom² and Germany,³ the Community institutions continued their efforts to achieve a common goal: to bring the new Treaty into force and get on with the process of European integration.

5. On 20 January, Parliament set out its views on the Union's structures and strategy for enlargement,⁴ reaffirming the need for the European Union to grow into a Union based on a constitution ratified by the Member States, with federal structures and fully developed democratic institutions. The Economic and Social Committee on 21 October⁵ and Parliament on 28 October⁶ set out their comments on the most significant aspects of the new Treaty.

6. The Commission, meanwhile, made a prompt start on preparing for its implementation, and put forward a number of proposals on institutional questions raised by the Treaty.

7. Following Parliament's adoption of a 'draft act of the European Parliament, the Council and the Commission establishing by common accord the procedures for the exercising of the right of inquiry',⁷ a right established by Article 138c of the EC Treaty as amended by the Union Treaty, the Commission approved guidelines for drawing up the common accord on 28 April.⁸

8. On the same day, the Commission adopted a draft opinion on the regulations and general conditions governing the performance of the Ombudsman's

¹ Bull. EC 5-1993, points 1.1.4 and 1.1.5.

² Bull. EC 7/8-1993, point 1.1.1.

³ Bull. EC 10-1993, point 1.1.2.

⁴ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.1.1.

⁵ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.1.5.

⁶ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.1.4.

⁷ OJ C 21, 25.1.1993; Twenty-sixth General Report, point 9.

⁸ Bull. EC 4-1993, point 1.1.2.

duties,¹ on the basis of a draft European Parliament Decision.² At an interinstitutional conference on 25 October, the Council, Parliament and the Commission reached agreement on a draft text,³ and on 17 November, Parliament formally approved the establishment of the Ombudsman, who will be responsible for detecting and investigating cases of maladministration by the institutions and other bodies of the European Communities, either in response to a complaint or on his own initiative;⁴ conditions and procedures were also laid down for passing on confidential information and documents to the Ombudsman.

9. All the institutions have been preoccupied with the task of reinforcing democracy, transparency and subsidiarity. On 5 May, on the basis of a declaration annexed to the Union Treaty and in response to a request made by the European Council at Birmingham⁵ and reiterated at Edinburgh,⁶ the Commission adopted a communication laying down the principle of unrestricted public access to Community documents, exceptions being allowed only to protect public and private interest.⁷

10. As promised to the Edinburgh European Council, on 2 June it adopted for the Copenhagen European Council a communication on transparency in the Community⁸ listing the measures already taken and the planned initiatives to improve the transparency policy together with additional proposals concerning access to documents. On 21 and 22 June, the Copenhagen European Council confirmed that 'the principles spelled out by the European Council in Birmingham and Edinburgh regarding democracy, subsidiarity and openness, will guide the implementation of the new Treaty with a view to bringing the Community closer to its citizens'.⁹

11. On 16 September, Parliament adopted a resolution¹⁰ on the withdrawal, retention or amendment of the proposals included on the list presented by the Commission to the Edinburgh European Council with a view to implementation of the principle of subsidiarity.¹¹ On 24 November, the Commission decided

¹ Bull. EC 4-1993, point 1.1.1.

² OJ C 21, 25.1.1993, Twenty-sixth General Report, point 9.

³ Bull. EC 10-1993, point 1.6.4.

⁴ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.7.4.

⁵ Bull. EC 10-1992, point 1.8.

⁶ Bull. EC 12-1992, point 1.5.

⁷ Point 611 of this Report.

⁸ Point 612 of this Report.

⁹ Bull. EC 6-1993, point 1.1.1.

¹⁰ OJ C 268, 4.10.1993, Bull. EC 9-1993, point 1.1.1.

¹¹ Bull. EC 12-1992, point 1.23.

to withdraw a number of proposals on the 'Edinburgh list' and amend the proposals which it had announced were to be revised.¹ On the same day, it also adopted a report analysing existing legislation in the light of the subsidiarity principle and identifying a number of areas where instruments can be recast, simplified or repealed.² This approach was welcomed by the Brussels European Council in December, which stressed the importance of this exercise.³

12. After a number of preparatory meetings, an interinstitutional conference convened on 25 October in Luxembourg, prior to the entry into force of the Treaty on European Union, and adopted an interinstitutional declaration on democracy, transparency and subsidiarity,⁴ in which the Council, Parliament and the Commission listed the measures concerning transparency which had already been taken, such as the confirmation in Parliament's Rules of Procedure that committee meetings and plenary sittings are to be open to the public, the decision to admit the public to some Council meetings, the publication of the records and explanations of its voting, measures to keep the press and the public better informed on the work of the Council and its decisions, legislative simplification and consolidation, the Commission's use of White and Green Papers before presenting formal proposals, publication by the Commission of work and legislative programmes in the Official Journal and measures to improve knowledge of databases.

13. The declaration also includes an interinstitutional agreement,⁵ which entered into force at the same time as the Treaty on 1 November and commits the three institutions to observing the principle of subsidiarity. In particular, the Commission undertakes to demonstrate that the principle has been observed in the explanatory memorandum accompanying each of its proposals and to produce an annual report for Parliament and the Council. The declaration also contains the draft Parliament Decision on the regulations and general conditions governing the performance of the Ombudsman's duties.⁶

14. At the interinstitutional conference, the three institutions also concluded an agreement on the work of the Conciliation Committee, provided for by Article 189b of the Treaty for the 'co-decision procedure'.⁷ On 10 November,

¹ Bull. EC 11-1993, point 1.7.1.

² COM(93) 545; Bull. EC 11-1993, point 1.7.2.

³ Bull. EC 12-1993.

⁴ Bull. EC 10-1993, points 1.6.2 and 2.2.1.

⁵ Bull. EC 10-1993, points 1.6.3 and 2.2.2.

⁶ Point 8 of this Report.

⁷ Bull. EC 10-1993, points 1.6.5 and 2.2.3.

1

the Commission adopted a list of pending proposals for which the legal basis or procedure would have to be changed following entry into force of the Treaty.¹ At its additional part-session in December, Parliament confirmed as its first reading under the co-decision procedure the majority of votes already taken on the proposals appearing on the list.²

15. On 6 December, after the Council had agreed in principle on the Commission's draft proposal of 23 June, and the subsequent formal proposal, the Council formally adopted Directive 93/109/EC laying down rules for the exercise of the right of citizens of the Union residing in a Member State of which they are not a citizen to vote and stand in elections to the European Parliament.³ This right is a tangible expression of the concept of European citizenship deriving from the Union Treaty.

¹ COM(93) 570 and Bull. EC 11-1993, point 1.7.5.

² OJ C 342, 20.12.1993; Bull. EC 12-1993.

³ Point 590 of this Report.

Chapter II

The single market and the Community economic and social area

Section 1

Economic and monetary policy

Priority activities and objectives

16. *The year 1993 proved to be difficult economically for the Community. Despite the difficulties encountered, however, the progress and momentum towards economic and monetary union which had been built up over the previous years remained largely intact. While the monetary turmoil experienced in the Community during the summer threatened to undermine the efforts made in recent years towards strengthening economic and monetary policy coordination, the actions of most Member States, in the aftermath of the turmoil, indicated that a coordinated approach was still the preferred option. Progress towards EMU will be impossible without closer coordination of Member States' economic policies, and closer convergence will be needed during Stage II, which begins on 1 January 1994, if Member States are to satisfy the criteria deemed necessary for the transition to Stage III.*

While the achievement of EMU remained the Community's key medium- to long-term objective, the most pressing short-term consideration in 1993 was undoubtedly the continuing difficult economic situation. With the Community economy failing to show any strong indication of recovery in the first half of the year, additional measures had to be taken at Community level as part of the growth initiative launched by the Edinburgh European Council. The slow pace of the recovery process exacerbated an already difficult labour-market situation. The need to face up to the crisis and to the deterioration in employment and working conditions led the Commission to draw up a White Paper

on the medium-term strategy for promoting competitiveness, employment and growth in the Community, which contains a clear presentation of the underlying structural problems facing the Community and proposes concrete solutions for addressing the issues raised. On this basis the European Council, at its meeting in December, decided to implement an action plan directed, in the short term, at reversing the unemployment trend and, by the end of the century, at significantly reducing the number of unemployed. On 22 December it adopted a recommendation on the broad guidelines of the economic policies of the Member States and the Community.¹ Both the White Paper and the broad guidelines, on which Parliament adopted a resolution on 3 December,² are vital elements in the Community's strategy for steering the 12 Member States back onto a path of sustainable growth and employment creation and engendering a response similar to the one caused by the White Paper on completing the internal market during the period 1986-90.

The economic situation

17. In 1993 the economic situation in the Community was characterized by recession, mounting levels of unemployment and sharply rising budget deficits. Aggregate GDP in the Community fell by 0.4% in real terms — the first fall since 1975. This was in fact the third consecutive year in which poor economic results were registered in the Community, with an average growth rate of GDP over the three-year period 1991-93 of less than 1%, compared with 3.5% in the preceding three-year period.

18. The cyclical developments which led to the present recession were first discernible in the Community in the second half of 1990 and owe much to the general slowdown in economic activity worldwide. The onset of this global downturn was delayed in the case of the Community by the strong resurgence in demand consequent upon German unification. The combined effect of a necessary tightening of monetary conditions in Germany, in order to contain the inflationary pressures caused by unification, and a marked slowdown in economic activity in that Member State depressed growth prospects in many of the other Member States. Furthermore, the difficulties encountered in ratifying the Treaty on European Union, the persistent currency turbulence since September 1992³ and the deadlock in the Uruguay Round of multilateral trade

¹ Bull. EC 12-1993.

² OJ C 342, 20.12.1993; Bull. EC 12-1993.

³ Twenty-sixth General Report, point 33.

negotiations¹ were factors delaying the emergence of the recovery process in Europe because of their negative impact on business and consumer confidence.

19. The deterioration in the Community's growth performance in 1993 reflected a combination of three main factors: a continuing fall in investment, a rapid weakening of private consumption and a drop in exports. A recovery would appear to be some way off, with any upturn crucially dependent on a further sharp easing of monetary conditions in the Community, an amelioration in the relatively depressed international environment and a rebound in consumer and business confidence. Given the further deterioration in economic activity this year, it is not surprising that the contraction in the numbers employed in the Community was of the order of 2%, easily exceeding the decline of 0.3% recorded in 1992. It was inevitable that falling employment, combined with the continuation of strong labour force growth, would be reflected in a rising jobless total. In this regard, the worse-than-expected economic outturn ensured that the previous peak for unemployment as a percentage of the civilian labour force, which occurred in 1985, was surpassed. The Community's fiscal position also suffered in the harsh economic climate. General government net borrowing was much higher than in 1992, setting a new Community record of 6.4% of GDP and exceeding even the levels of borrowing in the early 1980s.

20. On the inflation front, the worsening economic situation and the tight monetary policy stance contributed to a further easing in inflationary pressures. Overall, however, there has been a deterioration in the nominal convergence situation over the last year.² The Community's budgetary position significantly worsened as a result of a greater-than-expected slowdown in most Member States and the onset of recessionary conditions in a number of the larger countries. Progress was made towards the objective of permanently low inflation. The seriousness of the present public finance situation owes much to an insufficient consolidation of budgets in the years prior to 1989, when macroeconomic conditions were clearly favourable to a much larger adjustment of budgetary imbalances in a number of countries. Price convergence improved slightly, mainly on account of favourable developments in a number of the traditionally high-inflation Member States. Despite the favourable effects on inflation of movements in unit labour costs, the private consumption deflator declined only moderately owing to a sharp increase in the price deflator for imports of goods and services. Import prices grew by more than 4% following

¹ Twenty-sixth General Report, point 967.

² Twenty-sixth General Report, point 25.

a decline of 0.5% in 1992. Indirect tax increases too adversely affected price developments.

Economic and monetary union

Preparation for Stage II of EMU

21. Following the Copenhagen European Council,¹ the Council adopted a number of regulations and decisions with a view to implementing Stage II of economic and monetary union.

22. In order to permit application of the special mechanisms envisaged in the Treaty on European Union for identifying Member States with inappropriate budgetary policies and encouraging them to bring in the requisite measures, the Council adopted on 22 November Regulation (EC) No 3605/93*, which lays down detailed rules and definitions for the application of the excessive deficit procedure, including the definition of public debt, as well as rules for the reporting of data by the Member States to the Commission.

23. With effect from 1 January 1994, the Treaty prohibits central banks from granting governments overdraft facilities or any other type of credit facility and from purchasing debt instruments directly from them (Article 104). During Stage III of economic and monetary union, common monetary policy will be based on the principle of an independent system of central banks. Parliament adopted a resolution² on these matters on 15 December. Council Regulation (EC) No 3603/93* clarifies certain implications of this prohibition, making it clear that the holding until maturity of public-sector debt instruments purchased prior to 1 January 1994 is not prohibited and that the central banks may therefore keep them in their portfolio until maturity.

24. Together with the prohibition on the direct monetary financing of public deficits and in order to submit public borrowings to market discipline, and thereby institutionalizing a sort of market-induced budgetary control, the Treaty provides that the public authorities may not have privileged access to financial institutions, unless this is based on prudential considerations (Article 104a).

¹ Bull. EC 6-1993, point I.6.

² OJ C 20, 24.1.1994; Bull. EC 12-1993.

Council Regulation (EC) No 3604/93* defines the terms 'privileged access', 'financial institutions', 'prudential considerations' and 'public undertakings'.

25. The European Monetary Institute (EMI), which will come into existence on 1 January 1994, will have its own resources consisting of contributions from the central banks based on a key identical to that for the future European Central Bank (50% population — 50% GDP). Council Decision 93/716/EC* sets out the rules to be applied by the Commission when providing the EMI with population and GDP data for the Member States. The EMI also has a number of consultative functions. In particular, the authorities of the Member States must consult it on any draft legislative provision within its field of competence. The Council accordingly adopted Decision 93/717/EC*, which sets out the limits and conditions within which consultation of the EMI must take place. The EMI, the members of its Council and its staff will enjoy the privileges and immunities granted to the Community institutions. Council Regulations (Euratom, ECSC, EC) No 3606/93* and No 3607/93* extend to the EMI the Protocol on the privileges and immunities of the European Communities and the liability to a tax for the benefit of the Communities. At its meeting in December, the European Council decided to appoint Mr A. Lamfalussy as the EMI's President for a three-year period starting on 1 January 1994.¹ His appointment had been endorsed by Parliament² on 17 November. The European Council also noted with satisfaction that all the conditions had been fulfilled to allow Stage II of EMU to start on the agreed date of 1 January 1994.

Improved policy coordination in Stage I

26. The beginning of Stage I in July 1990 was preceded by a strengthening of the policy coordination process in the form of the Council Decision of 12 March 1990 on the attainment of progressive convergence of economic policies and performance among the Member States.³ In accordance with this Decision, the Council carried out in January⁴ and July⁵ the half-yearly multilateral surveillance exercises the purpose of which is to obtain reciprocal commitments from individual Member States leading to self-enforced policy coordination. This surveillance process has been reinforced by the voluntary presentation of

¹ OJ L 319, 21.12.1993; Bull. EC 12-1993.

² OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.38.

³ OJ L 78, 24.3.1990; Twenty-fourth General Report, point 32.

⁴ Bull. EC 1/2-1993, point 1.2.39.

⁵ Bull. EC 7/8-1993, point 1.2.24.

convergence programmes by each Member State which specifically aim at addressing the main sources of difficulty in terms of convergence, namely divergent inflationary and budgetary trends. Such programmes were presented by Greece, the United Kingdom, France and Germany.¹

27. Adoption of the Annual Economic Report was deferred from 1992 until the beginning of 1993 in order to enable a better assessment to be made of the consequences of the currency turmoil in the autumn. The Report was finally adopted by the Council on 15 March² in the light of Parliament's opinion.³ It gave rise to two opinions from the Economic and Social Committee.⁴ The turmoil experienced in 1992⁵ continued into 1993, with the clear lesson being the need to make monetary policy coordination more effective so as to restore the credibility of the existing EMU timetable. Effective coordination will strengthen nominal convergence and thereby set in place the conditions for a strong and sustainable rebound in employment-creating growth. Avoidance of a repetition of the damaging speculative attacks on the exchange-rate mechanism will depend crucially on nurturing closer coordination of Member States' economic policies. In this regard, it is hoped that the broad guidelines for the economic policies of the Member States and of the Community,⁶ drawn up under Article 103(2) of the EC Treaty, as amended, and approved by the Brussels European Council on 10 and 11 December, will play a pivotal role in ensuring closer convergence during Stage II of EMU. Finally, in accordance with Article 109e(2)(b) of the EC Treaty, the Council, also in December, assessed the progress made with economic and monetary convergence and with the implementation of the internal market and the accompanying measures.

Thrust of economic policy in 1993 and 1994

28. A high level of economic growth is essential if the alarming rise in the unemployment total is to be halted and the tensions in the currency markets eased. The absence of any economic recovery in 1992 and the recession in 1993 necessitated policy actions which were guided by the need to restore both the confidence of economic agents and the credibility of the Community's overall policy framework.

¹ Bull. EC 3-1993, point 1.2.19; Bull. EC 7/8-1993, point 1.2.25; Bull. EC 11-1993, points 1.2.26 and 1.2.27.

² OJ L 119, 14.5.1993; Bull. EC 3-1993, point 1.2.18.

³ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.18.

⁴ OJ C 108, 19.4.1993; Bull. EC 1/2-1993, point 1.2.38; OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.2.28.

⁵ Twenty-sixth General Report, point 33.

⁶ OJ L 7, 11.1.1994; Bull. EC 12-1993.

29. With recovery still absent in 1993, measures had to be taken to support growth in the short run. These measures, which formed part of the Edinburgh growth initiative,¹ were aimed specifically at restoring confidence in order to break the self-perpetuating cycle of slowdown. They exploited the limited headroom available in the budgetary sphere, strengthened structural adjustment efforts and promoted wage moderation. However, by the middle of the year it became clear that this headroom had been fully used, with a strong consensus emerging that any further increase in budget deficits was more likely to depress overall demand than to support it. Given the constraints in the area of fiscal policy, attention was focused on creating the conditions for further reductions in short-term interest rates, and this was in essence conditional on expected budgetary and wage developments in the Member States being kept in line with the monetary authorities' stability objectives.

Medium-term economic developments in the Community

30. Even on relatively optimistic assumptions for economic growth, it is evident that unemployment will unfortunately remain at unacceptably high levels for a number of years to come. A significant reduction in unemployment can realistically be achieved only by permanently raising the Community's potential rate of growth and by increasing the employment content of that growth. Raising the Community's potential rate of growth from its present rate of around 2.5% to one of the order of 3.5% will require measures to boost substantially the Community's investment ratio and to increase the dynamism of the Community economy by removing structural impediments to growth.

31. The policy path outlined above is essentially the one recommended in the White Paper on competitiveness, employment and growth in the Community,² which was presented by the Commission to the Brussels European Council³ in December. The Commission considers it realistic to aim to combine output growth of at least 3% with a lowering of the employment threshold of roughly half a percentage point. If such a combination could be achieved by 1995, unemployment would be cut to 6% by the year 2000. The increase in investment necessary to generate a higher rate of growth must be accompanied by a corresponding increase in the savings ratio, with the latter coming essentially from a decline in public dissaving. According to the Commission, the employ-

¹ Twenty-sixth General Report, point 20.

² Bull. EC 12-1993; Supplement 6/93 — Bull. EC.

³ Bull. EC 12-1993.

ment content of growth could be increased by various measures, such as the expansion of part-time working, the widening of the wages differential, an increase in employment in the service sector and wage moderation. With a view to contributing to the White Paper, the Economic and Social Committee put forward on 20 October a series of strategies for promoting competitiveness and growth.¹

Operation of the EMS

32. Following strains within the European Monetary System (EMS), the bilateral parity grid of the European exchange-rate mechanism (ERM) was modified on two occasions, in January and in May. In August a major change took place in the ERM when all bilateral fluctuation margins were widened to 15% either side of the bilateral central rates.

33. The first realignment² occurred on 30 January, when the Irish pound was devalued by 10% against the other ERM currencies. In terms of the new ecu central rates, the realignment entailed a 9.22% devaluation of the Irish pound and a 0.87% revaluation of the other currencies. After a relatively calm period, strains reappeared, leading on 14 May to 8% and 6.5% devaluations³ of the peseta and the escudo respectively against the other ERM currencies. In terms of new ecu central rates, this realignment entailed a 7.84% devaluation of the peseta, a 6.34% devaluation of the escudo and a 0.17% revaluation of the other currencies. In July severe pressures developed within the ERM. At the end of the month, the French and Belgian francs, the Danish krone, the escudo and the peseta all came under massive speculative attack on the foreign-exchange markets. Under these circumstances the Ministers and central bank governors of the Member States decided⁴ on 2 August, and with effect from that date, to widen temporarily the fluctuation margins within the ERM to 15% either side of the bilateral central rates. Until then, all the currencies had had fluctuation margins of 2.25%, with the exception of the escudo and the peseta, which had operated within wider 6% fluctuation bands. Worried by this currency crisis, Parliament called, on 16 September⁵ and 27 October,⁶ for

¹ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.2.29.

² Bull. EC 1/2-1993, point 1.2.42.

³ Bull. EC 5-1993, point 1.2.27.

⁴ Bull. EC 7/8-1993, points 1.2.29 and 1.2.30.

⁵ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.2.24.

⁶ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.2.32.

steps to be taken to implement EMU. As in the previous year, Greece, the United Kingdom and Italy did not participate fully in the ERM.

Wider use of the ecu

34. At the end of 1992 the uncertainty concerning the procedures for ratifying the Treaty on European Union and the turbulence within the EMS exchange-rate mechanism seriously disrupted the ecu market, leading to price instability and resulting in a virtual halt to issuing activity and a sharp drop in secondary-market turnover (to a monthly average of ECU 42 billion by the end of 1992). Thanks, however, to the positive outcome of the Edinburgh European Council in December 1992, to the resilience of market structures during the crisis and to the steadfast commitment of national borrowers to the ecu, operators regained confidence in the ecu markets. The Commission was the first to re-enter the market successfully in December 1992. Sovereign and supranational issuers, such as France, the United Kingdom, Italy, Finland and the Council of Europe, followed during the course of 1993 and restored confidence to the market as they continued their programmes of issuing Treasury bills and bonds. In anticipation of a positive outcome of the second Danish referendum,¹ some operators who had abandoned the ecu in 1992 re-entered the market, while demand from retail investors, especially in Belgium and Switzerland, increased. Nevertheless, in the first half of 1993, the ecu occupied only ninth place among the currencies most used for bond issues, given that in the second quarter of the year the number (10) and the total value of new issues (ECU 3.505 billion) remained relatively low compared with the almost ECU 10 billion issued in the second quarter of 1992. This situation was due to caution on the part of private borrowers, given the uncertainty about the future of EMU, and to the fact that the swap market lacked liquidity and was too expensive. The most recent crisis in the ERM, in July, did not have any marked negative impact. On the contrary, investors seem especially to have returned to the idea of using the ecu as a basket which provides a cheap method of diversification with a limited currency risk. Even though markets are far from being as buoyant as they were in 1991 and in the first half of 1992, several government and private issues have been placed successfully since July. Broadly speaking, the turnover on the ecu-denominated secondary bond market followed the activity pattern of the primary market. The ecu is currently the sixth most used currency, after being ranked second in the first half of 1992 with a turnover of ECU 131.76 billion in the best month of that year.

¹ Point 4 of this Report.

35. Use of the ecu in commercial transactions still lags behind that in financial transactions. Work on reducing the disparity between these two uses of the ecu has therefore continued in line with the Commission's White Paper¹ identifying the legal obstacles to use of the ecu in the Member States, on which Parliament adopted a resolution on 27 October.² The Commission frequently uses the ecu when it wishes to raise funds on private capital markets. These funds are then used to finance specific programmes. This year all the Commission's ecu-denominated bond issues (ECU 2 055 million in total) were used to provide medium-term financial assistance to Central and East European countries. Apart from bond issues, the Commission also uses other debt instruments, such as ecu-denominated syndicated credits to finance a programme of food and medical aid for the republics of the former Soviet Union (ECU 649 million in 1992).

36. The ecu is the unit of account for the Community budget but it is also used as a unit of denomination. This year about 39% of the Community's general budget gave rise to payments in ecus. If EAGGF (Guarantee Section) payments ('agri-monetary' system) are disregarded, the ecu's share amounted to 83%. As far as the Structural Funds are concerned, the ecu is now used for all payments to Member States, as laid down in Council Regulation (EEC) No 1866/90.³ The European Investment Bank⁴ recorded a fall in its loan payments in ecus, particularly following the widening of the fluctuation bands of certain Community currencies in relation to the ecu. However, despite that fall, which was also reflected in its borrowing activities, and especially as it has had available ecus stemming from capital increases, the Bank is maintaining its prominent position on the international ecu market. Through its commercial paper programmes, it also continued to be active, even at times of difficulty, on the short-term market by regularly issuing notes with maturities of between one and three months, thereby maintaining a volume of issues outstanding of some ECU 1 200 million throughout the year.

The Community and international monetary and financial matters

37. At its 40th meeting, held in Washington in April and attended by Mrs Jelved, President of the Council, and Mr Christophersen, the Interim Committee of the International Monetary Fund (IMF) called for a combined effort to

¹ Twenty-sixth General Report, point 37.

² OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.2.33.

³ OJ L 170, 3.7.1990; Twenty-fourth General Report, point 333.

⁴ Point 56 of this Report.

restore confidence and reinforce the prospects for lasting and non-inflationary growth, pointing out that responsibility for improving the growth outlook lay primarily with the industrialized countries; it welcomed the various initiatives taken in that connection. It emphasized the immediate and pressing need to bring the Uruguay Round negotiations to a successful conclusion and called on the developing countries to apply adjustment and reform programmes which the international community could support. It stressed the importance of increasing aid to all those countries that were moving towards a market economy and formulating appropriate economic policies for achieving that aim.

38. At its 41st meeting,¹ held in Washington on 25 September and attended by Mr Maystadt, President of the Council, and Mr Christophersen, the Interim Committee stressed the need — given low economic growth and the level of unemployment in the industrialized countries — to continue to take steps to promote a vigorous economic recovery and sustained growth. It pointed out that the fall in inflation and additional measures to reduce budget deficits would permit interest rates to fall further. It reaffirmed the importance of concluding the Uruguay Round negotiations and expressed concern about the difficult situation facing many of the poorest nations, particularly in Africa; it emphasized the need to create an instrument to replace the reinforced structural adjustment facility. The Committee encouraged the Independent States of the former Soviet Union to implement vigorous adjustment and reform programmes and to develop effective financial cooperation within that region so as to mobilize the financial assistance of the international community.

39. At their annual summit meeting,² the Heads of State or Government of the seven leading industrialized democracies, the representatives of the Community and the Commission, represented by Mr Christophersen, welcomed the progress being made in the world towards democracy and market-economy systems. They again expressed their concern about the economic and employment situation in the G7 countries and stressed the need to implement, on the basis of close cooperation, a strategy of sustained growth that could contribute to a substantial increase in employment. The G7 Heads of State or Government also reaffirmed their support for the reform programmes undertaken by Russia and the other countries undergoing a period of transition.

40. On 15 December Parliament adopted a resolution on international monetary cooperation in reducing restrictions on capital markets.³

¹ Bull. EC 9-1993, point 1.2.26.

² Point 693 of this Report.

³ OJ C 20, 24.1.1994; Bull. EC 12-1993.

Community initiatives and financial activities

European Investment Fund (EIF)

41. Following the European Council's decision in Edinburgh to set up the European Investment Fund under the growth initiative,¹ the Commission adopted on 12 January a proposal for an addition to the Protocol on the Statute of the European Investment Bank (EIB), annexed to the EC Treaty, in the form of a new Article 30 and a proposal for a Council Decision authorizing the Community to subscribe to the capital of this new institution.² After being consulted under Article 236 of the EEC Treaty, Parliament³ and the Council⁴ gave their approval, on 12 February and 25 February respectively, to the holding of a conference of representatives of Member States' governments for the purpose of amending the EIB's Statute.⁵ The conference,⁶ which was held in Brussels on 25 March, adopted by common accord an Act adding to the Protocol on the Statute of the EIB an Article 30 empowering the Bank's Board of Governors to create the Fund and to establish its Statute. This Act will come into force once it has been ratified by all Member States. The Council will then be in a position to adopt the decision authorizing the Community to become a member of the EIF and to contribute to its capital, Parliament having given its endorsement.⁷ With its subscribed capital of ECU 2 billion, which should cover guarantees totalling between ECU 10 billion and ECU 16 billion, the EIF will target its activities on large-scale infrastructure projects associated with the trans-European networks (TENs)⁸ and on small and medium-sized enterprises (SMEs). Its activities will consist in furnishing guarantees, and it will subsequently be able to provide equity capital. The Fund will operate on a self-sustaining basis and will therefore seek an acceptable return on its capital by charging for its services in line with market practices. On 9 July the Commission adopted a proposal* for a decision creating a 'bridging facility' for implementing ahead of schedule investment projects assisted under the Structural Funds by providing for the Community to borrow up to ECU 5 billion from the markets until the end of 1995.

¹ Twenty-sixth General Report, point 20.

² OJ C 37, 11.2.1993; COM(93) 3; Bull. EC 1/2-1993, point 1.2.40.

³ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.40.

⁴ Bull. EC 1/2-1993, point 1.2.40.

⁵ OJ C 72, 15.3.1993.

⁶ Bull. EC 3-1993, point 1.2.20.

⁷ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.20.

⁸ Point 130 of this Report.

Development of financing techniques

42. As a follow-up to the European Council's conclusions in Copenhagen on the measures to be taken to promote economic growth and competitiveness¹ and to combat unemployment, the Commission adopted on 9 July a proposal for a Council Decision* granting interest-rate subsidies for loans granted by the EIB to small and medium-sized firms creating additional jobs. Loans totalling ECU 1 billion could thus benefit from this interest-rate reduction and will be granted under the temporary facility agreed at the Edinburgh Summit ('Edinburgh facility'). The Commission adopted on 16 November a new proposal* relating to the interest-subsidy mechanism and providing for an interest-subsidy-funding method different from that envisaged by the previous proposal. The Council reached unanimous agreement on an amended version of the more recent proposal on 22 December.

43. The Commission also continued to implement the pilot schemes 'Seed Capital', 'Venture Consort' and 'Eurotech Capital'.² A total of 12 financial institutions specializing in funding high-technology projects now belong to the Eurotech Capital network, and two projects have received Community support under the Venture Consort programme. The JOPP programme, which was set up³ in January 1991, also continued to develop. The number of financial intermediaries participating in the programme amounted to 43 at the end of 1993. Since the programme began, some 200 projects have received Community support totalling ECU 17 million. Faced with growing demand, the Commission proposed in October that the programme be extended and the budgetary resources allocated to it increased. Close cooperation with the European Bank for Reconstruction and Development (EBRD) in the form of a joint investment fund is also planned.

Community borrowing and lending

44. On 15 March the Council adopted Decision 93/166/EEC* granting a Community guarantee to the EIB against losses under loans for investment projects carried out in Estonia, Latvia and Lithuania, with an overall ceiling of ECU 200 million over a three-year period. On 28 July the Commission for its part adopted the report on the rate of utilization of the New Community

¹ Bull. EC 6-1993, points 1.3 to 1.5.

² Twenty-sixth General Report, point 41.

³ Twenty-fifth General Report, point 69.

Instrument (NCI) and the annual report on the borrowing and lending activities of the Community in 1992.¹ According to the latter report, borrowing by the institutions in 1992 totalled ECU 15.7 billion, while loans granted amounted to ECU 18.6 billion. In December the Council adopted Decision 93/696/EC* on the renewal of the Community guarantee for EIB operations in Poland, Hungary, the Czech and Slovak Republics, Romania, Bulgaria and Albania. An overall ceiling of ECU 3 billion has been set for a three-year period and includes the provision made for investment projects in Estonia, Latvia and Lithuania.

45. The cooperation agreement with Slovenia, which came into force on 1 September, includes a protocol providing for possible EIB financing of up to ECU 150 million for the period up to the end of 1997.

46. After examining with the EIB the possibility of transferring some of the ECSC's activities to the Bank, the Commission adopted on 20 October a communication setting out guidelines for the ECSC's financial activities up to the expiry of the ECSC Treaty in 2002.²

European Bank for Reconstruction and Development (EBRD)

47. The year 1993 was one of financial consolidation for the EBRD, with operations growing by 96%: a total of 73 new projects were financed by the Bank at a cost of ECU 1 794 million. This growth is less than that initially forecast because the private sector, to which the Bank is required to devote 60% of its operations, currently accounts for less than half that figure. This is due in particular to the slow development of the private sector in the countries in which the Bank is active, to the difficulties which privatization programmes are encountering and to the limited scale of private-sector projects compared with those in the public sector. However, the Bank made a profit in the 1993 financial year owing to its cash transactions. At their annual meeting³ held in London in April, the Bank's governors stressed the need for rigorous management of the Bank and the importance of supporting the development of SMEs in Central and Eastern Europe. The Community has maintained its support for the Bank, particularly by providing almost ECU 40 million from the PHARE and TACIS budgets for financing its technical assistance operations.

¹ COM(93) 383; Bull. EC 7/8-1993, point 1.5.3.

² COM(93) 512; Bull. EC 10-1993, point 1.5.10.

³ Bull. EC 4-1993, point 1.3.77.

48. In 1993 Croatia and the former Yugoslav Republic of Macedonia became members of the Bank, as did the Czech and Slovak Republics following the break-up of the former Czech and Slovak Federal Republic. After the resignation of the Bank's President, Mr Attali, in June, Mr de Larosière, Governor of the Bank of France and a former Managing Director of the IMF, was elected as the new President; he took up his duties at the end of September.

Macro-financial assistance for the countries of Central and Eastern Europe and for other third countries

49. In 1993 the Community continued to grant financial assistance to the countries of Central and Eastern Europe within the framework of the Group of 24 industrialized countries (G24) and in the form of loans for a maximum period of six or seven years (except for Albania, where it took the form of a grant). The Commission paid out a total of ECU 305 million¹ in respect of the financial assistance granted in 1991 to Hungary and in 1992 to Albania, Romania and the Baltic States.

50. Following the dissolution of the Czech and Slovak Federal Republic, the Commission adopted on 1 September a proposal for a decision* on the splitting of the loan granted in 1991.²

51. Within the framework of Council Decision 91/688/EEC³ granting a medium-term loan of not more than ECU 1 250 million to the former Soviet Union and/or its Republics for a period of three years, new loan contracts were signed in 1993 with a number of Independent States.⁴

European Investment Bank

52. The European Investment Bank (EIB)⁵ continued to support the aims of the European construction process. It paid particular attention to implementing the decisions taken at the European Council meetings in Edinburgh and

¹ Point 1112 of this Report.

² OJ L 56, 2.3.1991; Twenty-fifth General Report, point 74.

³ OJ L 362, 31.12.1991; Twenty-fifth General Report, point 844.

⁴ Point 1113 of this Report.

⁵ Copies of the EIB's Annual Report and of other publications relating to the Bank's work and its operations can be obtained from the main office (100 boulevard Konrad Adenauer, L-2950 Luxembourg, Tel. 43791) or from its external offices.

Copenhagen.¹ All in all, it granted loans totalling ECU 19 611 million in 1993, including ECU 1 887 million within the framework of Community cooperation with third countries, compared with ECU 17 033 million in 1992.

53. In order to support the Community growth initiative launched in Edinburgh, the EIB rapidly approved and then signed the initial loans under the temporary lending facility designed to speed up the financing of trans-European transport, telecommunications and energy-transmission networks and environmental protection infrastructures. At its meeting in Copenhagen, the European Council called for the funds made available under this facility to be increased from ECU 5 billion to ECU 8 billion; ECU 2 billion of the additional ECU 3 billion will be earmarked for the trans-European networks, with the remaining ECU 1 billion helping to strengthen the competitiveness of small and medium-sized firms. By the end of 1993 loans totalling ECU 4 612 million had been approved under the Edinburgh facility, and contracts worth ECU 2 363 million had been signed.

54. At the same time, and in response to the request made by the Edinburgh European Council, work continued on establishing the European Investment Fund (EIF), which is to be responsible for providing financial guarantees in support of the trans-European network projects and investment by small and medium-sized firms. Following the intergovernmental conference's approval in March of the addition to the EIB's Statute, the parliamentary ratification procedures were initiated by Member States, while the Bank's governors approved a draft statute for the EIF.¹

55. During the year, work continued on setting up the financial mechanism for assisting the Community's least-favoured regions — a mechanism provided for in the agreement between the Community and the EFTA countries participating in the European Economic Area.² The EIB will administer this mechanism, which will comprise ECU 1.5 billion in loans, together with interest subsidies of two percentage points, and ECU 500 million in grants. Finally, and also in response to the conclusions of the Edinburgh European Council, a framework agreement was concluded between the Commission and the EIB setting out the contribution which the Bank can make towards assessing projects put forward for assistance under the financial instrument for promoting cohesion, the future Cohesion Fund.³

¹ Point 41 of this Report.

² Point 684 *et seq.* of this Report.

³ Point 416 of this Report.

56. Loans granted for projects in the Community totalled ECU 17 724 million in 1993, compared with ECU 16 140 million in 1992 and ECU 14 423 million in 1991, this against the background of economic recession. Of that total, ECU 2 363 million relate to loan contracts signed under the temporary facility.

57. In accordance with its task as reaffirmed by the Treaty on European Union, the EIB gave priority to channelling the savings it borrows on the financial markets to investment projects contributing to the development of the less-favoured regions, the bulk of them being covered by activities under the Community's Structural Funds. The assistance contributing to regional development thus accounted for almost 75% of financings in the Community.

TABLE 1
Contracts signed in 1993 and from 1989 to 1993

	1993		1989-93	
	Amount	%	Amount	%
Belgium	371.6	1.9	1 181.3	1.5
Denmark	875.5	4.5	3 215.4	4.1
Germany	2 096.6	10.7	6 780.6	8.7
Greece	511.1	2.6	1 703.3	2.2
Spain	4 005.1	20.4	12 851.9	16.6
France	2 205.5	11.3	9 222.4	11.9
Ireland	388.2	2.0	1 333.1	1.7
Italy	3 362.0	17.1	18 749.7	24.2
Luxembourg	—	—	83.1	0.1
Netherlands	379.7	1.9	1 275.2	1.6
Portugal	1 488.8	7.6	5 271.7	6.8
United Kingdom	1 929.1	9.8	9 972.0	12.9
Other ¹	111.0	0.6	961.7	1.2
Community total ²	17 724.2	90.4	72 601.4	93.5
ACP-OCTs	225.7	1.1	1 289.6	1.7
Mediterranean	380.5	3.5	1 930.1	2.5
Central and Eastern Europe	882.0	4.5	1 702.0	2.2
Latin America, Asia	99.0	0.5	99.0	0.1
Non-Community total ³	1 887.2	9.6	5 020.7	6.5
Overall total	19 611.4	100.0	77 622.1	100.0

¹ Projects of Community interest located outside the territory of the Member States.

² Includes guarantees amounting to ECU 52 million in 1993 and to ECU 177.8 million from 1989 to 1993.

³ Includes risk capital from budgetary resources:

(i) ACP-OCTs: ECU 78.3 million in 1993 and ECU 469.6 million from 1989 to 1993;

(ii) Mediterranean: ECU 1.5 million in 1993 and ECU 43.0 million from 1989 to 1993.

58. The growing support being given to the reinforcement of trans-European communications was stepped up still further following the decisions taken in Edinburgh. Financing in this field totalled ECU 7 168 million, compared with ECU 4 533 million in 1992. By contrast, that for environmental protection (ECU 4 385 million) and for the energy supply sector (ECU 2 765 million) failed to maintain the very high levels achieved in 1992.

In the industrial and service sectors, financing amounted to ECU 4 224 million, including ECU 1 542 million for some 5 250 investment projects undertaken by small and medium-sized firms and provided in the form of global loans to a large number of partner banks.

59. Operations outside the Community reached a much higher level than in previous years: ECU 1 887 million as compared with some ECU 900 million in 1992 and 1991. This growth is due to the level of activity in Mediterranean countries (ECU 681 million, including ECU 220 million for the non-protocol additional operations instituted by the new Mediterranean policy) and in the Central and East European countries, including for the first time Estonia and Slovenia (ECU 882 million, bringing the total since 1990 to ECU 1 702 million).¹ In the ACP countries and OCT, financings amounted to ECU 226 million, including ECU 78 million of risk capital. Finally, initial loan contracts were signed for two projects, one in Latin America (ECU 44 million), and the other in Asia (ECU 55 million).

60. The EIB obtained the funds required for its lending activities by borrowing a total of ECU 14 224 million on the capital markets, mainly in the form of fixed-rate public issues: nearly 80% was raised in Community currencies and in ecus.

61. In 1993 the Bank's Board of Governors appointed Sir Brian Unwin as President in place of Mr Ernst-Günther Bröder and Mr Wolfgang Roth and Mr Corneille Brück as Vice-Presidents in place of Mr Roger Lavelle and Mr Ludovicus Meulemans.

¹ Point 1112 of this Report.

Section 2

Statistical area

Priority activities and objectives

62. *The main feature of Eurostat's work this year was the adoption and introduction of the new framework programme for priority action in the field of statistical information (1993-97). The programme, adopted by Council Decision 93/464/EEC* of 22 July, is an important step towards meeting the Community's increasing need for reliable, consistent and high-quality statistics. In accordance with the Council Resolution on the 1989-92 statistical programme,¹ Eurostat also prepared a report on the implementation of this programme which was audited by a group of experts and representatives of the various socio-professional categories, scientific circles and national governments and was adopted by the Commission on 22 October.²*

Turning to external affairs, cooperation between Eurostat and the EFTA countries was further intensified in connection with the agreement on the European Economic Area.³ The Community continued its work with the countries of Central and Eastern Europe and the Independent States of the former Soviet Union to help these countries set up and operate statistical systems capable of meeting the demands of a market economy. Training for statisticians was particularly encouraged and substantial progress was made in this area.

Statistical information linked to the Single Act

63. To meet the new demands of the single market, on 5 April the Council adopted Regulation (EEC) No 854/93* on transit statistics and storage statistics relating to the trading of goods between Member States. This essential Regulation lays down the organizational framework for statistics on transit and storage movements, to ensure that the burden on those responsible for providing information does not vary excessively from one Member State to another.

¹ OJ C 161, 28.6.1989 and Twenty-third General Report, point 65.

² COM(93) 454; Bull. EC 10-1993, point 1.2.34.

³ Point 684 of this Report.

64. In order to obtain consistent Community statistics, particularly on the structure of companies and groups of companies and on mergers, buyouts and takeovers, on 22 July the Council adopted Regulation (EEC) No 2186/93* on Community coordination in drawing up business registers for statistical purposes. It also adopted, on 15 March and 29 October respectively, Regulation (EEC) No 696/93* on the statistical units for the observation and analysis of the production system in the Community and Regulation (EEC) No 3696/93* on the statistical classification of products by activity in the European Economic Community, to provide real comparability between data on production and foreign trade collected in the Member States. On 9 December the Commission adopted a proposal for a Regulation* intended to replace the current legislation on the external trade statistics of the Community.¹

65. In order to improve the quality and the speed of dissemination of statistics on the trading of goods between Member States, on 12 March the Commission also adopted a proposal for a Decision on telematic networks between government departments (Edicom).²

Statistical information to support other Community policies

66. On 5 April the Council adopted Regulation (EEC) No 959/93* concerning statistics on crop products other than cereals, to take account of the statistical implications of the CAP reform. On 1 June it issued Directives 93/23/EEC* to 93/25/EEC* on the statistical surveys to be carried out on pig, sheep, goat and bovine animal production and on 16 November it adopted Regulation (EC) No 3205/93* amending Regulation (EEC) No 357/79³ on the use for statistical purposes of the vineyard register provided for by Council Regulation (EEC) No 2392/86.⁴

67. Concerning the restructuring plans for strengthening the statistical systems of Member States with structural weaknesses in agricultural statistics, the Greek plan,⁵ the only one not yet completed, had been granted an extension in 1992⁶ and made satisfactory progress in 1993 despite a reduction in its budget. The Greek statistical offices were thus able to begin using the computer equipment

¹ OJ L 183, 14.7.1975.

² Point 204 of this Report.

³ OJ L 54, 5.3.1979.

⁴ OJ L 208, 31.7.1986.

⁵ OJ L 190, 21.7.1990; Twenty-fourth General Report, point 977.

⁶ OJ L 394, 31.12.1992; Twenty-sixth General Report, point 67.

they had acquired in previous years, particularly for remote sensing.

68. Concerning fisheries policy, on 30 June the Council enacted Regulation (EEC) No 2018/93* on the submission of data on fishing activities in the North-West Atlantic. The Regulation lays down the type of information to be supplied to the Commission and the Commission's obligations *vis-à-vis* the regional scientific committee concerned. On 22 July, the Council further adopted Regulation (EEC) No 2104/93,* which provides for Member States to transmit to the Commission data on landings by vessels from EFTA countries.

69. Under the PETRA and FORCE programmes,¹ Eurostat carried out preliminary work on the design and conduct of Community surveys to analyse the parameters of education and vocational training for the European labour force.

¹ Points 257 and 260 of this Report.

Section 3

Internal market¹

Priority activities and objectives

70. *In view of the stimulus it can give to the economy, the success of the single market remains more essential than ever in today's bleak economic climate and with Stage II of economic and monetary union about to begin. The White Paper programme having been all but completed, the New Year ushered in an area without internal frontiers where businesses and individuals can avail themselves of the single market. A tangible symbol of this area is the removal of border controls, a task which Member States have discharged satisfactorily, barring a few exceptions, as far as the free movement of goods is concerned. New systems of control at Community level have been adopted or put in place where necessary to make up for the lifting of controls at internal borders. In this area the Council adopted several important measures relating in particular to the shipment of radioactive substances,² checks on product conformity at external frontiers, imports of bananas from non-member countries,³ the repatriation of cultural objects, the compilation of statistics on transit and warehouses,⁴ and the marketing and control of explosives for civil use.*

Keeping up the drive to remove the remaining technical or legal barriers to the free movement of goods, the Council adopted a number of harmonization measures, and more particularly three Directives creating a system for authorizing medicinal products and a Regulation establishing a European Agency for the Evaluation of Medicinal Products, thereby completing the single market in the pharmaceuticals sector. It also adopted numerous detailed instruments for implementing the type-approval system for two- and three-wheeled motor vehicles and reached a common position on a set of proposals relating to foodstuffs. While the Council adopted its common position on the Directive amending Directive 83/189/EEC, which establishes a procedure for the exchange of information on standards and technical rules and remains a prime instrument for preventing the emergence of new barriers, the Commission put forward a

¹ For further details, see the *Annual report on the internal market* (to be published in 1994).

² Point 504 of this Report.

³ Point 529 of this Report.

⁴ Point 63 of this Report.

proposal for a Council Decision introducing a procedure for the exchange of information in cases where Member States decide to depart from the principle of the free movement of goods. This instrument should enable the Commission to manage pragmatically the mutual recognition of national rules that have not been harmonized at Community level.

In the veterinary field, Community efforts focused chiefly on livestock protection and the control of residues in meat, while work on plant health and pesticides was geared to fleshing out the Community arrangements that came into force on 1 January.

Although border checks on goods are now a thing of the past, the abolition of identity checks on individuals is seriously behind schedule. At its first meeting on 18 October, the Schengen Executive Committee postponed until 1 February 1994 application of the agreement to scrap identity checks on the territory of the nine Member States party to the Schengen agreements. However, technical problems with an information system will have to be resolved before the convention can be implemented. For its part, the Commission adopted in December a proposal for a Decision establishing a convention on the crossing of external frontiers and a Regulation on visas, which are now a Community responsibility.

Despite the fact that they are central to the operation of the single market, services are being liberalized more gradually than goods. To raise public awareness of shifts in the interpretation of the relevant Treaty provisions, the Commission adopted on 6 December a communication taking stock of the situation in services. The free movement of financial services made great strides forward this year with adoption of the Directive on capital adequacy of investment firms and credit institutions, which, coupled with the Directive on investment services in the securities field, gives the Community a complete body of legislation based on the single licence and prudential supervision by the Member State in which the establishment's head office is located. To supplement these rules, the Commission sent the Council proposals for setting up an investor compensation scheme and for tightening the prudential supervision of banks, insurance companies and investment firms under the relevant outline directives.

The liberalization of capital movements, which forms an integral part of the single market process and contributes effectively to more efficient allocation of resources within the Community, is now a reality. The elimination of all remaining restrictions by the deadlines laid down in Directive 88/361/EEC on capital movements should act as a catalyst and speed up market integration, to the immense benefit of users of financial services in the Community.

The aim of creating an all-embracing legislative framework for public procurement was fully achieved through the Council's adoption of three Directives consolidating the oft-amended rules on contract award procedures into a coherent body of law and extending the existing rules to service contracts awarded by public authorities and utilities.

Community-wide protection of intellectual and industrial property has a role to play in breaking down barriers to the free movement of goods and services. Protection was enhanced by the Council Directive on the term of copyright protection, by the Directive on copyright in satellite broadcasting and cable retransmission, and by the Regulation on the Community trade mark. The Commission proposed that industrial designs be afforded Community-wide protection.

The abolition of tax-related barriers to free movement took a major step forward with the entry into force on 1 January of the new indirect taxation arrangements that dispense with checks at internal borders. The reform phased in over the year has proved markedly successful, with only a few specific and often foreseeable problems having arisen and having been settled swiftly in most cases. The Commission tabled a proposal that would enable more firms to benefit from the abolition of the main forms of double taxation on cross-border income flows in the Community, while the Council made substantial headway by reaching agreement, after lengthy negotiations, on the proposed Directive establishing the arrangements for taxing second-hand goods and works of art and by agreeing to a sizeable increase in the duty-free allowances granted to travellers moving from one Member State to another or arriving from outside the Community.

Trans-European networks, whose importance in reviving competitiveness, growth and employment was stressed by the Copenhagen and Brussels European Councils, were further developed, notably in the context of the cohesion financial instrument, the Structural Funds and the temporary lending facility administered by the EIB. The Commission put forward fresh proposals on developing telecommunications networks and gave details of the approach it would adopt as regards ports, airports and air traffic management, while the Council adopted the outline plans for road, combined and inland waterway transport networks.

Alongside progress in rounding off the White Paper programme, the Commission kept up its efforts to monitor transposition of Community legislation, the rate of which now stands at nearly 87%, and to check that the rules are properly applied. This work was carried out in close cooperation with national

administrations and was facilitated by transparency measures and, in particular, the consolidation of legislation (on public procurement, fruit juices, the free movement of doctors, etc.). The Commission's communication of 16 December on legislative consolidation¹ and its proposal to set up data-transmission networks linking administrations signal its desire to work in closer partnership with them.

Operation of the single market is a dynamic, ongoing process. The priority now is to ensure that it functions effectively and produces all the anticipated economic, industrial and social benefits. On the basis of the reactions to the Sutherland report on the operation of the internal market,² the Commission sent the Council in June a communication on 'Reinforcing the effectiveness of the internal market', together with a working document entitled 'Towards a strategic programme for the internal market'.³ These papers, which were well received by the Council, the Economic and Social Committee and Parliament,⁴ reflect the current focus of thinking, as does the own-initiative opinion⁵ adopted by the Economic and Social Committee on 27 May. In December, after wide-ranging consultations, the Commission formally adopted the strategic programme,⁶ which was endorsed by the Council on 16 December.⁷ Convinced that it is the task of the Union to ensure that the single market functions satisfactorily and thereby contributes to economic growth, industrial competitiveness and job creation, the Commission advocates starting a process based on partnership and dialogue so as to maintain the impetus for widening and deepening the single market.

Free movement of goods

*Implementation of Articles 30-36 of the EC Treaty*⁸

71. As part of the completion of the process of removing controls at internal frontiers, the Commission continued its monitoring of compliance by Member States with the principles of Articles 30, 34 and 36 of the EC Treaty. The

¹ COM(93) 361; Bull. EC 12-1993.

² Twenty-sixth General Report, point 69.

³ COM(93) 256; Bull. EC 6-1993, point 1.2.1.

⁴ Bull. EC 9-1993, point 1.2.1; OJ C 304, 10.11.1993; OJ C 268, 4.10.1993.

⁵ OJ C 201, 26.7.1993; Bull. EC 5-1993, point 1.2.1.

⁶ COM(93) 632; Bull. EC 12-1993.

⁷ Bull. EC 12-1993.

⁸ Further information is contained in the eleventh annual report to Parliament on Commission monitoring of the application of Community law (1993) (to be published in 1994).

number of cases under examination is now 1 731 (up by 18% as compared with 1992) and 312 new complaints have been received. As in previous years, the Commission was guided by the principle of mutual recognition both when examining complaints lodged by economic operators and private individuals, cases detected by the Commission itself and established infringements and in the context of regular meetings with representatives of the various Member States at which all cases under examination are reviewed. The Commission also acted on its own initiative, for example by conducting general enquiries to examine the state of Member States' legislation in a particular sector or by clarifying and consolidating the case-law of the Court of Justice on a particular point. This year, for example, it concerned itself in particular with the question of the use of languages in the marketing of foodstuffs.¹

72. The Commission was also concerned with preparing for the entry into force of the EEA and preparing the ground for the closest possible cooperation between its departments responsible for applying Articles 30 *et seq.* of the EC Treaty and the departments of the EEA Surveillance Authority responsible for applying Articles 11 *et seq.* of the EEA Agreement enshrining the principle of the free movement of goods.

73. Directive 83/189/EEC,² as amended by Directive 88/182/EEC,³ which lays down a procedure for the provision of information in the field of technical standards and regulations, continues to be a particularly useful means of control and prevention of new technical barriers to the smooth functioning of the internal market. Under this Directive, the Commission received 385 notifications of draft technical regulations, an increase of 6% compared with 1992 (362 notifications). Since the information procedure came into force, the Commission has received a total of 2 501 notifications. During the year, the Commission issued detailed opinions on account of the breaches of Community law to which draft regulations might give rise in 88 cases.⁴ The Member States did so in 64 cases. Past experience and recent developments in national technical regulations prompted the Commission to propose* amending Directive 83/189/EEC in order to increase the transparency of action at national level and the rules applicable in the case of joint action. The Council adopted a common position on the proposal on 11 November.

¹ OJ C 345, 23.12.1993; Bull. EC 11-1993, point 1.2.103.

² OJ L 109, 26.4.1983; Seventeenth General Report, point 150.

³ OJ L 81, 26.3.1988; Twenty-second General Report, point 178.

⁴ Provisional figures as at 19 January 1994 (on the basis of 300 notifications).

74. Although the procedure for the exchange of information in the field of technical regulations provided for under the Agreement between the Community and the EFTA countries¹ formally expired on 1 November 1992, it continued to be applied informally following an exchange of letters extending its period of validity until the entry into force of the Agreement on the European Economic Area (EEA).² The number of draft technical regulations notified under this procedure fell from 136 in 1992 to 110 in 1993, a reduction of 19%, and, acting on behalf of the Community, the Commission issued a total of 64 observations to the EFTA countries.³

75. In a communication adopted on 15 December⁴ the Commission drew lessons and operational conclusions from the inventory drawn up pursuant to Article 100b of the EC Treaty. Given the small number of barriers discovered, it decided to provide for a procedure aimed at ensuring the rapid, effective, transparent and consistent treatment of cases of Member States' failure to recognize the equivalence of the national rules of another Member State with its own rules. To this end, also on 15 December the Commission adopted a proposal for a Decision⁵ establishing a procedure for mutual information about all cases where a Member State raises obstacles to the free movement of goods manufactured and/or marketed in another Member State on the grounds of failure to comply with its national (non-harmonized) regulations.

Technical harmonization

76. The work carried out concerning foodstuffs was aimed at implementing and extending the Community provisions, while taking account of the Edinburgh Summit's conclusions concerning subsidiarity. The Council adopted Regulation (EEC) No 315/93* on Community procedures for contaminants and Directives 93/5/EEC*, 93/43/EEC*, 93/77/EEC* and 93/99/EEC* concerning assistance provided by the Member States to the Commission relating to the scientific examination of foodstuffs, the hygiene of foodstuffs, fruit juices and additional measures relating to the official inspection of foodstuffs. On 11 November, it adopted three common positions on proposals for Directives* concerning the use of additives, sweeteners and colours in foodstuffs. On 24 September the Commission submitted a proposal to the Council for authoriz-

¹ OJ L 291, 23.10.1990; Twenty-third General Report, point 193.

² Point 684 of this Report.

³ Provisional figures as at 21 January 1994 (on the basis of 101 notifications).

⁴ OJ C 353, 31.12.1993; COM(93) 669; Bull. EC 12-1993.

⁵ OJ C 18, 21.1.1994; COM(93) 670; Bull. EC 12-1993.

ation to negotiate the Community's accession* to the Codex Alimentarius, the body responsible for implementing the joint FAO-WHO food standards programme. On 1 December, it submitted a proposal for a Parliament and Council Directive¹ amending Directive 88/344/EEC on extraction solvents² and on 14 December, a proposal for a Parliament and Council Regulation introducing a Community procedure for flavourings.³

77. The harmonization work relating to pharmaceutical products mainly concerned the development of the future authorization system and marked the completion of the single market in medicinal products. Three Directives were adopted by the Council on 14 June, Directive 93/39/EEC* amending Directives 65/65/EEC⁴, 75/318/EEC and 75/319/EEC⁵ concerning medicinal products for human use, and Directive 93/40/EEC* amending Directives 81/851/EEC and 81/852/EEC⁶ concerning veterinary medicinal products, and Directive 93/41/EEC* regulating the placing on the market of high-technology medicinal products, in particular those resulting from biotechnology, and repealing Directive 87/22/EEC.⁷ The aim of these Directives is to establish a decentralized procedure based on the principle of the mutual recognition of national authorizations. In addition, on 22 July the Council adopted Regulation (EEC) No 2309/93* laying down Community procedures for the authorization and supervision of medicinal products for human and veterinary use and establishing a European Agency for the Evaluation of Medicinal Products which the Brussels European Council in October decided should have its seat in London.⁸ On 26 February the Commission adopted a proposal* seeking to enable the Community to become a contracting party to the Council of Europe Convention on the elaboration of a European Pharmacopoeia.

78. On 18 October, the Council adopted Regulation (EEC) No 2901/93⁹* adapting to technical progress Regulation (EEC) No 2377/90 laying down the maximum authorized limits for residues of veterinary medicinal products in foodstuffs of animal origin.¹⁰

¹ OJ L 157, 24.6.1988; Twenty-second General Report, point 218.

² OJ C 15, 18.1.1994; COM(93) 659; Bull. EC 12-1993.

³ OJ C 1, 4.1.1994; COM(93) 609; Bull. EC 12-1993.

⁴ OJ 22, 9.2.1965; Eighth General Report, point 85.

⁵ OJ L 147, 9.6.1975; Ninth General Report, point 99.

⁶ OJ L 317, 6.11.1981; Fifteenth General Report, point 138.

⁷ OJ L 15, 17.1.1987; Twenty-first General Report, point 202.

⁸ Bull. EC 10-1993, point I.12.

⁹ OJ L 264, 23.10.1993.

¹⁰ OJ L 224, 18.8.1990; Twenty-fourth General Report, point 112.

79. On 2 April and 18 October respectively, the Commission adopted new proposals concerning restrictions on the placing on the market of nickel* and flammable substances used in aerosol dispensers*. On 5 April the Council adopted Directive 93/15/EEC* relating to the placing on the market and the supervision of explosives for civil uses.

80. Considerable progress was made in the motor vehicle sector, in particular as a result of the entry into force on 1 January of the EEC type-approval procedure provided for by Directive 92/53/EEC¹ for passenger cars. The Commission continued its work on the possibility of extending this procedure to cover other vehicle categories.

81. Where two- or three-wheel vehicles are concerned, the Council adopted 10 of the 24 separate texts provided for by framework Directive 92/61/EEC² in order to improve safety, namely separate Directives 93/14/EEC* and 93/29/EEC* to 93/34/EEC* concerning braking, controls, tell-tales and indicators, audible warning devices, stands, passenger restraint devices, anti-theft devices and statutory markings. It also adopted Directives 93/92/EEC* to 93/94/EEC* on lighting and light-signalling devices, masses and dimensions, and rear registration plates. On 30 November, under the co-decision-making procedure, the Commission submitted a new proposal for a separate Directive relating to tyres, fuel tanks and exhaust systems.³

Implementation of the new approach to technical harmonization and standardization

82. In order to make it easier for the Member States to apply the Directives adopted under the new approach set out in the Council resolution of 7 May 1985,⁴ the Commission organized sectoral meetings with the parties concerned in order to ensure a consistent interpretation of the provisions of the Directives. It also organized sectoral meetings between the notified certification bodies in order to ensure uniform application of the conformity assessment procedures provided for in the Directives. The Commission adopted proposals for Directives concerning pressure equipment* and articles of precious metal. The Council adopted Directive 93/44/EEC* amending Directive 89/392/EEC⁵ con-

¹ OJ L 225, 10.8.1992; Twenty-sixth General Report, point 113.

² OJ L 225, 10.8.1992; Twenty-sixth General Report, point 114.

³ COM(93) 449; Bull. EC 11-1993, point 1.2.2.

⁴ OJ C 136, 4.6.1985; Nineteenth General Report, point 210.

⁵ OJ L 183, 29.6.1989; Twenty-third General Report, point 99.

cerning machinery, Directive 93/95/EEC* amending Directive 89/686/EEC¹ concerning personal protective equipment and Directive 93/42/EEC* concerning medical devices.

83. The European Telecommunications Standards Institute (ETSI) having been added to the list of European standardization bodies annexed to Directive 83/189/EEC,² the Commission formally invited the Member States to notify it of the national standardization bodies covering the telecommunications sector and able to ensure, where appropriate, the withdrawal of divergent national standards, so that they could also be added to the list.

84. Following on from the Council resolution on the role of standardization in the European economy,³ the Commission continued its work aimed at identifying new areas of standardization with a view to the possibility of making proposals, in particular in areas such as environment policy, energy, food quality, safety at work and trans-European networks. The support in respect of the standardization measures aimed at opening up public procurement to competition was stepped up in order to supplement the Directives concerning these areas.

85. In order to improve cooperation with the European standardization bodies, measures aimed at making the standardization programmes more effective and at following them up were implemented. In addition, relations with other standardization bodies were reviewed and mandates were given for cooperation between the standardization bodies and NATO and Eurocontrol.

Certification policy

86. As the implementation of the various 'new approach' Directives had highlighted a series of inconsistencies with regard to the marking provisions, on 22 July the Council adopted Directive 93/68/EEC* amending all the existing new approach Directives, and Directive 93/465/EEC* aimed at consolidating the marking provisions of all future Directives.

87. In addition, in order to ensure effective and consistent management of the common external frontier, on 8 February the Council adopted Regulation (EEC)

¹ OJ L 399, 30.12.1989.

² Twenty-sixth General Report, point 119.

³ OJ C 173, 9.7.1992; Twenty-sixth General Report, point 120.

No 339/93 concerning conformity checks for products imported from third countries, the main aim of which is to give the customs authorities a common legal basis enabling them to suspend the release into free circulation of goods imported from third countries where such goods give grounds for the existence of a serious and immediate threat to health or safety.¹

Veterinary and plant health legislation, animal feedingstuffs

88. This year some important decisions were adopted in the veterinary and zootechnical field. On 14 and 24 June respectively, the Council adopted Decision 93/384/EEC* amending Directive 80/217/EEC introducing Community measures for the control of classical swine fever² and Directive 93/53/EEC* introducing minimum Community measures for the control of certain fish diseases. On 24 June it also adopted Directives 93/52/EEC* and 93/54/EEC*, as well as 93/60/EEC* on 30 June. These Directives concern bovine embryos, aquaculture animals and products and fresh bovine semen, respectively. On 22 December it also adopted Directive 93/118/EC* on the financing of veterinary inspections, which was accompanied by a resolution on strengthening veterinary epidemiological surveillance measures and Directives 93/120/EC* and 93/121/EC* on the health policy with regard to poultry.³ On 18 October, the Commission adopted a proposal for a Directive* subjecting pure-bred animals imported from third countries and their semen, ova and embryos to requirements similar to those already applicable in intra-Community trade in these products and animals. On 6 December, it also adopted proposals on the transmission of Newcastle disease* and an amendment to Decision 90/424/EEC on certain expenditure in the veterinary field.⁴

89. On 13 July, the Commission adopted a proposal on the transport of animals*, while the general issue of animal welfare was the subject of a Commission communication of 22 July⁵ and two Parliament resolutions, of 26 May⁶ and 15 December.⁷ On 22 December the Council adopted Directive 93/119/EC* on the protection of animals at the time of slaughter or destruction.

¹ Point 848 of this Report.

² OJ L 47, 21.2.1980.

³ Bull. EC 12-1993.

⁴ OJ L 224, 18.8.1990; Twenty-fourth General Report, point 96.

⁵ COM(93) 384; Bull. EC 7/8-1993, point 1.2.8.

⁶ OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.2.10.

⁷ OJ C 20, 24.1.1994; Bull. EC 12-1993.

90. Two communications concerning the monitoring of residues in meat¹ and bovine somatotropin² were also adopted, on 21 April and 13 July respectively. The question of residues in meat, which was also discussed by Parliament on 11 February³ and 26 May,⁴ was the subject of three proposals for Regulations*, adopted on 22 September, clarifying the current approval arrangements, prohibiting certain substances and strengthening penalties. On 22 December, the Council adopted Decision 93/218/EEC* extending the ban on somatotropin.

91. Following the Council's adoption of Directive 93/19/EEC* on 19 April, the plant health arrangements introduced by Directive 91/683/EEC⁵ and intended to remove all physical obstacles to trade entered into force on 1 June. In addition, on 4 October the Council adopted Directive 93/85/EEC* on the control of potato ring rot, which repeals Directive 80/665/EEC.⁶

92. The Community pesticides arrangements entered into force in July and the first phase of the 10-year cooperation programme between the Commission and the Member States for the reassessment of the existing active substances in plant protection products became operational on 1 August. To this end, on 21 October, the Commission adopted two proposals for Directives* concerning the detailed uniform principles to be applied by the Member States. Parliament also dealt with these matters in its resolution of 15 December.⁷ As part of the programme to fix maximum levels of pesticide residues in agricultural products, on 29 June the Council adopted Directives 93/57/EEC* and 93/58/EEC* fixing the maximum levels of residues of a number of such products.⁸

93. Following the entry into force on 1 January of the new Community arrangements provided for by Regulation (EEC) No 2092/91 on organic farming,⁹ the Commission adopted several implementing texts and, on 12 November, a proposal for a Regulation* improving the existing arrangements concerning labelling.

94. In addition, with regard to animal nutrition, on 13 September the Council adopted Directive 93/74/EEC* laying down special rules for feedingstuffs

¹ COM(93) 167; Bull. EC 4-1993, point 1.2.11.

² COM(93) 331; Bull. EC 7/8-1993, point 1.2.7.

³ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.18.

⁴ OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.2.9.

⁵ OJ L 376, 31.12.1991; Twenty-fifth General Report, point 116.

⁶ OJ L 180, 14.7.1980.

⁷ OJ C 20, 24.1.1994; Bull. EC 12-1993.

⁸ OJ L 211, 23.8.1993; Bull. EC 6-1993, point 1.2.25.

⁹ OJ L 198, 22.7.1991.

intended for particular nutritional purposes and on 4 December, it adopted Directive 93/114/EEC* amending Directive 70/524/EEC on additives¹ with a view to adjusting the provisions concerning labelling so as to allow the identification and monitoring of enzymes and micro-organisms which are the subject of an authorization and Directive 93/113/EEC* on the use and marketing of such substances. For its part, on 7 July the Commission adopted a proposal for a Decision* identifying the groups of additives which must be the subject of an authorization before they can be placed on the market. On 9 July it adopted a proposal for a Directive* amending the rules governing the authorization of additives and, on 21 October and 17 December, two proposals on controls in the field of animal nutrition*. In addition, on 26 November, it adopted a proposal to consolidate Directives 70/524/EEC and 74/63/EEC² on additives and undesirable substances and products in feedingstuffs. On 25 November, the Commission also adopted a proposal for a Directive laying down veterinary and animal health rules applicable to waste intended to be marketed as feedingstuffs for animals whose flesh is not intended for human consumption.

95. The Community's Veterinary and Phytosanitary Inspections Office (OICVP) organized inspections of establishments producing fresh meat as well as visits to establishments manufacturing meat products, both in the Member States and in third countries, and a series of visits concerning fishery and plant products in certain third countries. Various visits were also organized in the Member States, in the context of the prevention of infectious animal and plant diseases and to check on the application of the Community's new plant health strategy.

Special arrangements relating to freedom of movement

96. On 15 March, the Council adopted Directive 93/7/EEC* on the return of cultural assets which have illegally left the territory of a Member State, which supplements Regulation (EEC) No 3911/92³ on the export of cultural goods.

97. On 25 February the Commission adopted a recommendation on the European firearms pass inviting the Member States to introduce a uniform specimen for the pass with a view to facilitating the free movement of sportsmen wishing to engage in hunting or target fishing.⁴

¹ OJ L 270, 14.12.1970; Fourth General Report, point 181.

² OJ L 38, 11.2.1974; Eighth General Report, point 268.

³ OJ L 395, 31.12.1992; Twenty-sixth General Report, point 161.

⁴ OJ L 93, 17.4.1993.

Free movement of persons

Abolition of frontier checks

98. As free movement of persons had not been fully realized by 1 January 1993, the Commission stepped up its efforts to achieve without further delay this aim, which constitutes a key aspect of the Community construction process. To that end, it gave priority to a phased approach whereby pressure would first be brought to bear on Member States to give tangible expression to the progress promised for 1993 and then the steps taken reviewed in order to determine what further action was needed, particularly on the legislative front. On account of the Commission's failure, in violation of the Treaty, to present the proposals necessary for the establishment of the free movement of persons in accordance with Article 7a of the Treaty, Parliament, on 18 November, brought an action against the Commission on the basis of Article 175 of the Treaty.¹

99. Two recent developments are likely to facilitate the action the Commission intends to take during the second phase of its strategy. The entry into force of the Treaty on European Union presents the Commission with new opportunities, both at Community level and within the framework of Title VI of the Treaty, in spheres hitherto covered by intergovernmental cooperation. In addition, the Schengen countries reaffirmed their commitment to implement freedom of movement for individuals in their territories by 1 February 1994. While that commitment, once put into effect, will not lead to free movement for individuals throughout the Community, it will constitute a major step forward that will provide the Commission with a basis for taking appropriate measures to achieve further progress, both at Community level and within the framework of Title VI of the Treaty.

100. Acting on the basis of its new powers, the Commission adopted on 10 December a proposal for a Decision² establishing a convention on controls on persons crossing the Community's external frontiers* and a proposal for a Regulation, based on Article 100c of the EC Treaty, determining the third countries whose nationals must be in possession of a visa when crossing the external frontiers of the Member States*.

¹ Case C-445/93: OJ C 1, 4.1.1994.

² Bull. EC 11-1993, point 1.5.4.

These two proposals are an integral part of a comprehensive and cohesive approach to the abolition of checks on individuals at internal frontiers. They will be followed by proposals relating to the other remaining problems in this field.

101. On 9 December, the Commission adopted a recommendation for a Decision on the opening of negotiations between the Community and the Swiss Confederation on the free movement of persons.*

Free movement of persons in the Community

102. In addition to Directive 93/96/EEC,* adopted on 29 October following the Court of Justice's annulment of Directive 90/366/EEC on the right of residence for students,¹ the Council adopted on 5 April Directive 93/16/EEC providing for the legislative consolidation of the provisions on the free movement of doctors and the mutual recognition of their diplomas, certificates and other evidence of formal qualifications.*

Free movement of services

Implementation of Articles 59 to 66 of the EC Treaty

103. Although progress on free movement of services has been slower than that on free movement of goods, the number of complaints and, in general, of infringement procedures recorded under Article 59 of the EC Treaty has increased sharply this year, particularly in many non-harmonized 'atypical' service sectors.

104. If firms and individuals are to draw full benefit from the creation of an area without internal frontiers in the service sector, it is necessary to ensure greater clarity of Community law in this area and to emphasize that Article 59, which is directly applicable according to the Court's case-law, in itself grants operators properly established in their country of origin the right to supply services in another Member State without the latter being able to prevent exercise of that right on the grounds that the conditions of supply are different there. Only overriding reasons relating to the public interest may justify an

¹ Twenty-sixth General Report, point 1230.

exception to that principle, provided that it is proportionate to the aim in view. In this context, the Commission adopted on 6 December an interpretative communication concerning the free movement of services across frontiers.¹

Financial services

105. The Council adopted on 15 March and 10 May respectively, Directive 93/6/EEC on capital adequacy of investment firms and credit institutions* and Directive 93/22/EEC on investment services in the securities field.* These Directives constitute substantial progress towards completion of the single market in financial services and will enable this sector to develop under integrated and competitive market conditions.

106. In order to reinforce the monitoring capacity of the supervisory authorities, the Commission adopted on 28 July a proposal for a Directive* amending the prudential supervision arrangements established by the framework directives in the banking, insurance and securities sectors and providing for additional measures to prevent fraud. On 20 December the Council authorized the Commission to negotiate with certain third countries bilateral agreements on the supervision of credit institutions on a consolidated basis.²

107. The Commission adopted on 10 February a proposal for a Directive* amending Directive 85/611/EEC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS)³ and on 22 September a proposal for a Directive* on investor compensation schemes in the event of the failure of investment firms covered by Directive 92/22/EEC on investment services in the securities field.⁴ The latter proposal, which is designed to increase protection for investors and therefore their confidence in the single market, is based on the same principle as the proposal on deposit-guarantee schemes,* on which the Council adopted a common position on 25 October.

108. The list of approved credit institutions in the Community as at 31 December 1991 was published⁵ on 6 September.

¹ OJ C 334, 9.12.1993; Bull. EC 12-1993.

² Bull. EC 12-1993.

³ OJ L 375, 31.12.1985; Nineteenth General Report, point 234.

⁴ OJ L 141, 11.6.1993; Twenty-sixth General Report, point 134.

⁵ OJ C 242, 6.9.1993.

Means of payment

109. The Commission continued its work on improving the transparency, cost aspects, speed and reliability of cross-frontier payment systems, this being one of the fields in which Community citizens should be able to experience the practical benefits of the single market. Having judged the findings of a study on the transparency and efficiency of cross-frontier transfer payments to be unsatisfactory, it decided to consult the various parties concerned (banks, central banks, consumers and small businesses) with a view to proposing measures to ensure stricter application of the ethical standards involved. That consultation led to the adoption on 14 December of a plan of action which provides for a new study to be made on the basis of which the Commission, in the absence of any clear progress, will put forward a proposal for a Directive designed to ensure transparency of the conditions applicable to cross-frontier distance payments, to guarantee a speed of transfer that is reasonable and consistent with the payment order, and to introduce a repayment obligation in the event of a failure.¹ The Commission also continued to implement the programme set out in its working document² of 25 March 1992, particularly by studying the legal framework for transnational transfer payments, by examining the impact of statistical reporting and by pressing ahead with its discussions with the banking community on ways of improving payment-system infrastructures. At the same time, it sought to promote the application of Recommendations 87/598/EEC³ and 88/590/EEC⁴ on the interoperability of payment cards and, to that end, instituted negotiations between the credit industry and organizations representing traders and suppliers of services. Parliament for its part gave its endorsement⁵ on 12 February to the proposals put forward by the Commission in the March 1992 working document.

Other services

110. At its February part-session, Parliament paid particular attention to the future of the service sector in the context of the single market. It adopted two resolutions⁶ in which it deplored the delays in this field and reaffirmed the importance of the public sector in the Community context.

¹ Bull. EC 12-1993.

² Bull. EC 3-1992, point 1.2.7; Twenty-sixth General Report, point 130.

³ OJ L 365, 24.12.1987; Twenty-first General Report, point 232.

⁴ OJ L 317, 24.11.1988; Twenty-second General Report, point 253.

⁵ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.32.

⁶ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, points 1.2.30 and 1.2.31.

Free movement of capital

Liberalization of capital movements and removal of exchange controls

111. Since 1 January 1993, capital has been circulating freely in the Community following the removal in 1992 of the last remaining restrictions in Ireland, Spain and Portugal.¹ Only Greece has been authorized by Directive 92/122/EEC² to retain until 30 June 1994 a number of restrictions on short-term capital transactions in order to limit the risks of destabilizing capital movements occurring while it implements an economic stabilization programme.

Balance-of-payments support mechanism

112. Following a request from Italy for financial support for its balance of payments and its economic adjustment and reform programme, the Council adopted on 18 January pursuant to Regulation (EEC) No 1969/88³ Decision 93/67/EEC^{4*} making available to that country a loan of ECU 8 billion to be paid in four instalments; the second instalment was released by the Council on 13 September.⁵

Government procurement

113. The aim of creating a complete Community legislative framework for government procurement has finally been achieved. In addition to Directive 93/4/EEC* amending Directive 71/305/EEC on the coordination of procedures for the award of public works contracts,⁶ the Council adopted Directives 93/36/EEC* and 93/37/EEC* on the coordination of procedures for the award of public supply and works contracts and Directive 93/38/EEC* extending the scope of Directive 90/531/EEC⁷ on public supply and works contracts in the water, energy, transport and telecommunications sectors ('excluded' sectors) to cover purchases of services in those same sectors.

¹ Twenty-sixth General Report, point 137.

² OJ L 409, 31.12.1992; Twenty-sixth General Report, point 138.

³ OJ L 178, 8.7.1988; Twenty-second General Report, point 256.

⁴ OJ L 22, 30.1.1993; Bull. EC 1/2-1993, point 1.2.43.

⁵ Bull. EC 9-1993, point 1.2.25.

⁶ OJ L 185, 16.8.1971; Fifth General Report, point 167.

⁷ OJ L 297, 29.10.1990; Twenty-fourth General Report, point 121.

114. Alongside this work, the Commission carried out its normal monitoring of the application of the rules on public contracts. It also pressed ahead with its training measures and information campaigns for the economic agents involved in this field¹ and with its work on developing a specific information system for public procurement (SIMAP).

115. At international level, the Commission continued to participate in discussions on the extension of the GATT agreement on public procurement to works and service contracts and to regional and local entities and entities operating in the water, energy, transport and telecommunications sectors. At the same time, it pressed ahead with its liberalization efforts at bilateral level, particularly with the United States, with which only a partial agreement has so far been concluded that provides for the elimination of restrictions on access to supply, works and service contracts and for a reciprocal opening-up of the market in electrical equipment.² In a report³ adopted on 3 March, the Commission also reviewed the progress made in negotiations on access for Community enterprises to third-country markets in the 'excluded' sectors.

Intellectual and industrial property

Industrial property

116. In order to lower the obstacles to the free movement of products to which designs are applied, the Commission adopted on 3 December a proposal for a Parliament and Council Regulation guaranteeing Community protection for such designs⁴ and a proposal for a Directive on the approximation of the legislation of the Member States on the legal protection of designs on the basis of the principles adopted for Community protection.⁵

117. On 21 December, following settlement of the matter as to where the seat of the Trade Marks Office was to be located,⁶ the Council adopted Regulation (EC) No 40/94 on the Community trade mark,* which will enable companies to adapt their activities to the dimensions of the Community by obtaining,

¹ Twenty-sixth General Report, point 124.

² Point 695 of this Report.

³ COM(93) 80; Bull. EC 3-1993, point 1.2.17.

⁴ Bull. EC 7/8-1993, point 1.2.21; COM(93) 342; Bull. EC 12-1993.

⁵ Bull. EC 7/8-1993, point 1.2.21; OJ C 345, 23.12.1993; COM(93) 344; Bull. EC 12-1993.

⁶ Point 1019 of this Report.

through a single registration application, a trade mark covering all the Member States. On 16 December it reached agreement on a common position on the proposal for a Directive on the legal protection of biotechnological inventions.*

Copyright and neighbouring rights

118. With a view to supplementing Directive 89/552/EEC on 'television without frontiers',¹ the Council adopted on 27 September Directive 93/83/EEC on the coordination of certain rules concerning copyright and rights related to copyright applicable to satellite broadcasting and cable retransmission,* which stipulates in particular that the law applicable to satellite broadcasting is solely that of the Member State in which the transmission originates. With regard to simultaneous cable retransmission, it provides for rights to be administered exclusively through collecting societies.

119. The work on the harmonization of the term of protection for copyright and certain related rights culminated in the adoption on 29 October of Council Directive 93/98/EEC.* This Directive provides for a high level of protection for beneficiaries through the total harmonization of terms of protection, which have been set at 70 years after the author's death in the case of copyright and at 50 years after the first dissemination of the work in the case of related rights.

120. On 25 June the Council had authorized² the Commission to negotiate, on behalf of the Community and within the World Intellectual Property Organization (WIPO), a new agreement on the protection of the rights of phonogram producers and performing artists on the basis of Directive 92/100/EEC on rental right and lending right and on certain related rights.³

Other measures

121. By Decision 93/520/EEC⁴ of 27 September, the Council amended its Decision 93/16/EEC⁵ so as to include the Netherlands Antilles and Aruba in the list of territories whose nationals benefit temporarily from the legal protection of topographies of semiconductor products. By Decision 93/217/EEC of

¹ OJ L 298, 17.10.1989; Twenty-third General Report, point 227.

² Bull. EC 6-1993, point 1.2.33.

³ OJ L 346, 27.11.1992; Twenty-sixth General Report, point 143.

⁴ OJ L 246, 2.10.1993; Bull. EC 9-1993, point 1.2.21.

⁵ OJ L 11, 19.1.1993; Twenty-sixth General Report, point 146.

19 March,¹ the Commission established that the United States fulfilled the reciprocity condition laid down in Decision 93/16/EEC, and so proposed on 10 December that the validity of Decision 93/16/EEC be extended as regards the United States. Accordingly, the Council adopted Decision 94/4/EC² extending the period of validity and covering the period from 1 January to 1 July 1994 pending completion of the procedure for the mutual granting of unlimited protection.

Taxation

Value-added tax (VAT) and excise duties

122. On 1 January, the new arrangements provided for in the transitional VAT regime came into force. As a result, the charging of VAT on imports within the Community and the associated customs-based formalities ceased to exist. Coordinated efforts were made by the Commission and the Member States to minimize teething problems, particularly through regular meetings of the VAT Committee and the Standing Committee on Administrative Cooperation. In addition, derogations were granted to a number of Member States with a view to simplifying the procedure for charging tax (exemptions for repair services and for the domestic portion of intra-Community journeys).³ Measures derogating from the provisions of Directive 77/388/EEC⁴ were also adopted in respect of France, the United Kingdom⁵ and Germany.⁶

123. On 13 December, after many years of negotiation, the Council adopted conclusions on the proposal concerning the special VAT arrangements applicable to second-hand goods, works of art, collectors' items and antiques.⁷ The arrangements provide for taxation of the dealer's profit margin, and not the total value of the goods, and leave transactions between individuals outside the scope of VAT. They thus confirm the principle of complete freedom of movement for all such goods and remove any risk of distortion of competition within the Community. On 25 October the Council reached agreement on the proposal

¹ OJ L 94, 20.4.1993.

² OJ L 6, 8.1.1994; Bull. EC 12-1993.

³ OJ L 273, 5.11.1993.

⁴ OJ L 145, 13.6.1977; Eleventh General Report, point 219.

⁵ OJ L 43, 20.2.1993; OJ L 88, 6.4.1993.

⁶ OJ L 7, 11.1.1994.

⁷ Bull. EC 12-1993.

for a Directive setting the level of tax allowances applicable to travellers within the Community or from third countries.*

124. Following the entry into force on 1 January of the new Community rules on the rates and structures of excise duties as well as those relating to the general arrangements for products subject to excise duty and for the holding and movement of such products, regular meetings were held by the Committee on Excise Duties that enabled the Commission and the Member States to tackle the inevitable teething problems arising from implementation of the new legislation.¹

125. By Decision 93/697/EC,² the Council authorized a number of Member States to apply or to continue to apply excise-duty reductions or exemptions to certain mineral oils used for specific purposes, while the Commission adopted on 16 December a proposal for a Directive on the marking of gasoil for tax purposes.*

126. In the context of the electronic exchange of data between indirect tax authorities, the Commission introduced an information system ("Scent (taxation)") which is designed to combat fraud in the VAT and excise-duty fields and which now provides a link between the relevant authorities in the Member States and the Commission. The Commission has also continued this year to develop and administer other information-exchange systems in the customs and tax spheres.

Direct taxation

127. In order to allow more enterprises to benefit from the elimination of the principal forms of double taxation of cross-frontier flows in the Community, the Commission adopted on 26 July two proposals for Directives* extending the scope, firstly, of Directive 90/434/EEC on the common system of taxation applicable to mergers, divisions, transfers of assets and exchanges of shares concerning companies of different Member States³ and, secondly, of Directive 90/435/EEC⁴ on the common system of taxation applicable in the case of parent companies and subsidiaries of different Member States.⁵ In the light

¹ OJ L 273, 5.11.1993.

² OJ L 321, 23.12.1993; Bull. EC 12-1993.

³ OJ L 225, 20.8.1990; Twenty-fourth General Report, point 155.

⁴ OJ L 225, 20.8.1990; Twenty-fourth General Report, point 150.

⁵ OJ L 225, 20.8.1990; Twenty-fourth General Report, point 155.

of the recommendations contained in the Ruding Committee report,¹ these proposals are designed in particular to extend the scope of the existing directives to all enterprises subject to corporation tax and engaged in cross-frontier activities in the Community.

128. In addition, the Council set out, in conclusions adopted on 13 December, the general principles for the study and implementation of a policy for taxing savings.² On 21 December, the Commission adopted a recommendation on the taxation of certain items of income received by non-residents in a Member State other than that in which they are resident.³

Company law

129. On 1 September, the Commission adopted a proposal for a Directive* amending the fourth and seventh Directives on the annual accounts and consolidated accounts of companies⁴ by increasing the amounts expressed in ecus that are used to define the small and medium-sized firms for which Member States may ease the burden of obligations regarding the publication of annual accounts.

Trans-European networks

130. Pending the entry into force of the Treaty on European Union, which provides for the establishment and development of trans-European networks, the Copenhagen European Council reaffirmed the role that such networks can play in the revival of economic growth, competitiveness and employment.⁵ This is one of the main themes of the White Paper⁶ submitted by the Commission to the European Council in December in which it proposes a series of specific projects of Community interest in this area, and advocates *ad hoc* measures, including declarations of European interest, designed to reduce project lead times and encourage the provision of private capital. In addition, since the networks are vital to the effectiveness of the internal market, the strategic

¹ Twenty-sixth General Report, point 147.

² Bull. EC 12-1993.

³ Bull. EC 12-1993.

⁴ OJ L 222, 14.8.1978; OJ L 317, 16.11.1990; Twelfth General Report, point 108; Twenty-fourth General Report, point 143.

⁵ Bull. EC 6-1993, point I.4.

⁶ Point 31 of this Report.

programme¹ adopted by the Commission provides for measures to facilitate the private financing of infrastructures or the creation of more effective conditions to ensure interoperability of networks. The various financial instruments intended to facilitate the completion of the networks are, in particular, the cohesion financial instrument,² certain activities provided for under the Structural Funds for the period 1994-98,³ and the EIB temporary lending facility.⁴ The Copenhagen European Council requested the EIB to increase the amount of this facility, with an additional ECU 2 billion to be devoted to the networks. These financial instruments give priority to the financing of transport, electricity and natural gas transmission and telecommunications networks.

Transport

131. Having already endorsed the high-speed rail network master plan, on 29 October the Council adopted Decisions⁵ concerning the master plans for roads, inland waterways and combined transport. The Commission, for its part, focused on the preparation and adoption of the master plans for conventional railways, airports, air traffic management, seaports, and the interconnection and interoperability of Community networks with those in third countries, especially in Central and Eastern Europe, in the more general framework of a multimodal approach including the master plans already adopted.

Telecommunications

132. On 12 March, the Commission adopted two proposals for Decisions on trans-European data-communications networks between administrations (TNA and IDA)⁶ and on 22 July, it adopted a communication on preparatory actions in the field of trans-European integrated broadband communications networks and two proposals concerning the development of the Integrated Services Digital Network (ISDN).⁷

¹ Point 70 of this Report.

² Point 416 *et seq.* of this Report.

³ Point 384 of this Report.

⁴ Point 53 of this Report.

⁵ Point 305 of this Report.

⁶ Point 203 of this Report.

⁷ Point 346 of this Report.

Section 4

Competition¹

Priority activities and objectives

133. *The moves to complete the single market and the economic slowdown have highlighted the importance of competition policy at a time when employment and competitiveness are of prime concern. In the course of the year the Commission accordingly pursued a vigorous competition policy, which is essential to the full achievement and proper functioning of the single market and can make a significant contribution to economic recovery and job creation.*

In particular, an important step was taken towards opening up to competition national monopolies since these represent one of the major obstacles to completion of the single market, notably in the telecommunications sector. Following wide-ranging consultations with all the parties concerned, the Commission took the view, with the backing of the Council, that the monopolies in voice telephony should be abolished after a transitional period allowing the necessary adjustments to be made in the sector while ensuring that the universal service was maintained.² This decision is of major importance for consumers and for the competitiveness of European firms as both groups will benefit from better-quality services and improved access to them.

Because of the economic crisis, the public authorities in the Member States have been under great pressure to provide aid for firms in difficulty, particularly in long-established industries such as steel, which was one of the Community's main concerns during the year. The Commission made its authorization of aid strictly dependent on considerations of economic and social cohesion and on capacity reductions and restructuring plans that could ensure longer-term competitiveness and employment stability. The privatization programmes being pursued in several Member States gave rise to a number of important State aids and, in some cases, merger control decisions.

Many firms also sought to enter into strategic alliances that would allow them to link up with partners whose activities were complementary to their own and

¹ For further details see the *Twenty-third Report on Competition Policy* (1993), to be published by the Office for Official Publications of the European Communities in 1994 in conjunction with this General Report.

² Point 341 of this Report.

to penetrate new markets, so as to take advantage of the benefits of the single market and acquire an international dimension. Such arrangements were approved provided that they contributed to the structural adjustment of European industry without jeopardizing the maintenance or development of effective competition or damaging the dynamism of the economy. Important decisions were taken on transport, notably shipping, and two new block exemption regulations were adopted on air transport. Since the entry into force of Regulation (EEC) No 151/93, which extends the scope of four block exemption regulations,¹ and the publication of the notice on cooperative joint ventures,² a legal framework exists that will allow cooperative joint ventures to play their role fully in developing competitive structures in the Community. To back up these measures, the Commission is currently drawing up new procedural rules designed to speed up the assessment of cooperative joint ventures of a structural nature so as to bring it more closely into line with the assessment of concentrative joint ventures under Regulation (EEC) No 4064/89.³

134. On 5 May the Commission adopted the Twenty-second Report on Competition Policy,⁴ on which the Economic and Social Committee gave its opinion on 24 November. The report explains in plain terms how the Commission is implementing competition policy in a radically changed environment where, in addition to the completion of the internal market, the globalization of markets and the speed of technological change, account must also be taken of the slowdown in economic growth, with its social consequences, and of effective application of the principle of subsidiarity.

Competition rules applying to businesses

135. New cases under Articles 85 and 86 of the EEC Treaty totalled 396, comprising 266 applications or notifications, 105 complaints and 25 cases where the Commission acted on its own initiative. The figure of 1 562 cases pending at 31 December 1992 was reduced to 1 126 by 31 December 1993.

¹ OJ L 21, 29.1.1993.

² Point 140 of this Report.

³ OJ L 395, 30.12.1989; Twenty-third General Report, point 376.

⁴ COM(93) 162; Bull. EC 5-1993, point 1.2.31.

General rules

136. The new block exemption Regulations (EEC) Nos 1617/93 and 1618/93 on air transport,¹ adopted by the Commission on 25 June and applicable until 30 June 1998, form part of the third package of air transport liberalization measures² and are aimed at fostering greater competition in air transport, while at the same time allowing airlines to cooperate on certain aspects that will be of benefit to consumers. By Regulation (EC) No 3652/93,³ the Commission also renewed the block exemption for computerized reservation systems (CRS).

137. On 11 November,⁴ the Commission adopted a preliminary draft block exemption Regulation on shipping consortia, pursuant to Council Regulation (EC) No 479/92 on the application of Article 85(3) of the Treaty to certain categories of agreements, decisions and concerted practices between liner shipping companies.⁵

Prohibited agreements

138. In June the Commission prohibited a tariff set by the Italian national council of customs agents (*Consiglio nazionale degli spedizionieri doganali*), though it did not impose any fine. This was the first time that the Commission had acted against a decision taken by a professional association, i.e. one whose members operate in one of the professions. An appeal against the Commission's decision has been lodged with the Court of First Instance.⁶

139. In another sector, the Commission maintained a firm stance on conduct aimed at compartmentalizing markets within the Community. In *Zera Montedison/Hinkens Stähler*,⁷ it ruled that it was an infringement of competition law for a manufacturer to grant a distributor absolute territorial protection by seeking, under the agreement between them, to have products which often differed only slightly from one another approved in the various Member

¹ OJ L 155, 26.6.1993; Bull. CE 6-1993, points 1.2.47 and 1.2.48.

² Point 325 of this Report.

³ OJ L 333, 31.12.1993; Bull. EC 12-1993.

⁴ Bull. EC 11-1993, point 1.2.44.

⁵ OJ L 55, 29.2.1992; Twenty-sixth General Report, point 197.

⁶ OJ L 203, 13.8.1993.

⁷ OJ L 272, 4.11.1993; Bull. EC 6-1993, point 1.2.49.

States, thus making parallel imports impossible if the imported products did not meet the approval requirements of the Member State of importation.

Permissible forms of cooperation

140. In accordance with its established policy,¹ the Commission authorized various forms of cooperation between firms. Acting within the agreed two-month deadline, it took the first decisions on cooperative joint ventures notified following the adoption, in December 1992, of the notice on the assessment of such agreements under Article 85 of the Treaty.² The first case is particularly significant as an indicator of the Commission's attitude. The companies Philips, Thomson and Sagem decided to set up a cooperative joint venture for the development, manufacture and sale of active matrix liquid crystal displays, and the Commission approved the operation, making it clear that, although the parent companies were competitors as regards screens in general and flat screens in particular, the joint venture was a means of introducing faster into Europe a new technology which had great potential but whose development costs were very high, and this in an area in which there was considerable technical and industrial uncertainty and in which competition was increasingly worldwide.³

141. Other forms of cooperation were also accepted. The Commission cleared, subject to certain limits, a world exclusivity contract between a university institute, Cyclopore, and a pharmaceuticals firm, Becton Dickinson, on the grounds that their agreement allowed a product deriving from university research to be marketed, while at the same time affording third parties access to the innovatory product after a period of exclusivity.

142. The Financial Network Association was set up by 12 leading telecommunications organizations to provide an extensive range of telecommunications services for their customers in the financial sector. The Commission initially took the view that such cooperation could lead to cross-subsidization, the pooling of reserved and non-reserved services, and discrimination against private suppliers of services. However, its doubts were removed following undertakings given by the parties concerned, and the operation was authorized under Article 85(3) of the EEC Treaty.

¹ Twenty-sixth General Report, point 208.

² OJ C 43, 16.2.1993; Twenty-sixth General Report, point 199.

³ Bull. EC 1/2-1993, point 1.2.55.

143. The Commission also authorized, under Article 66 of the ECSC Treaty, the reorganization of the activities of Usinor-Sacilor and Arbed, which have decided to cooperate in order to develop products which both had until then produced and marketed.¹

Mergers

144. On 28 July, following extensive consultations and an in-depth survey, the Commission adopted a report² on the application of Regulation (EEC) No 4064/89 on the control of concentrations,³ which provides that the turnover thresholds and the conditions for case referral to the national authorities, both of which determine the Community's sphere of competence, must be reviewed before the end of 1993. Although there are strong arguments in favour of threshold reduction, having regard in particular to the gradual economic integration of the Community, the Commission decided against proposing any reduction at this stage. A significant number of Member States felt that threshold reduction would be premature because the Community Merger Control Regulation was too recent; furthermore, although there was broad support in business circles, this was not universal. Consequently, in its report the Commission recommends that further experience should be gained on the basis of the current provisions but that threshold reduction, case referral and other possible amendments should be re-examined before the end of 1996 at the latest.

145. In the meantime the Commission will seek to improve transparency and procedural efficiency by adopting interpretative notices on legal and technical issues, including a new notice on concentrative and cooperative joint ventures, by publishing in advance proposed commitments offered by notifying parties where the merger raises problems of competition, and by taking other steps falling within its powers.

146. In the course of the year the Commission received 58 notifications and took 61 decisions under Regulation (EEC) No 4064/89. As in previous years,⁴ it was able to clear the large majority of cases at the first stage of examination.

¹ Bull. EC 7/8-1993, point 1.2.46.

² COM(93) 385; Bull. EC 7/8-1993, point 1.2.37.

³ OJ L 395, 30.12.1989 (corrigendum: OJ L 257, 21.9.1990); Twenty-third General Report, point 376.

⁴ Twenty-sixth General Report, points 210 to 212.

Nevertheless, in a number of cases it found it necessary to initiate the second-stage examination.

147. In the *Kali+Salz/MdK/Treuhand* case,¹ the Commission decided to initiate proceedings since the proposed joint venture, which will combine the potash and rock salt business of the two existing German potash producers, raised serious doubts as to its compatibility with the common market. The merging companies would have an extremely high market share on the German potash market and would be the market leaders in the Community. A final decision authorizing the merger subject to certain conditions was adopted on 14 December.

148. Continuing its policy of applying the Merger Regulation to positions of oligopolistic dominance, the Commission also initiated proceedings in the *Pilkington/SIV* case,² which concerned two flat-glass producers, and in the *Mannesman/Vallourec/Ilva* case,³ concerning seamless stainless steel tubes. In the *KNP/BT/VRG* case,⁴ it cleared the merger between the three Dutch companies on condition that either BT or VRG terminate their distribution and maintenance service contracts for printing presses in Belgium and the Netherlands and dispose of the corresponding assets for such contracts to interested third parties.

149. The Commission received 26 notifications under Article 66 of the ECSC Treaty. Of these, 6 were dealt with by way of a decision and 9 by means of an exemption letter under High Authority Decision No 25-67. The main cases were *Usinor-Sacilor-Barcelonesa*, *Profilarbed-Unimetal* and *Laubag-Espag*.

Public enterprises and national monopolies

150. In a communication dated 28 April, the Commission outlined the future regulatory framework for telecommunications, setting out a timetable for the abolition of remaining exclusive rights relating to voice telephony.⁵

151. Following the judgment by the Court of Justice⁶ annulling for procedural reasons its 1991 communication on public undertakings,⁷ the Commission

¹ Bull. EC 7/8-1993, point 1.2.43.

² Bull. EC 9-1993, point 1.2.31.

³ Bull. EC 9-1993, point 1.2.36.

⁴ OJ L 217, 27.8.1993; Bull. EC 5-1993, point 1.2.33.

⁵ Point 341 of this Report.

⁶ Point 1137 of this Report.

⁷ OJ C 273, 18.10.1991; Twenty-fifth General Report, point 258.

amended Directive 80/723/EEC on the transparency of financial relations between Member States and public undertakings,¹ incorporating into it the reporting system provided for in the communication and designed to identify those cases in which aid is present in financial flows between public authorities and publicly-owned companies. At the same time it amended the communication, which became simply a statement of the Commission's policy on the matter.²

State aid

General schemes

152. Following the adoption in 1992 of the guidelines on aid for small and medium-sized enterprises,³ an important task for the Commission this year was the adjustment of existing SME aid schemes.

153. On 7 December the Commission adopted new guidelines on State aid for environmental protection.⁴ The new guidelines, which are more detailed than the previous ones and take account of the growing range of financial assistance provided by Member States in this area, will, like the fifth Community action programme on the environment,⁵ be applicable until the end of 1999.

154. Pursuing its work on information and transparency, the Commission organized two multilateral meetings with the Member States on State aid matters and published a new compendium of State aid legislation and notices, together with an explanatory guide. It also introduced a system of standardized notifications and reports so as to ease administrative formalities for Member States and improve the flow of information available to the Commission on State aid.⁶

¹ OJ L 195, 29.7.1980; Fourteenth General Report, point 195.

² Bull. EC 7/8-1993, point 1.2.80.

³ OJ C 213, 19.8.1992; Twenty-sixth General Report, point 213.

⁴ Bull. EC 12-1993.

⁵ Twenty-sixth General Report, point 589.

⁶ Bull. EC 3-1993, point 1.2.39.

Industry schemes

155. Because of the crisis in the steel industry the Commission has adopted a more vigilant stance on monitoring aid to ailing firms. In a number of cases involving restructuring and privatization plans in Germany (EKO Stahl¹ and Freital²), Italy (Ilva),³ Spain (CSI⁴ and Sidenor⁵) and Portugal (Siderurgia Nacional)⁶ notified by those Member States and comprising aid elements that were incompatible with the aid code, the Commission had to put forward proposals requiring the unanimous assent of the Council by way of derogation pursuant to Article 95 of the ECSC Treaty. The Council gave its assent on 22 December.⁷ In all the cases, the essential condition was that the aid had to be offset sufficiently by capacity reductions; this is necessary to further the process of stabilizing the Community steel industry, a process which requires overall agreement on reducing overcapacity so as to make the industry competitive on a long-term basis.

156. The Commission also pursued and indeed intensified its restrictive policy on aid for other sectors in difficulty. The crisis affecting almost the whole of European industry has resulted in a worsening of overcapacity in the motor vehicle and synthetic fibres industries, necessitating strict control of aid. The Commission also stepped up its monitoring of privatization and restructuring operations involving firms in the former German Democratic Republic, particularly in the chemical industry.

157. As regards air transport, the Commission examined the aid granted to the airline TAP and the tax aid in Germany provided through an accelerated depreciation allowance.

158. The Council extended for one year, through Directive 93/115/EC* of 16 December, the seventh Directive 90/684/EEC on aid to shipbuilding.⁸ The Commission set the aid ceiling at 9%.

159. In connection with the repayment of creditors of the state holding company EFIM, which is currently in liquidation, the Commission reached an

¹ Bull. EC 12-1993.

² Bull. EC 7/8-1993, point 1.2.56.

³ Bull. EC 11-1993, point 1.2.62.

⁴ Bull. EC 9-1993, point 1.2.49.

⁵ Bull. EC 7/8-1992, point 1.3.69.

⁶ Bull. EC 11-1993, point 1.2.62.

⁷ Bull. EC 12-1993.

⁸ OJ L 380, 31.12.1990; Twenty-fourth General Report, point 205.

agreement with the Italian Government covering a number of Italian enterprises wholly owned by the Treasury.¹ The debts of such enterprises will be frozen on 31 December 1993 and will be reduced over the following three years to a level that is acceptable in the private sector prior to their privatization, which, even if only partial, will eliminate the problem of the State's full and automatic guarantee in respect of the debts of those enterprises.

Regional schemes

160. The Commission continued its work of monitoring regional aid schemes, taking particular account of their impact on the Community's economic and social cohesion and accordingly imposing limits on the size of the assisted areas in the most developed Member States.

161. In this connection, it reviewed the system of regional aid in force in several Member States and, at the same time, adopted new rules for the Structural Funds for the 1994-99 planning period.²

International aspects

162. The Europe Agreement concluded with Romania³ along the lines of those entered into with other Central and East European countries covers many aspects and contains important provisions designed to prevent distortions of competition in trade between Romania and the Community. The basic rules are very closely modelled on those laid down in the EEC Treaty, and the contracting parties have undertaken to adopt implementing rules within a given period. Exploratory work was undertaken for this purpose with the other associated countries at the meetings of the relevant joint committees.⁴

163. Cooperation with the United States anti-trust authorities continued, resulting in an exchange of information in accordance with the rules established in the cooperation agreement concluded between the United States and the Community.⁵ Under Article XI, the agreement should have been reviewed by 23 September. However, since the Court had not yet given a ruling in Case C-327/91 brought by France against the Commission, in which France contests the validity of the agreement, it was decided not to carry out the review yet.

¹ Bull. EC 7/8-1993, point 1.2.74.

² Point 384 of this Report.

³ Point 648 of this Report.

⁴ Point 687 of this Report.

⁵ Twenty-fifth General Report, point 246.

Section 5

Enterprise policy and services

Priority activities and objectives

164. *Given the need for businesses to adjust to the structural changes and new circumstances brought about by the moves to complete the single market, and since it recognizes the vital contribution which small and medium-sized enterprises (SMEs) can make to stimulating growth, the Community has this year given fresh impetus to its enterprise policy, particularly where SMEs are concerned. Thus, on 14 June the Council adopted Decision 93/379/EEC* on a multiannual programme of Community measures for enterprises running from 1 July 1993 to 31 December 1996. The framework into which this programme fits was considerably enlarged by the Council Resolution of 22 November on strengthening the competitiveness of enterprises and developing employment,¹ in which the Commission was asked to examine at the earliest possible opportunity concrete proposals for the achievement of an integrated programme for SMEs and craft enterprises by means of a Community initiative programme. In addition, in response to the conclusions reached by the Copenhagen European Council, which proposed that the EIB temporary lending facility be extended to SMEs, with an amount of ECU 1 billion being earmarked for them, the Council agreed on 22 December to provide interest-rate subsidies in that connection.²*

Promotion of enterprises and the business environment

165. As a follow-up to its second report on administrative simplification in the Community,³ the Commission continued its efforts to improve the business environment and to alleviate the administrative and legal constraints resulting from Community legislation. For example, it took a series of fresh measures to improve and strengthen the system for assessing the impact of Community legislation on businesses,⁴ in particular as regards increased openness and the

¹ OJ C 326, 3.12.1993; Bull. EC 11-1993, point 1.2.70.

² Point 42 of this Report.

³ Twenty-sixth General Report, point 231.

⁴ Twenty-third General Report, point 292.

consultation of trade organizations. The Commission's legislative programme will in future be published in the Official Journal,¹ indicating all the proposals subject to 'preconsultation' and assessing their impact on enterprises.

166. The problems which SMEs experience in obtaining finance were discussed in a Commission communication of 10 November,² which followed on from the Council Resolution of 17 June 1992.³ On the basis of a working paper⁴ — welcomed by the Economic and Social Committee⁵ — on whether Community measures should be taken to combat the lengthening of payment periods and the increasing problem of late payment in transactions between enterprises or between them and public authorities, the Commission held wide-ranging consultations with all those concerned. It also arranged a discussion with representatives of Member States' financial institutions with a view to raising awareness of the specific financing difficulties facing SMEs and to providing concrete solutions to them.

Supply of business services — Improving the adaptability of firms to the internal market

Improving the flow of information

167. The network of 210 Euro-Info-Centres (EICs) has gradually been expanded through the creation of 16 correspondence centres in the EFTA countries, Central and Eastern Europe, and the Mediterranean basin (Cyprus, the Maghreb countries and Turkey). The European Week for Business,⁶ which was held from 4 to 8 October and during which more than 2 000 events took place, bore witness to the efforts made by the confidential European Business Cooperation Network (BC-Net), the Business Cooperation Centre (BRE) and the EICs to promote and provide information on the various instruments and services devised for SMEs. The Commission continued its regular consultations with European trade organizations representing SMEs on Community measures affecting them.

¹ Point 997 of this Report.

² COM(93) 528; Bull. EC 11-1993, point 1.2.71.

³ OJ C 178, 15.7.1992; Twenty-sixth General Report, point 229.

⁴ Twenty-sixth General Report, point 233.

⁵ OJ C 249, 13.9.1993; Bull. EC 6-1993, point 1.2.84.

⁶ Bull. EC 10-1993, point 1.2.65.

Fostering cooperation

168. BC-Net now has some 600 members and covers all the regions of the Community and an increasing number of third countries, while the BRE, which aims to be an effective vehicle for promoting business contacts of a non-confidential nature, currently covers 54 countries in most continents.

169. Since 1991¹ the 'Europartenariat' operation has been organized on a twice-yearly basis. On 17 and 18 June a 'Europartenariat' event focusing on North-East France was held in Lille at which 1 757 SMEs from 42 Community and third countries had the opportunity to establish contacts with 414 local businesses with a view to concluding cooperation agreements. The year's second event was held in Glasgow on 13 and 14 December, bringing together 335 Scottish enterprises and 1 294 visiting enterprises and resulting in 5 700 contacts. A total of 44 projects were approved under the Interprise programme.²

170. On 21 April, Parliament adopted a resolution on the market in subcontracting,³ which is now recognized in the new multiannual programme for SMEs as a priority area of enterprise policy. This sector will thus benefit from increased resources, making it possible to strengthen and implement from 1993 a wide range of measures, including a pilot project in the consumer electronics sector, surveys, the Europeanization of subcontracting databanks and exchanges, and measures to foster wider dissemination of information on opportunities for cooperation.

Preparing small businesses for the single market

171. The Commission consolidated its programme of experimental training schemes⁴ designed to help SMEs prepare for the single market. To this end, it created a European network of trainers specialized in the training of SME managers, the aim being to allow them to exchange experiences and to make it easier for them to cooperate on a transnational basis. Following the launch of the Euromanagement pilot scheme concerning standardization, certification, quality control and safety,⁵ 52 consultants in the fields of certification, quality control and safety at the workplace carried out audits in 780 SMEs in order to

¹ Twenty-fifth General Report, point 293.

² Twenty-fifth General Report, point 294.

³ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.62.

⁴ Twenty-sixth General Report, point 239.

⁵ Twenty-sixth General Report, point 240.

assist managers in identifying and resolving the problems encountered in these fields following completion of the single market.

172. In line with the recommendations made in the Commission's communication on SME participation in public procurement in the Community,¹ particular attention has been paid to the use of the EIC and BC-Net networks in improving information and assisting partner-search operations.

Seed capital

173. Following the setting-up under the pilot scheme launched in 1988² of 25 seed capital funds,³ 131 investments were carried out in 1993, with the same number of new companies being set up and more than 1 600 jobs being created.

Small businesses and the craft sector

174. On the basis of the conclusions of the first European conference on the craft sector and small businesses, the Commission launched a series of pilot schemes designed to make it easier for this sector to participate in the single market. The schemes focus on cooperation between small businesses and between trade organizations, the transfer of technology, quality, training and the dismantling of obstacles in frontier areas.

Other measures to assist small businesses

175. As a follow-up to the first annual report of the European observatory for SMEs,⁴ the Commission adopted on 5 November⁵ a communication concerning in particular the observatory's political recommendations.

176. In the context of its communication on the role of mutual guarantee schemes in financing SMEs,⁶ the Commission supported a number of European

¹ Twenty-sixth General Report, point 241.

² Twenty-second General Report, point 339.

³ Twenty-sixth General Report, point 242.

⁴ Twenty-sixth General Report, point 243.

⁵ COM(93) 527; Bull. EC 11-1993, point 1.2.72.

⁶ Twenty-fifth General Report, point 300.

promotion and cooperation measures, including a pilot project between the European Mutual Guarantee Association¹ and Portugal.

177. On 30 September, the Commission adopted a communication on SMEs and Community activity in research and technological development² aimed at increasing SME participation in the various Community R&TD programmes.

The cooperative, mutual and non-profit sector

178. As an accompaniment to its proposals concerning the statutes for a European cooperative society, a European mutual society and a European association and regarding the involvement of employees,³ the Commission played a part in establishing a European financing mechanism under which a European investment company that will provide equity for cooperatives, mutual societies and associations, and two unit trusts will be set up.

The distributive trades

179. In the context of its communication on a single market in distribution,⁴ the Commission completed among other things the first phase of the 'COMM 2000' programme,⁵ which had led to the selection of 11 projects involving the part-financing of trade cooperation schemes based on the use of new technology.

Tourism

180. The Commission began implementing the priority measures spelt out in the Community action plan to assist tourism,⁶ which entered into force on 1 January, ensuring that the Member States' authorities and those working in the tourism sector are closely involved. On 1 September, it adopted the final report⁷ on the implementation of the two-year programme (1991-92) for developing Community tourism statistics.⁸

¹ Twenty-sixth General Report, point 244.

² COM(93) 356; Bull. EC 9-1993, point 1.2.57.

³ Twenty-fifth General Report, point 301.

⁴ Twenty-fifth General Report, point 303.

⁵ OJ L 231, 13.8.1992; OJ C 128, 8.5.1993; Twenty-fifth General Report, point 303.

⁶ Twenty-sixth General Report, point 248.

⁷ COM(93) 345.

⁸ OJ L 358, 1.12.1990; Twenty-fourth General Report, point 246.

Section 6

Industrial policy

Priority activities and objectives

181. *The Commission's activities in the industrial sphere continued to follow the broad lines set out in the 1990 Commission communication on industrial policy in an open and competitive environment,¹ while taking into account new economic factors.*

Positive adjustment to change, one of the underlying principles of the Community's industrial policy, involves the anticipation of problems before they begin to have an adverse effect on competitiveness. In the short time available, it has not proved possible to put into place all of the types of instruments necessary to operate on an anticipatory basis, as provided for in the communication, with the result that certain sectors of industry were faced with unforeseen problems which needed to be solved by using the Community and national instruments already in place. However, the Commission adhered to the basic principles enshrined in its communication, and avoided the use of sectoral interventionist or protectionist measures. A good example of this approach is the restructuring undertaken in the steel sector.

The Commission continued to follow up the across-the-board aspects of its communication, particularly concerning the impact of other Community policies on industrial competitiveness. This interrelationship is also taken into account in the strategy set out by the Commission in the White Paper on competitiveness, growth and employment.²

Industrial competitiveness — General aspects

182. *Following on from its 1992 communication,³ the Commission continued its studies and evaluations concerning the interrelationship between industrial competitiveness and environmental protection, and on 4 May the Council*

¹ Twenty-fourth General Report, point 212.

² Point 16 of this Report.

³ Twenty-sixth General Report, point 249.

adopted conclusions¹ emphasizing in particular the need for in-depth dialogue on the subject with industry, especially small and medium-sized enterprises.

183. In preparing the fourth framework programme for Community research and technological development activities (1994-98),² the Commission took account of the importance of research policy for industrial competitiveness, in accordance with its 1992 communication on the second package of structural and financial measures.³

184. As increased competition is forcing companies constantly to adapt, the Commission has undertaken a series of sectoral analyses aimed at developing a Community approach to management concepts, business organization and labour skills, in order to enable industrial companies to adapt to ever-changing situations in the market-place.

185. Quality, which had already been singled out as a factor for improved competitiveness in the Commission communication on industrial policy,⁴ is also touched upon in the White Paper on competitiveness, growth and employment.⁵ In it the Commission examines, in broad terms, the possibility of a European initiative on quality and the roles of economic operators and public authorities.

Individual sectors

Basic industries (steel, raw materials)

186. In view of the constant worsening of the situation in the steel sector, on which Parliament expressed its opinion on 12 March⁶ and on 15 December,⁷ on 25 February the Council adopted conclusions⁸ in which it supports the approach proposed by the Commission in November 1992 in its communication on the restructuring of the sector,⁹ entailing the preparation by the undertakings

¹ Bull. EC 5-1993, points 1.2.54 and 2.2.1.

² Point 209 *et seq.* of this Report.

³ Twenty-sixth General Report, point 14.

⁴ Twenty-fourth General Report, point 212.

⁵ Point 16 of this Report.

⁶ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.51.

⁷ OJ C 20, 24.1.1994; Bull. EC 12-1993.

⁸ Bull. EC 1/2-1993, point 1.2.82.

⁹ Twenty-fifth General Report, point 252.

concerned of precise and sufficiently extensive capacity-reduction measures, and the implementation of supporting measures complying with strict and objective State aid criteria.¹ Subject to the establishment of a closure programme, these supporting measures consist of social support measures on which the Commission published an information memo on 28 April,² and measures to restrict imports of steel products from non-member countries, for example the negotiation of a tariff quota agreement for exports from the Czech and Slovak Republics³ and a Commission communication published on 31 March concerning amended basic prices for certain steel products.⁴ In addition, the Commission continued to work for the conclusion of a multilateral agreement under the Uruguay Round. Also, although the decisions taken in July by the International Trade Commission (ITC) following complaints from the American industry about imports of flat products from the Community⁵ partially reduced the impact of these measures, the Commission reacted by opposing the American anti-dumping and countervailing duty proceedings at GATT level.

187. Support measures aimed at stabilizing the market were announced by the Commission in its communication of 22 March concerning guidelines relating to production and deliveries of steel products.⁶ Guidelines were set quarterly as from the second quarter of the year and were published on 2 April,⁷ 15 June,⁸ and 29 September⁹ respectively. They complement the six-monthly forward programmes,¹⁰ which predict crude steel production totalling less than 130 million tonnes in 1993, with reductions of around 10% compared with 1991. On 15 December¹¹ the Commission also adopted guidelines for production and deliveries of steel products for the first quarter of 1994 and approved (first reading) the draft forward programme for the first half of 1994 and for the year as a whole, which was endorsed by the ECSC Consultative Committee on 16 December.

188. On 8 September, the Commission published a communication on the financial mechanisms to be established for the restructuring of the steel industry,

¹ Point 155 of this Report.

² Point 446 of this Report.

³ Point 879 of this Report.

⁴ OJ C 98, 7.4.1993; Bull. EC 3-1993, point 1.2.52.

⁵ Point 878 of this Report.

⁶ OJ C 83, 24.3.1993; Bull. EC 3-1993, point 1.2.53.

⁷ OJ C 11, 21.4.1993; Bull. EC 4-1993, point 1.2.60.

⁸ OJ C 173, 24.6.1993; Bull. EC 6-1993, point 1.2.82.

⁹ OJ C 269, 5.10.1993; Bull. EC 9-1993, point 1.2.56.

¹⁰ OJ C 36, 10.2.1993; Bull. EC 1/2-1993, point 1.2.83; OJ C 208, 31.7.1993; Bull. EC 7/8-1993, point 1.2.81.

¹¹ OJ C 351, 30.12.1993; Bull. EC 12-1993.

which received the backing of the ECSC Consultative Committee and the assent of the Council.¹ The Commission authorized the financial mechanisms notified² by three groups of undertakings in the hot-rolled wide strip, quarto plate and heavy sections sectors. Following the capacity reductions proposed in connection with the aid in respect of which the Council gave its assent on 22 December pursuant to Article 95 of the ECSC Treaty, other capacity reductions are planned by individual undertakings, leading to a total potential reduction in the production capacity for hot-rolled products in excess of 20 million tonnes.

Transport

Motor vehicles

189. Following sustained growth for several years, demand on the European motor vehicles market dropped by an estimated 11 730 000 units (15.9% compared with 1992). Following consultations in the context of the informal arrangement agreed with Japan,³ an 18.5% reduction in that country's prospects of exports to the Community in 1993 was achieved compared with 1992. On 11 February,⁴ the European Parliament called upon the Commission to launch a Community initiative in support of the motor vehicle industry, and on 17 November⁵ it gave its views on the Commission communication on the European motor vehicle industry: situation, issues at stake, and proposals for action.⁶

Maritime industries

190. On 16 March⁷ and 16 November⁸ the Commission adopted two reports highlighting the difficulties experienced by the shipbuilding industry in the Community in 1991 and 1992.

¹ Bull. EC 9-1993, points 1.2.53 and 1.2.55.

² OJ L 6, 8.1.1994; Bull. EC 10-1993, point 1.2.64.

³ Twenty-fifth General Report, point 1060.

⁴ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.84.

⁵ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.66.

⁶ COM(92) 166; Twenty-sixth General Report, point 255.

⁷ COM(93) 91; Bull. EC 3-1993, point 1.2.54.

⁸ COM(93) 562; Bull. EC 11-1993, point 1.2.65.

191. In the light of the continued imbalance between supply and demand, and the uncertainty, until this year, surrounding the multilateral negotiations within the OECD,¹ on 16 December the Council adopted Directive 93/115/EEC extending for one year the period of validity of the seventh Council Directive on aid to shipbuilding.²

192. In its 1991 communication on new challenges for maritime industries,³ the Commission proposed implementing a consistent industrial policy approach in respect of the maritime industries through a Forum bringing together the various industries concerned. At its second plenary meeting on 27 and 28 June in Athens, the Forum issued recommendations on which the Commission gave its views on 4 November in a communication entitled 'Towards the implementation of a comprehensive approach for the maritime industries: the first tangible results'.⁴ On 21 April, Parliament adopted a resolution in which it recommended the preparation of an integrated Community strategy for these industries.⁵

Textiles and clothing

193. On 18 November, the Commission adopted a report⁶ highlighting the difficult situation in this sector, the erosion of its international competitiveness, and the strengths which would enable the European textiles and clothing industry to expect an improvement if there is an economic recovery in 1994. On 16 November, the European Parliament adopted a resolution on the crisis in the Community textiles industry and GATT.⁷

194. In addition to the activities in connection with the implementation of the new bilateral textile agreements,⁸ a start was made on initiatives aimed at encouraging modernization and conversion in the regions most dependent on textiles (RETEX).⁹ A review of the existing outward processing arrangements was also proposed in order to take account of the single market and ensure comparable access conditions for all operators.¹⁰

¹ Point 883 of this Report.

² Point 158 of this Report.

³ Twenty-fifth General Report, point 270.

⁴ COM(93) 526; Bull. EC 11-1993, point 1.2.64.

⁵ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.61.

⁶ COM(93) 525; Bull. EC 11-1993, point 1.2.68.

⁷ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.68.

⁸ Points 888 and 889 of this Report.

⁹ Point 410 of this Report.

¹⁰ Point 886 of this Report.

Aerospace

195. In view of the constant difficulties facing this sector, with the backing of the Economic and Social Committee¹ the Commission continued to implement the strategy mapped out in its 1992 communication on the aeronautical industry,² on which Parliament gave its views on 15 December,³ and, in the context of its 1992 communication on space,⁴ it examined the various possible ways of addressing the short-term and structural problems affecting the space industry.

Other activities

196. In view of the serious imbalance on the aluminium market, in particular as a result of the economic recession and the massive increase in imports from the Independent States of the former Soviet Union, the Commission decided to limit provisionally imports of aluminium from those countries in order to work towards a solution acceptable to both sides.⁵

197. On 18 November, the Council adopted conclusions⁶ on a Community approach to the development of the non-energy mining industry as put forward by the Commission in 1992.⁷

198. In the light of the reorganization of the structures and production of the arms industry, on 9 February the European Parliament adopted a resolution⁸ calling for an examination of the technical and financial possibilities regarding conversion.

Specific development programme for Portuguese industry (PEDIP)

199. The specific programme for the development of Portuguese industry (PEDIP)⁹ came to an end in terms of financial commitments, and the Portuguese authorities submitted the fifth and last annual report on the implementation of

¹ OJ C 73, 15.3.1993; Bull. EC 1/2-1993, point 1.2.85.

² Twenty-sixth General Report, point 264.

³ Bull. EC 12-1993.

⁴ Twenty-sixth General Report, point 265.

⁵ Point 894 of this Report.

⁶ Bull. EC 11-1993, point 1.2.67.

⁷ Twenty-sixth General Report, point 269.

⁸ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.87.

⁹ Twenty-second General Report, point 322.

the various operational programmes. Utilization of the financial resources under the additional budget heading proceeded according to plan. Payment appropriations totalling ECU 60 191 million entered in the 1993 budget were fully utilized, all the commitment appropriations have been exhausted in 1992. All the operational programmes approved are in the process of being completed.

Information technologies

200. The Commission continued to implement the specific R&TD programme in the field of information technologies.¹ This phase of the programme is concerned with industrial objectives; it highlights the technological priorities and reinforces the selection criteria based on industrial exploitation and cooperation between suppliers and users, principles underlying the fourth R&TD framework programme (1994-98).² Following the general call for proposals,³ 202 new projects were selected, 90 of which were funded in 1993 with a Community contribution of around ECU 190 million. In addition, the pilot phase of the ESSI initiative, the aim of which is to encourage and promote the adoption of best software practice was launched: the call for proposals⁴ resulted in the selection of 103 applications and dissemination schemes with a Community contribution totalling ECU 30 million. In the same context, ESI (European Software Institute) was also launched. In addition, five accompanying measures were initiated under the European regional production initiative and the action plan for information and telecommunications technologies.

Computerized communication of data, information and administrative documents

TEDIS

201. Two calls for proposals⁵ were published in connection with the TEDIS programme⁶ in which the EFTA countries were actively involved. The first is intended to provide support for user groups wishing to migrate towards the

¹ OJ L 218, 6.8.1991; Twenty-fifth General Report, point 367.

² Point 210 of this Report.

³ OJ C 67, 10.3.1993.

⁴ OJ S 80, 24.4.1993.

⁵ OJ C 35 and OJ S 27, 9.2.1993; OJ C 120 and OJ S 84, 30.4.1993.

⁶ OJ L 208, 30.7.1991; Twenty-sixth General Report, point 352.

Edifact standards, pilot projects involving several industrial sectors, and EDI awareness centres established in Europe. The second addresses the technical difficulties concerning certain aspects of telecommunications and security and legal aspects. The TEDIS Conference held in April highlighted the needs of industry and the socioeconomic impact of EDI in Europe. The Commission continued to provide support for the standardization of computerized data exchange (Edifact). An interim report on TEDIS activities in 1992 was published.¹

INSIS

202. The activities of the INSIS programme focused mainly on the development of a telecommunications infrastructure for the transfer of electronic mail between Community institutions and a pilot project for the transfer of data structured at Community level (national server pilot project) between various national authorities.

IDA

203. On 12 March the Commission adopted a communication on data-communications networks between administrations and two proposals for Council Decisions* on a series of guidelines for trans-European telematics networks between administrations (TNA)² and a multiannual Community programme to support the implementation of such networks (IDA).² In addition, the Caddia programme³ was successfully completed and preparations were made for the IDA programme. In this connection, a strategic study was launched in order to establish a cost-benefit analysis to provide a financial estimate of the foreseeable investment and expenditure compared with the likely benefits of appropriate use of the networks by administrations.

Edicom

204. On 16 December, the Council reached agreement on the proposal for a Decision* on inter-administration telematics networks for statistics relating to the trading of goods between Member States, a project originally known as

¹ Office for Official Publications of the EC, Luxembourg, ISBN 92-826-5658-6.

² OJ C 105, 16.4.1993; Twenty-sixth General Report, point 355.

³ OJ L 145, 5.6.1987; Twenty-sixth General Report, point 354.

Comedi but renamed Edicom at the beginning of 1993, the aim of which is the automatic processing of intra-Community trading statistics provided from 1 January 1993 by economic operators as a result of the interconnection of national and Community statistical information systems.

Standardization in information technology and telecommunications

205. The Commission continued to give support to the standardization organizations CEN, Cenelec and ETSI. Considerable progress was achieved in relation to telecommunications as a result of the adoption of standards in support of the implementation of Community policies (open network provision, conformance testing, etc.). The Integrated Services Digital Network (ISDN) standardization process was completed. On 1 September, the Commission adopted two proposals for Council Decisions* confirming the trans-European nature of this network.¹ Considerable progress was also made concerning road transport telematics as a result of effective cooperation between R&TD and the European standardization organizations. In addition, work continued on the implementation of standards concerning public procurement under the Euromethod and EPHOS programmes.

¹ Point 346 of this Report.

Section 7

Research and technology

Priority activities and objectives

206. *The main features of 1993 in the research and technological development field were the discussions within the institutions on the fourth framework programme for Community research and technological development. The programme proposed by the Commission, on which the Council agreed on a common position on 22 December, is designed to cover all Community research activities between 1994 and 1998 and ensure greater consistency between them. It is part of the plan to promote economic growth and employment, notably by helping to make industry in the Community more competitive. The White Paper on growth, competitiveness and employment adopted by the Commission on 5 December recognized this role.*¹

The primary objective of the fourth framework programme will be to ensure greater integration between national and Community R&TD activities and a more selective approach to Community R&TD activities, focusing on generic technologies with a multi-sectoral impact. The other objectives are to improve dissemination of research findings, in particular to small firms, to establish closer links between research, education and training, to make greater use of the synergies between research policy and economic and social cohesion policy and to enable the Community to produce a more flexible response to new scientific and technological challenges.

207. *The first European Science Summit was held in Brussels on 14 and 15 October. This gathering, organized by Parliament with the aid of the Commission, brought together more than 600 scientists, heads of research departments and representatives of European industry for a series of speeches and discussions on the future of research in Europe. The first European Science Week took place between 22 and 26 November. This event to increase public awareness of the importance of developing science education in Europe provided a showcase for a series of projects and events organized jointly by specialist bodies from all over the Community.*

¹ Point 16 of this Report.

Community R&TD policy

Framework programme 1990 to 1994

208. To ensure the continuity of the Community's research and technological development activities, pending adoption and implementation of the fourth framework programme, the Council adopted on 15 March Decision 93/167/Euratom, EEC* providing an extra ECU 900 million for the third (1990-94) framework programme.¹ This Decision granted a 13.3% across-the-board increase for all the categories of action concerned in 1993 and 1994, apart from energy, for which an extra 30.6% was earmarked.

Framework programme 1994 to 1998

209. To supplement its preliminary guidelines adopted in 1992² and adapt them in the light of the conclusions of the Edinburgh European Council laying down the general framework for Community funding for research,³ of the results of the wide-ranging debate sparked off by them and of developments in the world context, the Commission adopted on 22 April a second working document concerning research and technological development policy in the Community and the fourth framework programme (1994-98).⁴ This was endorsed by the Council on 29 April⁵ and by Parliament on 23 June.⁶ On 26 May the Economic and Social Committee adopted an own-initiative opinion on this programme, which called for priority to be given to activities likely to generate jobs.⁷

On 16 June the Commission adopted two proposals for Decisions*, one concerning a framework programme of Community activities in the field of research and training for the European Atomic Energy Community (1994-98) and the other concerning the fourth framework programme of activities in the field of research, technological development and demonstration (1994-98), formalizing the guidelines set out in its second working document and proposing a budget of ECU 13.1 billion. On 22 December the Council agreed on these proposals,

¹ OJ L 117, 8.5.1990; Twenty-fourth General Report, point 247.

² Twenty-sixth General Report, point 272.

³ Bull. EC 12-1992, point I.56.

⁴ COM(93) 158; Bull. EC 4-1993, point 1.2.65.

⁵ Bull. EC 4-1993, point 1.2.66.

⁶ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.87.

⁷ OJ C 201, 26.7.93; Bull. EC 5-1993, point 1.2.56.

the maximum amount of the Community's financial contribution being set, following the agreement reached at the Brussels European Council in December,¹ at ECU 12 billion, with the possibility of an extra ECU 1 billion depending on an evaluation of progress with the implementation of the framework programme, the general economic situation within the Union and the Community's budgetary situation. The total amount is divided between the four areas of activities covered by the programme. The first activity (ECU 10 536 million) concerns the implementation of research, technological development and demonstration programmes, by promoting cooperation with and between businesses, research centres and universities. The second (ECU 420 million) relates to cooperation in the field of research, technological development and demonstration activities with industrialized third countries, the countries of Central and Eastern Europe, the new Independent States of the former Soviet Union, the developing countries and international organizations. The third activity (ECU 300 million) is aimed at improving the dissemination and application of the results of all Community R&TD activities in order to ensure that they have a positive impact on improving the competitiveness of industry. The aim of the fourth area of activity (ECU 744 million) is to encourage the training and mobility of research scientists within the Community. On 6 October the Commission adopted a working document² giving details of the scientific and technological content of the specific programmes in the 1994-98 framework programme in order to speed up implementation of the programme once it is adopted.

210. For example, one of the objectives of the new framework programme — closer coordination of the research activities of the Community and of the Member States — should be attained by establishing the integrated European network for research on global change (Enrich) and the European technology assessment network (ETAN). The aim of focusing on a limited number of technologies with a multi-sectoral impact should be achieved in the field of information technologies and telecommunications by concentrating on infrastructure and improving access to services, in life sciences and technologies by stepping up the research into biotechnology and targeting efforts on health, cancer, AIDS and neurosciences, and in the industrial technologies sector by placing the emphasis on product and process innovation and technological development, taking account of new organizational models.

¹ Bull. EC 12-1993.

² COM(93) 459; Bull. EC 10-1993, point 1.2.66.

211. On 30 September the Commission adopted a communication stressing the importance of opening up access to research and technological development activities and findings to small businesses.¹ To this end, on 30 June the Council adopted conclusions calling for simplification of the tools for management of the R&TD programmes.² On 18 November Parliament stressed the importance of the activities relating to the utilization of the results of research within European businesses.³

Joint Research Centre

212. Throughout 1993, the second year of the JRC's programmes for 1992-94,⁴ the eight institutes of the JRC continued their work in the Centre's four areas of activity: specific research programmes under the framework programme; support for Commission departments; work under contract for outside bodies; and exploratory research. Besides contributing to implementation of the third framework programme (1990-94), the institutes continued to provide scientific and technical support for the Commission, paying attention to the customer/contractor principle. Constant quality was maintained for the work under contracts for outside bodies and the JRC stepped up its efforts to market its results, both centrally and within its various institutes. Following the agreement reached by the Council on a common position on 22 December,⁵ the funds provided for the JRC under the fourth R&TD framework programme amount to ECU 875 million.

Other activities

213. On 12 May the Commission adopted a communication to the Council and the European Parliament entitled 'Cohesion and R&TD policy — synergies between research and development policy and economic and social cohesion policy'.⁶ Considering the major differences between the various regions of the Community where research and technology are concerned, the Commission examined the potential synergies between research policy and economic and social cohesion policy, which should be exploited, while preserving the specific features of the individual policies.

¹ Point 177 of this Report.

² Bull. EC 6-1993, point 1.2.88.

³ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.74.

⁴ OJ C 118, 9.5.1992; Twenty-sixth General Report, point 277.

⁵ Point 209 of this Report.

⁶ COM(93) 203; Bull. EC 5-1993, point 1.2.55.

214. On 12 February Parliament adopted a resolution on European aeronautical research and technology, in which it called for financial support for research in this sector.¹

Implementation of the third framework programme

Information and telecommunications technologies

215. Information on research and technological development activities in the field of information and telecommunications technologies is to be found in the section 'Industrial policy' in Chapter II of this Report,² and in the section 'Telecommunications, information market and exploitation of research'.³

Industrial and materials technologies

Industrial and materials technologies

216. The Commission continued to implement the research and technological development programme in the field of industrial and materials technologies (1990-94) (BRITE/EURAM II).⁴ Of the 240 projects selected in 1992 following the first call for proposals for areas 1 (materials and raw materials) and 2 (design and manufacturing),⁵ 72 started in 1993 with a total budget of some ECU 93 million. After a second call for proposals published in October 1992,⁶ a further 235 projects were selected (179 industrial research projects, 49 basic research projects and 7 concerted action projects), 43 of which received funding totalling approximately ECU 65 million in 1993. In response to a call, open until the end of 1993, for specific projects in favour of small businesses,⁷ 142 proposals were selected under the CRAFT programme (phase 1)⁸ plus 133 proposals for feasibility awards. Also 80 training grants worth a total of ECU 5.5 million were paid. In area 3 (aeronautics) 7 projects were selected for

¹ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.90.

² Point 200 of this Report.

³ Point 339 *et seq.* of this Report.

⁴ OJ C 269, 25.9.1991; Twenty-fifth General Report, point 313.

⁵ OJ C 323, 24.12.1991; Twenty-sixth General Report, point 279.

⁶ OJ C 268, 17.10.1992; Twenty-sixth General Report, point 279.

⁷ OJ C 323, 24.12.1991.

⁸ Twenty-fifth General Report, point 313.

funding following the call for proposals in the field of training published on 10 February.¹

217. The JRC's Institute for Advanced Materials continued its work on the Centre's industrial and materials technologies programme, attaching growing importance to prestandardization research into advanced materials. The Institute also continued to coordinate the SEFIR project on high-temperature ceramic fibres under the Eureka programme. Three European networks were established to follow up the programme of inspection of steel components (PISC).

Measurement and testing

218. Steady progress was made with the research and technological development programme in the field of measurement and testing (1992-94).² A total of 48 of the 125 research projects selected after the calls for proposals closed in 1992³ received funding totalling ECU 17 million in 1993. The JRC's Institute for Reference Materials and Measurements continued to implement the JRC's measurement and testing programme. The Institute stepped up its support for the Community Bureau of References (BCR) and prepared, tested and defined the characteristics of special reference materials of interest for biology or the environment.

Environment

Environment

219. Within the framework of the research and technological development programme in the field of the environment (1990-94),⁴ work started on 113 new projects in addition to the 141 selected in 1992 following the first call for proposals,⁵ bringing the Community's total contribution to the first phase of the programme up to ECU 158 million. A second call for proposals published on 18 May⁶ attracted 1 401 proposals which are now being evaluated.

¹ OJ C 39, 16.2.1993.

² OJ L 126, 12.5.1992; Twenty-sixth General Report, point 281.

³ OJ C 178, 17.7.1992; Twenty-sixth General Report, point 281.

⁴ OJ L 192, 16.7.1991; Twenty-fifth General Report, point 319.

⁵ OJ C 184, 16.7.1991; Twenty-fifth General Report, point 319.

⁶ OJ C 139, 18.5.1993.

220. The JRC's Institute for the Environment continued its work on the JRC's specific programmes on participation in research into global change, on technologies and engineering for the environment and on the working environment. In June the first round of measurements for the European project to study biogenic emissions in the Mediterranean area (BEMA) was completed, with the cooperation of 13 laboratories.

221. The Institute for Remote Sensing Applications continued its work on the environment, contributing in particular to the studies on global change. Methods using remote sensing to study the biosphere on land and at sea were developed. The European microwave signature laboratory was calibrated, and work continued on the development of methodologies for observing vegetation and environmental conditions in the Mediterranean region.

Marine science and technology

222. The Commission continued to implement the research and technological development programme in the field of marine science and technology (1991-94) (MAST II).¹ A further 23 research projects, costing a total of ECU 30 million, were selected, in addition to the 33 projects already under way. On 27 July a call for proposals for research projects on risk assessment was published.² On 15 June and 15 September two calls for expressions of interest were published, one on biological research in the Mediterranean region, the other on the organization of advanced courses in marine science and technology.³ On 15 June a call for proposals concerning the management and exchange of oceanographic data was published.⁴ In the course of the year, six advanced courses were organized and 11 research grants were awarded in specific sectors. Six proposals for courses were selected for 1994.

Life sciences and technologies

Biotechnology

223. The second annual report on implementation of the programme of research and technological development in the field of biotechnology (1990-93) (Bridge)⁵ described the results of the work of 579 research bodies on 69 'N'

¹ OJ L 192, 16.7.1991; Twenty-fifth General Report, point 322.

² OJ C 203, 27.7.1993.

³ OJ C 163, 15.6.1993; OJ C 251, 15.9.1993.

⁴ OJ C 163, 15.6.1993.

⁵ OJ L 360, 9.12.1989; Twenty-third General Report, point 331.

(network) projects and seven 'T' (targeted) projects. The programme of training activities was completed.

224. As part of the programme of research and technological development in the field of biotechnology (1990-94),¹ following the call for proposals published in 1992,² work began on 41 projects at the start of 1993. Negotiations continued on 89 other projects, which started up gradually in the course of the year. Two further calls for proposals were published in 1993.³ As regards training, 28 further applications for grants were selected, together with 13 studies on the ethical, socioeconomic and environmental aspects of biotechnology.

Agricultural and agro-industrial research

225. The Eclair programme of research and technological development in the field of agro-industry (1989-93)⁴ was completed and the annual scientific reports for 1989 and 1990 were published. The FLAIR research and technological development programme in the field of food science and technology (1989-93)⁵ was also completed. A further 13 grants were awarded for both Eclair and FLAIR, the final assessments of which are now being prepared.

226. The Commission continued to implement the programme of research and technological development in the field of agriculture and management of agricultural resources (1989-93).⁶ Work relating to the training and mobility of researchers and the development of the AGREP and Euragris networks continued.

227. Within the research and technological development programme in the field of agriculture and agro-industry, including fisheries (1991-94),⁷ work started on 121 of the 197 proposals selected following the July 1992 call for proposals.⁸ A third call for proposals was published.⁹ In addition, 172 training and mobility grants were awarded.

¹ Twenty-sixth General Report, point 291.

² OJ C 127, 19.5.1992; Twenty-sixth General Report, point 291.

³ OJ C 114, 24.4.1993; OJ C 168, 19.6.1993.

⁴ OJ L 60, 3.3.1989; Twenty-third General Report, point 333.

⁵ OJ L 200, 13.7.1989; Twenty-third General Report, point 334.

⁶ OJ L 58, 7.3.1990; Twenty-fourth General Report, point 276.

⁷ OJ L 265, 21.9.1991; Twenty-fifth General Report, point 329.

⁸ OJ C 165, 2.7.1992; Twenty-sixth General Report, point 294.

⁹ OJ C 251, 15.9.1993.

Biomedicine and health

228. Within the framework of the research and technological development programme in the field of biomedicine and health (1990-94),¹ following the call for proposals for area 3 of the programme (human genome analysis) and the second call for proposals published in December 1992² for areas 1, 2 and 4 (development of coordinated research on prevention, care and health systems; major health problems and diseases with great socioeconomic impact; and research on biomedical ethics), a series of further projects were selected, bringing the total for all four areas up to 149 projects involving 4 239 laboratories and teams and costing a total of ECU 55 million. Fifty applicants received training grants worth a total of ECU 3.4 million.

Life sciences and technologies for developing countries

229. Steady progress was made with implementing the research and technological development programme in the field of life sciences and technologies development (1990-94).³ Following a second call for proposals,⁴ 66 research projects were selected for funding totalling ECU 23 million in 1993 and 42 more for funding in 1994. On 15 June the third and final call for proposals covering a limited number of sectors was published.⁵

Energy

Non-nuclear energy

230. As part of the research and technological development programme in the field of non-nuclear energies (1989-92) (JOULE),⁶ a call for proposals was published on 29 April.⁷ In all, 136 projects costing an estimated ECU 61 million were selected for funding in 1993 and 1994. Following calls for proposals targeted on very limited fields, 69 proposals were selected for funding totalling

¹ OJ L 267, 24.9.1991; Twenty-fifth General Report, point 332.

² OJ C 324, 10.12.1992.

³ OJ L 196, 19.7.1991; Twenty-fifth General Report, point 334.

⁴ OJ C 198, 5.8.1993.

⁵ OJ C 163, 15.6.1993.

⁶ OJ L 98, 11.4.1989; Twenty-third General Report, point 343.

⁷ OJ C 119, 29.4.1993.

an estimated ECU 23.5 million in 1993 and 1994. These calls for proposals were concerned mainly with renewable energy sources.

Nuclear fission safety

231. The Commission continued to implement the research and technological development programme in the field of the management and storage of radioactive waste (1990-94);¹ additional funding was granted to 18 projects. Work continued on the programme on remote handling in hazardous or disordered nuclear environments (1989-93) (Teleman);² five projects were granted extra funding totalling ECU 3 million. The Commission also pursued its research programme on the decommissioning of nuclear installations (1989-93)³ and the programme of research and education in the field of nuclear fission safety (1990-94),⁴ which covers work on reactor safety and radiation protection.

232. The JRC's Institute for Systems Engineering and Information Technology worked on reactor safety and developed new methods of analysis for multi-dimensional data. The Institute for Safety Technology continued its studies on serious accident phenomena in nuclear installations, particularly on the transfer of fission products and aerosols, within the framework of the Phebus international programme.

Controlled thermonuclear fusion

233. Activities continued under the Community programme of research and training in the field of controlled thermonuclear fusion (1990-94),⁵ focusing on research into magnetic confinement and on the major modifications to the Joint European Torus (JET).

234. On 10 December the Council adopted negotiating directives* for Protocol 2 to the Agreement signed between the Community, Japan, the USA and Russia in 1992.⁶ Following this Agreement and the in-depth study on the next step, namely the International Thermonuclear Experimental Reactor (ITER), a joint central team was set up at the three centres selected for this purpose, including Garching in the Community. The NET (Next European

¹ OJ L 395, 30.12.1989; Twenty-third General Report, point 340.

² OJ L 296, 3.8.1989; Twenty-third General Report, point 341.

³ OJ L 98, 11.4.1989; Twenty-third General Report, point 342.

⁴ OJ L 336, 7.12.1991; Twenty-fifth General Report, point 342.

⁵ OJ L 375, 31.12.1991; Twenty-fifth General Report, point 346.

⁶ OJ L 244, 26.8.1992; Twenty-sixth General Report, point 311.

purpose, including Garching in the Community. The NET (Next European Torus) team continued to coordinate and provide support for these activities covering both the physics and the technology.

235. The JRC's Institute for Systems Engineering continued its work on the design of components for the next step and the development of remote handling techniques. The Institute for Advanced Materials carried out studies on the effects of irradiation and thermal fatigue on materials.

Human capital and mobility

236. Work started on the projects on training for young researchers, on transnational cooperation networks, on support to allow easier access to large-scale facilities and on Euroconferences which had been selected in 1992 for inclusion in the research and technological development programme in the field of human capital and mobility (1990-94).¹ On 26 June and 20 August new calls for proposals were published.² On the basis of these calls for proposals and those published in 1992, 1 100 applications for grants, 346 network projects, 30 projects to allow easier access to large-scale facilities and 85 proposals for Euroconferences costing a total of ECU 247 million were selected.

Dissemination and utilization of R&TD results from Community programmes

237. Information on activities relating to the dissemination and utilization of R&TD results is to be found in the section 'Telecommunications, information market and exploitation of research' in Chapter II.³

Measures in support of the framework programme

Support for science and technology

238. The programme on strategic analysis, forecasting and evaluation in matters of research and technology (1989-92) (Monitor) was completed.⁴ In 1993 efforts concentrated on the application and dissemination of results. A

¹ OJ L 107, 24.4.1992; Twenty-sixth General Report, point 313.

² OJ C 175, 26.6.1993; OJ C 225, 20.8.1993.

³ Points 362 and 363 of this Report.

⁴ OJ L 200, 13.7.1990; Twenty-third General Report, point 351.

conference was held to mark the end of the work of the four networks of experts set up under the SPEAR subprogramme. At the same time, work began or continued on the evaluation of several specific programmes: BRITE/EURAM, JOULE II, PHARE, MAST I, Monitor, Radiation protection, Human genome, DOSES, Decommissioning and Teleman.

239. The JRC's Institute for Prospective Technology stepped up its support for other Commission departments. It started studies on environmental technologies and assessment of environmental protection methods. A preliminary study on fuel cells designed to provide basic data for long-term energy scenarios was completed.

Support for Community policies

240. On 29 April the Council adopted conclusions on the communication from the Commission entitled 'The European Community and space'.¹ It agreed that the question of Community support for space-related research and technological development activities should be considered and called on the Commission to continue its efforts, within its sphere of competence and in the appropriate forums, to establish favourable conditions for the development of space application markets and for competitive European space industries, while developing the synergy and complementarity between the R&TD programmes and the activities of the European Space Agency (ESA).

International scientific and technical cooperation

241. European scientific and technical cooperation (COST) continued with the implementation of 13 new memorandums of understanding. On 1 April the COST Committee of Senior Officials adopted a resolution approving the accession to COST of the Czech and Slovak Republics.²

242. The Commission continued to contribute to the management and funding of Eureka projects. The underlying principles for collaboration between the Community R&TD programmes and Eureka were defined in closer detail and the liaison network between the heads of the Community programmes and the national coordinators for the Eureka projects was strengthened. At the

¹ COM(92) 360; Twenty-sixth General Report, point 318.

² OJ C 133, 12.5.1993.

11th Eureka Ministerial Conference on 24 June,¹ the Commission described the broad lines of the fourth framework programme and the plans for closer cooperation with Eureka.

243. Pending the entry into force of the Agreement on the European Economic Area, scientific and technological cooperation with the EFTA countries continued on the basis of the bilateral agreements concluded in recent years.²

244. As regards scientific and technological cooperation with the countries of Central and Eastern Europe, 227 new projects selected in 1992³ for which no funding was available at that time received a total of ECU 38.8 million in 1993. In addition, 226 proposals concerning participation in the third framework programme (1990-94) by laboratories and companies in Central and Eastern Europe were granted a total of ECU 17.7 million. On 30 June the International Association for the Promotion of Cooperation with Scientists from the Independent States of the former Soviet Union (INTAS) held its first general assembly in Luxembourg. At this meeting, 54 cooperation projects were granted a total of ECU 4 million. On 24 December, at its second plenary meeting, INTAS's assembly adopted 509 new projects totalling ECU 21 million.

245. Scientific and technological cooperation with the industrialized countries outside Europe was stepped up. On 21 May Mr Ruberti held his first meeting with Dr Gibbons, scientific adviser to the President of the USA, in Washington. Both sides expressed their desire to step up their talks on science and technology policy. On 18 and 19 October the third meeting of the EC/US task force on research into biotechnology was held, also in Washington. At the ministerial meeting between the Community and Japan on 15 January,⁴ the two sides agreed on the principle of establishing a scientific forum. On 19 April the Council adopted negotiating Directives for a Scientific and Technical Cooperation Agreement between the Community and Canada*. On 10 June the Commission adopted a proposal for a Council Decision concerning the conclusion of a Scientific and Technical Cooperation Agreement between the Community and Australia*. On 6 December the Council adopted a Decision* on the signature of a Protocol on the provisional application of the Agreement setting up the International Science and Technology Centre (ISTC) concluded between the United States, Japan, Russia and the Community in 1992.⁵

¹ Bull. EC 6-1993, point 1.2.94.

² Point 684 of this Report.

³ Twenty-sixth General Report, point 322.

⁴ Point 703 of this Report.

⁵ Twenty-sixth General Report, point 786.

246. Scientific and technological cooperation with the countries of Asia, Latin America, and the Mediterranean region continued to gain strength. In the course of the year, 151 joint research projects and 167 grants were financed. In view of the success of the exploratory scheme on scientific and technological cooperation between the Community and the southern Mediterranean countries (Avicenne) launched in 1992, a second scheme with a total budget of ECU 5.3 million was started in the same field. On 15 June a further call for proposals was published¹ on health and water resource management. Following this, 15 proposals were selected for funding.

Other activities

247. Acting under Article 55 of the ECSC Treaty and in accordance with the medium-term guidelines for steel research (1991-95),² the Commission granted financial aid totalling ECU 38 million to 61 steel research projects, including four projects with environmental repercussions, and a total of ECU 17.4 million to 10 pilot or demonstration projects, 3 of which will have an impact on the environment. Six further projects, requiring ECU 4.8 million, were placed on the waiting list.

248. Also under Article 55 of the ECSC Treaty, the Commission granted financial aid totalling ECU 15 million to 79 research projects concerning ergonomics, medicine, safety and health in mines, industrial health, and pollution control in and around steelworks (ECSC social research).

249. Finally, once again under Article 55 of the ECSC Treaty and in accordance with the medium-term guidelines adopted in 1989,³ the Commission granted financial support totalling ECU 51.79 million to 129 technical coal research projects.

¹ OJ C 163, 15.6.1993.

² OJ C 252, 6.10.1990.

³ OJ C 52, 1.3.1989; Twenty-third General Report, point 327.

Section 8

Education, vocational training and youth

Priority activities and objectives

250. *The year was marked by the preparation of a new generation of Community initiatives in the fields of education, training and youth, in line with implementation of Articles 126 and 127 of the Treaty on European Union.*

Most of the current programmes (Erasmus, Comett, Lingua, Tempus, PETRA, FORCE, Eurotecnnet, Youth for Europe) will finish at the end of 1994, the exception being Tempus, which comes under the PHARE and TACIS programmes, and on 5 May the Commission opened a broad debate on future Community action by adopting 'guidelines for Community action in the field of education and training'¹ reflecting the Community's desire to complement Member States' activities and create a common framework channelling resources efficiently and facilitating genuine coordination between education and training measures. This debate led to the adoption by the Commission of a proposal for a Decision establishing an action programme for the implementation of a vocational training policy opening the way to greater and broader cooperation with a view to enhancing the quality of vocational training and giving it more capacity for innovation.

In addition, having regard to the results of the 'Youth for Europe' programme,² priority actions in the youth field³ and other Community measures to help young people, the Commission adopted, on 4 November, a proposal on the third phase of this programme.

Development of the European dimension in education has also been at the forefront of the Commission's concerns. The Commission adopted a Green Paper proposing that thought be given to ways of promoting the incorporation of a European dimension and European awareness into the school systems of the Member States.

¹ COM(93) 183; Bull. EC 5-1993, point 1.2.62.

² OJ L 158, 25.6.1988; Twenty-second General Report, point 468.

³ Twenty-sixth General Report, point 425.

Cooperation in the field of education

251. The Green Paper adopted by the Commission on 29 September on the European dimension in education¹ will spark off a wide-ranging debate on how the Community might contribute to the development of quality education as part of its new responsibilities and in a manner which complements Member States' activities. Implemented through transnational cooperation projects and project networks, Community action is geared primarily towards encouraging, at Community level, cooperation between schools and mobility and exchanges among young people, making teachers and others involved in education more aware of the European dimension of education, promoting language teaching, distance learning and the use of multimedia systems, and promoting the use and dissemination of innovative teaching methods and the development of exchanges of information and experience relating to education methods and systems.

252. On 21 January,² Parliament adopted a resolution on the problems of school education for children of immigrants and, on 21 April,³ a resolution on the eradication of illiteracy in the Community.

Higher education

253. On 11 June the Council and Ministers for Education meeting within the Council adopted conclusions⁴ reflecting a general consensus on furthering an open European space for cooperation within higher education, providing scope for greater student and teacher mobility and for the academic and professional recognition of diplomas, qualifications and study periods.

254. On 25 June⁵ and 1 September⁶ the Commission adopted the 1992 annual reports on the Erasmus⁷ and Comett II⁸ programmes. The Commission selected new joint training and mobility projects under the Comett II programme. As far as Erasmus is concerned, features of the year were an increase

¹ COM(93) 457; Bull. EC 9-1993, point 1.2.64.

² OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.92.

³ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.70.

⁴ OJ C 186, 8.7.1993; Bull. EC 6-1993, point 1.2.95.

⁵ COM(93) 268; Bull. EC 6-1993, point 1.2.96.

⁶ COM(93) 409; Bull. EC 9-1993, point 1.2.65.

⁷ OJ L 395, 30.12.1989; Twenty-third General Report, point 437.

⁸ OJ L 13, 17.1.1989; Twenty-second General Report, point 464.

in academic exchanges and the success of the extension of the programme to the EFTA countries.

255. On 15 July¹ Parliament expressed its opinion on the Commission memorandum on higher education in the Community.²

Vocational training

256. On 21 December, the Commission adopted a proposal for a Decision* establishing an action programme for the implementation of a vocational training policy with a view to developing Community action which is currently based on the PETRA, FORCE, Eurotecnet and Comett programmes, all of which will be terminating on 31 December 1994. The various measures proposed are geared to genuine rationalization and to transnational cooperation. They can be divided into three aspects: enhanced quality of vocational training systems, provisions and policies; greater capacity for innovation; promotion of the European dimension in vocational training.

257. As regards basic training, some 12 000 young people benefited from transnational placements organized under the PETRA programme;³ 169 new transnational cooperation projects were added to the 396 European partnership network projects, and more than 150 youth initiative projects were financed.

258. Work on the equivalence of vocational qualifications was completed this year. Furthermore, on completion of a major operation to analyse qualifications requirements, a European forum on vocational training was organized from 8 to 10 November,⁴ in close cooperation with the Council, Parliament and Economic and Social Committee, involving all the parties concerned.

259. On 11 June the Council adopted a resolution⁵ emphasizing the need to adapt the quality of vocational training to the new requirements of the labour market. On 30 June it adopted recommendation 93/404/EEC on access to continuing vocational training,⁶ representing a first concrete step in promoting access to vocational training for all workers in the European Community

¹ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.2.90.

² Twenty-fifth General Report, point 474.

³ OJ L 214, 2.8.1991; Twenty-fifth General Report, point 471.

⁴ Bull. EC 11-1993, point 1.2.80.

⁵ OJ C 186, 8.7.1993; Bull. EC 6-1993, point 1.2.99.

⁶ OJ L 181, 23.7.1993; Bull. EC 6-1993, point 1.2.97.

throughout their working lives and stressing the principle of non-discriminatory access to training whatever a worker's nationality. The Economic and Social Committee and Parliament expressed their opinions on this matter on 25 March¹ and 21 April² respectively.

260. Analysis of vocational training in the Member States was carried out under the FORCE programme,³ and studies, research activities and dissemination seminars were organized under the Eurotecnet programme.⁴ A report⁵ on the operation of this programme during the period from January 1990 to June 1992 was also adopted by the Commission on 14 July.

261. The Commission adopted two reports on vocational training for customs officials,⁶ one on the experience gained in the application of the Matthaues programme, the other setting out guidelines for the future, i.e. strengthening of the links between training policy and the priority requirements of the customs administrations, the systematic continuation of training measures, and promotion of a genuine Community training area based on closer cooperation between training centres in the Member States. On 29 October the Council adopted the Matthaues-Tax programme*, a training programme for officials concerned with indirect taxation.

262. On 25 June Parliament adopted a resolution on the IRIS network and vocational training for women.⁷

Foreign language teaching

263. In its 1992 report on the Lingua programme,⁸ adopted on 10 May,⁹ the Commission emphasized the strengthening of measures during the year.

Open and distance learning

264. In its 'guidelines for Community action in the field of education and training',¹⁰ the Commission made provision for measures to promote distance learning, which is also one of the objectives of the proposal adopted by the

¹ OJ C 129, 10.5.1993; Bull. EC 3-1993, point 1.2.59.

² OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.72.

³ OJ L 156, 21.6.1990; Twenty-fourth General Report, point 386.

⁴ OJ L 393, 30.12.1989; Twenty-third General Report, point 386.

⁵ COM(93) 317; Bull. EC 7/8-1993, point 1.2.89.

⁶ COM(93) 340; Bull. EC 7/8-1993, point 1.2.88; COM(93) 661; Bull. EC 12-1993.

⁷ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.100.

⁸ OJ L 239, 16.8.1989; Twenty-third General Report, point 434.

⁹ COM(93) 194; Bull. EC 5-1993, point 1.2.67.

¹⁰ Point 256 of this Report.

Commission on 21 December.¹ On 15 July² Parliament stressed the need to promote the European dimension in distance learning and to guarantee its quality.

Youth

265. On 4 November the Commission adopted a proposal for a Parliament and Council Decision³ on the third phase of the Youth for Europe programme, which combines all previous Community measures for young people. On 28 October⁴ it adopted the 1992 report on this programme, from which nearly 30 000 young people benefited, together with the 1992 report on priority actions in the youth field.

Cooperation with non-member countries on education, training and youth

266. On 29 April the Council adopted Decision 93/246/EEC* adopting the second phase of the trans-European cooperation scheme for higher education (Tempus II) (1994-98), the objective of which is to provide support for the restructuring of higher education systems in the countries of Central and Eastern Europe eligible to take part in the PHARE programme.⁵ Tempus II will also allow the Independent States of the former Soviet Union, which are eligible to participate in the TACIS programme, to benefit from the experience acquired.

267. While the joint EEC-EFTA expert group on education, training and youth continued its work relating to the preparation of the European Economic Area, cooperation with the United States in the field of higher education⁶ resulted in the bilateral financing of 23 consortia of European and American higher education establishments.

268. At the European Council of 29 October, the Heads of State or Government decided that the European Training Foundation⁷ will be located in Turin.

¹ Point 256 of this Report.

² OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.2.91.

³ COM(93) 523; Bull. EC 11-1993, point 1.2.81.

⁴ COM(93) 524; COM(93) 521; Bull. EC 10-1993, points 1.2.72 and 1.2.73.

⁵ Twenty-sixth General Report, points 426 and 427.

⁶ Twenty-sixth General Report, point 429.

⁷ OJ L 131, 23.5.1990; Twenty-fourth General Report, point 391.

European Centre for the Development of Vocational Training (Cedefop)

269. Cedefop's programme of work for 1993 onwards has been redirected towards two priority areas, namely vocational training systems and qualifications. As far as qualifications are concerned, emphasis has been placed mainly on studies relating to vocational skills and qualifications and on procedures and mechanisms for the recognition of knowledge acquired at work. Monographs on national training systems were produced and a comparative analysis of these systems was undertaken. Furthermore, special attention was devoted to the link between basic training programmes and the job market, and to the role played by these programmes in respect of the integration — or exclusion — of young people.

270. In 1993 Cedefop continued to act as a source of information by publishing a large number of studies and participating in the European Forum on Vocational Training organized by the Commission of the European Communities.¹

European University Institute, Florence

271. The Commission contributed ECU 3 430 000 towards the Institute's scientific and research activities,² more specifically for the research library and European library (Eurolib programme), information technology, research projects, the Robert Schuman Centre and Jean Monnet Chair, Jean Monnet scholarships, the European Forum and the European Law Academy.

272. In the 1993/94 academic year, the Institute has 320 researchers and 41 full-time teachers. Commission aid and other contributions allow it to play host to 20 researchers from Central and Eastern Europe. Researchers from the EFTA countries are also admitted under association agreements with those countries. There are also a number of researchers from the former Soviet Union, North America and Latin America, mainly as a result of exchange agreements. The Institute actively cooperates with the College of Europe and the European Institute for Public Administration in Maastricht, particularly in the context of the programme for receiving researchers from Central and Eastern Europe.

¹ Point 258 of this Report.

² The activities of the European University Institute, Florence, are described in a brochure available from the Institute at Badia Fiesolana, via dei Roccettini, 9, I-50016 San Domenico di Fiesole (Firenze).

273. The Robert Schuman Centre opened at the beginning of the academic year in September. Its director is Professor Yves Meny. It has taken over the activities of the European Policy Unit and the European Culture Research Centre, and will continue with research into the main issues facing contemporary European society, particularly the construction of a united Europe.

274. The subject of the first 'European Forum' convened in the 1993/94 academic year is 'Regional and national identities in Europe in the 19th and 20th centuries', the aim being to bring together a group of academics and researchers from both within and outside the Institute for the purpose of conducting in-depth studies on this subject, culminating in a final conference and publication of a comprehensive report. The annual session of the European Law Academy was supplemented by an 'East-West Forum' organized with the help of the Commission (PHARE programme),¹ the Council of Europe and the European Bank for Reconstruction and Development. This three-week event brought together 60 academics and experienced researchers from Central and Eastern Europe and the former Soviet Union for intensive seminars on Community law, international trade law and the protection of human rights in Europe.

275. The annual Jean Monnet lecture was delivered on 10 November by Mr Egon Klepsch, President of the European Parliament, on the subject of 'The period after Maastricht: the major challenges facing Europe — the role of the European Parliament'.

¹ Point 655 *et seq.* of this Report.

Section 9

Energy

Priority activities and objectives

276. *Economic development and social progress are inextricably linked with the availability of energy resources. The Community therefore continued its action to create new conditions on the market in energy products and services, particularly in the gas and electricity sectors, and to define the conditions of access to oil and natural gas prospecting and extraction.*

Since the drive for greater competitiveness must be counterbalanced by taking greater account of the environmental impact of economic activities, the Community also began to implement the strategy outlined by the Commission in 1992,¹ in particular by adopting Directive 93/76/EEC to limit carbon dioxide emissions by improving energy efficiency and the Altener programme to promote renewable energy sources.

On the international scene, negotiations continued with a view to signing the Basic Agreement provided for by the European Energy Charter. The Community proposed a two-stage approach to try and resolve most of the difficulties in connection with the protection of investments. The efforts to assist the Central and East European countries and the Independent States of the former Soviet Union continued, and coordination with the other donor organizations was stepped up.

Community energy strategy

Community energy policy

277. The Community's energy policy takes the form of a consistent package of measures to influence energy production and consumption with the objective of securing economic growth and safeguarding citizens' well-being. Work in 1993 focused on identifying the broad lines of energy policy up to 2020 and on

¹ Twenty-sixth General Report, point 625.

fitting the measures adopted so far into a broader framework, in concertation with the Member States and taking account of the constraints within the Community or imposed by the international dimension.

Promotion of energy technology (Thermie)

278. Under the Thermie programme,¹ concerning which the Commission adopted a report on 9 December covering the period 1990-93,² the Commission granted on 19 July³ financial support totalling ECU 129.1 million to 137 projects to promote technologies concerning the rational use of energy, renewable energy sources, solid fuels, and oil and gas. It also granted support to two projects targeted on the rational use of energy in the transport and building sectors and released the second instalment for the combined-cycle coal gasification project (IGCC).⁴

279. The organizations established in 1991 to promote energy technologies (OPETs)⁵ and, in particular, to implement the Thermie programme in the Member States disseminated over 250 technological innovations on the various energy production and consumption markets. In addition, 14 energy promotion centres, set up in the capital cities of most countries of Central and Eastern Europe and of the Independent States of the former Soviet Union,⁶ started almost 120 projects to encourage transfers of technology and to improve the energy situation in the countries concerned.

Promotion of energy efficiency (SAVE) and of renewable energy sources

280. Under the SAVE programme,⁷ the Council adopted on 13 September Directive 93/76/EEC* to limit carbon dioxide emissions by improving energy efficiency. This provides for the Member States to draw up and implement programmes on energy certification of buildings, the billing of heating, air-conditioning and hot water costs on the basis of actual consumption and third-party financing for energy efficiency investments in the public sector.

¹ OJ L 185, 17.7.1990; Twenty-fourth General Report, point 608.

² COM(93) 642; Bull. EC 12-1993.

³ OJ C 200, 24.7.1993; Bull. EC 7/8-1993, point 1.2.94.

⁴ Twenty-sixth General Report, point 688.

⁵ Twenty-fifth General Report, point 751.

⁶ Twenty-sixth General Report, point 689.

⁷ OJ L 307, 8.11.1991; Twenty-fifth General Report, point 781.

281. Work continued on the PACE programme to improve the efficiency of electricity use,¹ in particular to lay down efficiency standards for refrigerators.

Internal energy market

Integration of the internal energy market

282. In its second progress report on the internal energy market,² adopted on 2 July, the Commission took stock of the achievements so far and outlined the next steps towards liberalization. In this connection, it stressed the need to enforce Community law in respect of energy and for further progress with the policies to accompany the liberalization process.

Internal market in gas and electricity

283. On 8 December, following the European Parliament's first reading, the Commission adopted two amended proposals for Directives* concerning the internal market in gas and electricity. The main changes concern negotiated instead of regulated network access, tendering procedures for new electricity production and transmission capacities as an alternative to the transparent and non-discriminatory licensing system proposed by the Commission, greater reference to public service obligations and increased harmonization for the smooth functioning of the internal market in electricity and natural gas.

Oil and gas prospecting and extraction

284. On 22 December the Council adopted a common position on the proposal for a Directive on the conditions for granting and using oil and gas prospecting, exploration and extraction authorizations.

Economic and social cohesion and infrastructure

285. The Commission continued its work to promote regional and urban energy planning. Parliament took the view that regional energy planning should become an integral part of the Community's flanking policies.³

¹ OJ L 157, 9.6.1989; Twenty-third General Report, point 681.

² COM(93) 261; Bull. EC 7/8-1993, point 1.2.97.

³ OJ C 225, 20.9.1993; Bull. EC 7/8-1993, point 1.2.99.

286. To pave the way for implementation of Article 129c of the EC Treaty, the Commission continued its work on defining guidelines for energy networks and establishing a context favourable to their development.

Sectoral aspects

Oil and petroleum products

287. A programme of studies and tests on the interactions between motor fuels (petrol and diesel) and engines, in terms of emissions of pollutants from motor vehicles, was started, with a view to establishing limit values for the year 2000.

Solid fuels

288. On 22 December the Council gave its assent to the draft Commission Decision of 27 January establishing new Community rules for State aid to the coal industry,¹ which had been endorsed by the ECSC Consultative Committee on 2 April² and by Parliament on 18 November.³ It was published as Decision No 3632/93/ECSC of 28 December.⁴ On 25 June the Council had adopted guidelines⁵ on these new rules, which are transitional arrangements to replace Decision 2064/86/ECSC⁶ when it expires on 1 January 1994 until the coal industry is brought under the EC Treaty.

289. Pursuant to Decision No 2064/86/ECSC, in 1993 the Commission authorized the granting of aid by Belgium,⁷ Germany,⁸ Spain⁹ and France.¹⁰ Also, on 29 March and 26 November the Commission adopted its (annual) 1991¹¹ and 1992¹² reports on the application of the Community rules for State aid to

¹ Bull. EC 1/2-1993, point 1.2.101.

² Bull. EC 4-1993, point 1.2.76.

³ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.86.

⁴ OJ L 329, 30.12.1993; Bull. EC 12-1993.

⁵ Bull. EC 6-1993, point 1.2.108.

⁶ OJ L 177, 1.7.1986; Twentieth General Report, point 737.

⁷ OJ L 85, 6.4.1993.

⁸ OJ L 58, 11.3.1993; OJ L 59, 12.3.1993.

⁹ OJ L 57, 10.3.1993.

¹⁰ OJ L 198, 7.8.1993; Bull. EC 5-1993, point 1.2.71.

¹¹ COM(93) 116; Bull. EC 3-1993, point 1.2.66.

¹² COM(93) 589; Bull. EC 11-1993, point 1.2.87.

the coal industry. On 11 February Parliament adopted a resolution emphasizing the strategic importance of coal.¹

290. On 25 March the Commission adopted a report on the market for solid fuels in the Community in 1992 and the outlook for 1993.² In September³ it revised this report, in the light of the opinion of the ECSC Consultative Committee.⁴ The latter expressed its views on the revised version of the report on 5 October.⁵ On 16 December the Commission approved a report on the market for solid fuels in 1993 and the outlook for 1994.⁶

Nuclear energy

291. Negotiations continued with Russia with a view to the conclusion of three Cooperation Agreements with Russia on controlled thermonuclear fusion, nuclear safety and trade in nuclear materials and with the USA with a view to the conclusion of a new Cooperation Agreement.

New and renewable energy sources

292. On 13 September the Council adopted Decision 93/500/EEC concerning the Altener programme.* This five-year programme has the objective of helping to reduce carbon dioxide emissions by 150 million tonnes by 2005 by developing renewable energy sources. This is to be achieved by doubling renewable energy sources' contribution to covering total energy demand, by trebling electricity production from all power stations using renewable energy sources, except large hydroelectric power stations, and increasing biofuels' market share to 5%. On 19 January Parliament reaffirmed its commitment to the development of renewable energy sources.⁷

¹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.99.

² SEC(93) 441; Bull. EC 3-1993, point 1.2.63.

³ Bull. EC 9-1993, point 1.2.68.

⁴ Bull. EC 4-1993, point 1.2.75.

⁵ Bull. EC 10-1993, point 1.2.79.

⁶ Bull. EC 12-1993.

⁷ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.100.

Relations with energy-producing or energy-exporting third countries

European Energy Charter

293. Despite the considerable progress made, there are numerous difficulties besetting the negotiations on the Basic Agreement, particularly concerning the protection and treatment of investment. At the negotiating session held in Brussels from 6 to 8 October,¹ the Russian delegation reaffirmed its commitment to the principle of national treatment of investment, but asked for an adjustment period of three years following signature of the Basic Agreement in order to establish the legislation needed for the orderly development of the market economy system and, where appropriate, to be able to draw up a list of exceptions to this principle in the light of the legislation adopted. The European Community therefore proposed examining the feasibility of a two-stage approach which the Commission set out in its communication of 4 November on the European Energy Charter: fresh impetus from the European Community² and which was endorsed by the other parties at the plenary negotiating session held in Brussels from 14 to 17 December.³

Technical assistance to the countries of Central Europe and the Independent States of the former Soviet Union

294. As part of the Synergy programme (the former international energy cooperation programme), projects were funded from a total budget of ECU 4 million, of which ECU 1.5 million was allocated to training, ECU 1 million to direct support for energy policy-makers, ECU 1 million to the organization of conferences and workshops on energy policy issues and ECU 0.5 million to other preparatory measures and evaluations.

295. Most of the energy projects under the 1991 TACIS programme drew to a close. Throughout the year the 1992 TACIS programme was implemented with funding of ECU 46 million for 47 projects in the field of non-nuclear energy. In line with Regulation (EEC) No 2053/93,⁴ the next TACIS programme

¹ Bull. EC 10-1993, point 1.2.80.

² COM(93) 542; Bull. EC 11-1993, point 1.2.84.

³ Bull. EC 12-1993.

⁴ Point 675 *et seq.* of this Report.

will cover the period from 1993 to 1995. Armenia, Azerbaijan, Kyrgyzstan, Russia, Moldova and Ukraine chose energy as a priority area for assistance.

296. In 1993 the energy section of the PHARE programme was extended to include Slovenia.¹ Following the creation of the Czech and Slovak Republics, 11 countries now receive assistance from this non-nuclear energy programme, which has generated over 50 projects with a total value of ECU 60 million or 3% of the PHARE budget.

Dialogue between producers and consumers

297. The dialogue between producers and consumers, a key component of energy policy designed to lay the foundation for cooperation between the Community and energy-producing countries, was actively pursued at multilateral level.

Euratom Supply Agency

298. As in previous years,² a diversified supply was maintained for users of nuclear fuels and nuclear fuel cycle services in the Community. Deliveries continued, for the most part under the long-term contracts still in force, without any particular problems; difficulties were encountered only with the reprocessing of highly enriched uranium.

299. The supply situation in the Community looks reasonably stable in the short to medium term. In the longer term, however, there is a risk of destabilization, as some electricity companies have recently been turning to the short-term market to cover a growing proportion of their requirements. The Agency therefore continued to encourage users to cover most of their requirements by long-term contracts with producers on terms that reasonably reflect long-term production costs and to resort to the spot market for only a small proportion of their requirements.

300. In 1992 supplies of natural uranium from the former Soviet Union covered 25% of Community users' net requirements, a level regarded as being critical. On the basis of the contracts concluded by the Agency, the share of

¹ Point 655 *et seq.* of this Report.

² Twenty-sixth General Report, point 713.

the Community market covered by these supplies in 1993 was expected to be in the order of 20% of users' net requirements.

301. With the support of the Commission and after consulting the industries concerned and the authorities in the Member States, the Agency endeavoured to keep supplies from the Independent States of the former Soviet Union within reasonable limits and at fair prices. Following a widely welcomed flexible and pragmatic approach, the Agency particularly encouraged electricity companies to diversify their sources of supply in order to avoid excessive dependence on any particular source.

Section 10

Transport

Priority activities and objectives

302. *The Commission's White Paper on the future development of the common transport policy¹ maps out a coordinated and comprehensive policy strategy to provide efficient and safe transport systems allowing citizens and economic operators in all regions of the Community to take full advantage of the single market. In keeping with the White Paper's aims a package of Community measures was introduced to contribute to the smooth operation of the internal market, greater transport safety and enhanced economic and social cohesion.*

The legislation on taxation and road cabotage adopted by the Council lays down the ground plan for the single road transport market and is the culmination of many years of work towards the liberalization of this sector. This is matched, in air transport, by a Regulation on a code of conduct for computerized reservation systems and a Regulation promoting the transparent, efficient and non-discriminatory allocation of time slots, which complete the third liberalization package in this sector.

The growing volume of traffic generated by the completion of the single market highlights the need for effective measures to improve road safety. A number of initiatives have been taken. In the conclusions of 30 November the Council endorsed the approach proposed by the Commission in its action programme on road safety. The Commission adopted a proposal on the creation of a Community data bank on road accidents, an action programme on maritime safety with two proposals for Directives, one on standards for vessel inspection and surveys and the other on the minimum level of training for seafarers, and, in the air sector, a proposal for a Directive on the investigation of civil aviation accidents.

Progress was also made in developing trans-European transport networks with work focusing on the interconnection and interoperability of national networks and access to them. The master plans for the road, combined transport and

¹ Twenty-sixth General Report, point 643; Supplement 3/93 — Bull EC.

inland waterway networks were adopted by the Council. The Commission looked at blueprints for ports, airports and the conventional rail network and also the interconnection and interoperability of Community networks with those of non-member countries such as those of Central and Eastern Europe.

At international level factors such as the completion of the single market, the creation of the European Economic Area (EEA) and increasing traffic flows highlight the need for a more evident external dimension to the common transport policy. Agreements were concluded with Slovenia and with Norway and Sweden with a view to the impending entry into force of the EEA. Negotiations were also conducted with Austria under the enlargement process and with Switzerland and Central and Eastern Europe.

General strategy

Development of the common transport policy

303. On 27 May¹ and 20 October² respectively Parliament and the Economic and Social Committee delivered opinions on the White Paper on the future development of the common transport policy.³ Parliament called for greater emphasis to be put on environmental protection and safety whereas the Economic and Social Committee underlined the need for greater account to be taken of outlying regions and transit countries at the heart of Europe. In the conclusions of its meeting on 7 June⁴ the Council welcomed the Commission's integrated approach, which encompassed economic, social and environmental aspects as well as infrastructure and research and development.

Research and technological development

304. The Community's EURET research programme⁵ has had its budget increased to ECU 26.8 million and is financing nine contracts involving 120 businesses in shared-cost research projects in the rail, air, maritime and

¹ OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.2.72.

² OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.2.83.

³ Twenty-sixth General Report, point 643; Supplement 3/93 — Bull. EC.

⁴ Bull. EC 6-1993, point 1.2.110.

⁵ OJ L 8, 11.1.1991; Twenty-fifth General Report, point 729.

multimodal transport sectors. On 13 December the Commission adopted its mid-term review of the EURET programme.¹

Infrastructure

Transport networks

305. Article 129c of the EC Treaty calls for a series of guidelines covering the objectives, priorities and broad lines of measures envisaged in the sphere of trans-European networks. The Council, which had already approved the high-speed rail network master plan,² adopted Decisions 93/628/EEC*, 93/629/EEC* and 93/630/EEC* on the combined transport, road and inland waterway networks on 29 October. The Commission embarked upon a multimodal strategy incorporating all the master plans already approved and blueprints for the port, airport and conventional rail networks on which a communication was adopted on 21 December.³

Financial support for projects of Community interest

306. On 25 June, pending the introduction of more comprehensive measures under the Treaty on European Union, the Council adopted Regulation (EEC) No 1738/93* for an action programme in the field of transport infrastructure with a view to the completion of an integrated transport market. This renews Regulation (EEC) No 3359/90⁴ for the period covering 1993 and 1994. On 28 July⁵ and on 17 December the Commission granted financial support totalling ECU 185 million for 47 transport infrastructure projects and studies of Community interest.

¹ COM(93) 640; Bull. EC 12-1993.

² Twenty-fourth General Report, point 562.

³ COM(93) 701; Bull. EC 12-1993.

⁴ OJ L 326, 24.11.1990.

⁵ Bull. EC 7/8-1993, point 1.2.101; Bul. EC 12-1993.

Multimodal transport

307. On 1 September the Commission adopted a report¹ on the application of Council Directive 75/130/EEC on the establishment of common rules for certain types of combined carriage of goods between Member States in which it defines a number of new measures to promote this form of transport.²

308. On 27 September it also adopted a proposal for a Seventh Council Directive* on summer-time arrangements from 1995 to 1998.

Inland transport

Rail

309. On 15 December the Commission adopted two proposals for Council Directives, one on the licensing of railway undertakings* and the other on the allocation of railway infrastructure capacity and the charging of infrastructure fees*. These two proposals will ensure that Member States provide right of access to rail infrastructure in accordance with Directive 91/440/EEC,³ in a fair, non-discriminatory and efficient manner without jeopardizing safety or the quality of public service.

Road transport

Admission to the occupation and market access

310. On 25 October the Council adopted Regulation (EEC) No 3118/93* laying down the conditions under which non-resident carriers may operate national road haulage services within a Member State (cabotage). This will allow the gradual introduction of the freedom to provide services by 30 June 1998 when the internal market will have been completed in this sector. During a transitional period each Member State may allow, temporarily, non-resident carriers to undertake national road haulage operations without making them

¹ COM(93) 394.

² OJ L 48, 22.2.1975; Ninth General Report, point 367.

³ OJ L 237, 24.8.1991; Twenty-fifth General Report, point 696.

subject to quantitative national market access restrictions provided they are covered by a Community authorization or quota system.

311. On 1 September the Commission adopted a report¹ listing the measures taken by each Member State to implement Directive 89/438/EEC on admission to the occupation of road haulage or road passenger transport operator in national and international transport operations.²

312. On 25 October the Commission adopted Regulation (EEC) No 2944/93³ amending Commission Regulation (EEC) No 1839/92⁴ with regard to control documents for shuttle services with accommodation and for occasional international coach and bus services.

Taxation

313. On 25 October the Council adopted, together with the Regulation on road cabotage, Directive 93/89/EEC* on the application by Member States of taxes on certain vehicles used for the carriage of goods by road and tolls and charges for the use of certain types of infrastructure requiring heavy goods vehicles to contribute towards the costs they engender through an excise duty on diesel oil, vehicle taxes or tolls and charges for the use of road infrastructure. A standard minimum rate has already been fixed for diesel excise duty. Member States will also be required to apply, from 1 January 1995 at the latest, a vehicle tax based on a minimum rate. This may be limited in time and special derogations may be granted. Member States may also maintain or introduce tolls or user charges provided they do not discriminate on the basis of carrier nationality or consignment origin or destination. The user charges may be set by Member States at no higher than ECU 1 250 per year; this ceiling will be reviewed in 1997. Member States may also introduce a joint system of charges applying to their territories and, if they wish, special arrangements for border areas covered by such a joint system. All these provisions will apply until a road charging system based on common state-of-the-art technical standards is adopted.

¹ COM(93) 341.

² OJ L 212, 22.7.89; Twenty-third General Report, point 629.

³ OJ L 266, 27.10.1993.

⁴ OJ L 187, 7.7.1992.

Technical aspects

314. On 24 November the Commission adopted a proposal for a Directive* on the carriage of dangerous goods by road applying the relevant international rules uniformly to international and national transport operations to ensure an adequate level of protection and safety is maintained. On 15 December it also adopted a proposal for a Directive* on uniform procedures for checks on the transport of dangerous goods by road.

315. On the same date it adopted a proposal for a Directive* establishing the maximum weight and dimensions authorized in the Community for road vehicles over 3.5 tonnes.

Road safety

316. On 30 November the Council adopted conclusions¹ endorsing the overall approach set out by the Commission in its communication on an action programme on road safety adopted on 9 June² and welcoming the short and medium-term practical initiatives proposed to influence the factors affecting road safety (driver behaviour, vehicle and infrastructure). Parliament approved the programme on 12 March.³ On 30 November under the programme and in accordance with the White Paper on the development of the common transport policy⁴ the Council adopted Decision 93/704/EC* on the creation of a Community database on road accidents (CARE), as well as a resolution on young drivers on 16 December.⁵

Social aspects

317. On 26 November the Commission adopted a report on action to be taken in the Community to make transport accessible to persons with reduced mobility.⁶

318. On 15 October the Commission adopted its 16th report⁷ on the implementation during 1986-90 of Council Regulations (EEC) Nos 543/69⁸

¹ Bull. EC 11-1993, point 1.2.90.

² COM(93) 246, Bull. EC 6-1993, point 1.2.114.

³ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.68.

⁴ Twenty-sixth General Report, point 643; Supplement 3/93 — Bull. EC.

⁵ OJ C 351, 30.12.1993; Bull. EC 12-1993.

⁶ COM(93) 433; Bull. EC. 11-1993, point 1.2.89.

⁷ COM(93) 494.

⁸ OJ L 77, 29.7.1969.

and 3820/85¹ on the harmonization of social legislation relating to road transport. In the report it notes that there are still many infringements of driving and rest periods.

Inland waterways

319. On 16 November the Commission adopted a proposal for a Regulation* amending Regulation (EEC) No 1101/89 on structural improvements in inland waterway transport² extending for a further five years the 'old for new' rule which restricts investment in new vessels under the Community-wide scheme to scrap some of the existing inland waterway fleet.

Urban transport

320. On 22 January Parliament adopted a resolution calling for measures to promote urban electric vehicles.³

Sea transport

Implementation of the common policy

321. On 16 September Parliament adopted three resolutions on positive measures to promote Community shipping⁴ in which it calls for the establishment of a Community shipping register and a common definition of a Community shipowner. On 12 March it adopted a resolution on the development of maritime transport and the port system in the Adriatic and Ionian Seas.⁵

Safety at sea

322. In the wake of the tanker disasters at La Coruña and the Shetland Islands the Commission and the Council mapped out, through a series of measures, a Community policy on safety at sea to underpin the work of individual Member

¹ OJ L 370, 31.12.1985.

² Twenty-third General Report, point 634.

³ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.102.

⁴ OJ C 268, 4.10.1993; Bull. EC 9-1993, points 1.2.74 to 1.2.76.

⁵ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.69.

States within international organizations and to ensure more effective implementation of international regulations within the Community. The Council adopted conclusions on shipping safety and the prevention of pollution in the Community on 25 January¹ and a resolution and conclusions on a common shipping safety policy on 8 June² and 29 June³ respectively. In response to the concern expressed by Parliament about the disasters on 11 January⁴ and 25 January⁵ the Commission adopted a communication on a common shipping safety policy on 24 February,⁶ which was endorsed by the Economic and Social Committee. In it the Commission proposes a coordinated programme to ensure standard implementation of existing international regulations within the Community, uniform application by coastal States of international regulations governing vessels of all flags when operating in Community waters, the coherent and harmonized development of navigational aids and traffic surveillance facilities, and improvement of maritime safety through new initiatives to be promoted by Member States under the auspices of international bodies.

323. The Commission launched these measures with the adoption, on 19 May, of a proposal for a Directive* laying down common rules and standards for ship inspection and survey organizations and, on 26 May, a proposal for a Directive* concerning the minimum level of training for maritime occupations. The latter measure is intended to ensure that crews of ships registered in the Community receive appropriate training. On 24 February the Commission adopted a report on radio navigation systems to be used in Europe.

On 8 December the Commission also adopted a proposal for a Council Regulation* implementing IMO Resolution A.747(18) on the application of the tonnage measurement of ballast spaces in segregated ballast tank oil tankers. On 17 December it adopted a proposal for a Directive* concerning the setting-up of a European vessel reporting system in the maritime zones of Community Member States.

324. On 13 September the Council adopted Directive 93/75/EEC* concerning minimum requirements for vessels bound for or leaving Community ports and

¹ Bull. EC 1/2-1993, point 1.2.103.

² OJ C 271, 7.10.1993; Bull. EC 6-1993, point 1.2.115.

³ Bull. EC 6-1993, point 1.2.116.

⁴ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.106.

⁵ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.105.

⁶ COM(93) 66; Bull. EC 1/2-1993, point 1.2.104.

carrying dangerous or polluting goods. Its aim is to ensure that Member States are kept informed about the movements of such vessels.

Air transport

Implementation and finalization of the common policy

325. The Council put the finishing touches to the third air transport package,¹ which is the last phase in the process of liberalizing Community air transport, by adopting, on 18 January, Regulation (EEC) No 95/93* on the allocation of time slots. The fact that Member States have clearly differed in their interpretations in implementing these measures has prompted a number of complaints to the Commission from airlines, particularly on market access. The Commission also worked out guidelines on fare safeguard clauses in conjunction with Member States and airlines.

326. On 29 October the Council adopted Regulation (EEC) No 3089/93* amending Regulation (EEC) No 2299/89 on a code of conduct for the use of computerized reservation systems² to take account of the rules introduced by the third air transport package and to tighten up other rules to prevent abuse of such systems.

327. Talks were held between the Commission and the airlines and other interested parties on the economic and financial problems facing airlines. These difficulties also prompted the Commission to set up a committee of wise men to reassess priorities in the air transport sector. On 20 April Parliament adopted a resolution on the Commission's report on the evaluation of aid schemes to help Community air carriers.³

Air traffic management

328. As a means of sustaining the technological development of the air transport industry under its liberalization policy, the Council adopted, on 19 July, Directive 93/65/EEC* to standardize and integrate in the short term

¹ Twenty-sixth General Report, point 674.

² OJ L 220, 29.7.1989; Twenty-third General Report, point 639.

³ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.78.

air traffic management equipment used in the Member States. This will help improve communication and the technical compatibility of communications, navigation and surveillance systems.

Air safety

329. On 1 September the Commission adopted a proposal for a Directive* establishing the principles governing the investigation of civil aviation accidents and incidents. This will enable more information to be gathered about their causes and help prevent them in the future.

Social conditions

330. The Commission continued its work on the harmonization of social conditions in the air transport sector, focusing on the number of hours flown by air crews and minimum training standards for air and ground crews. It published a number of opinions on the mutual recognition of pilot licences.¹

External dimension

Transit through non-Community countries

331. Following the entry into force of the bilateral agreement between the Community and Austria on the carriage of goods by road and rail in transit, the Commission approved guidelines on transalpine transit through Austria on 22 September.²

332. The agreement between the European Economic Community and Slovenia formalized by Council Decision 93/409/EEC* of 19 July provides support for a transport system and its infrastructure and identifies road and rail routes to be co-financed by the Community.

¹ OJ L 111, 5.5.1993; OJ L 213, 24.8.1993; OJ L 267, 28.10.1993; OJ L 273, 5.11.1993.

² Bull. EC 9-1993, point 1.2.79.

333. Following the conference held in Prague in October 1991¹ Parliament proposed, on 9 February,² that a second pan-European transport conference be convened. The Economic and Social Committee gave its opinion on the content of such a conference on 20 October.³

Bilateral relations

334. On 22 September the Commission adopted a recommendation for a Council decision on the opening of negotiations with a view to concluding an agreement with Switzerland*. In the road sector, this will cover the bilateral market access aspects of goods and passenger transport and transport operations to and from non-Community countries and in transit. In the air sector, it will apply all Community legislation to Switzerland, in particular the third liberalization package. The Commission communication and the Council's conclusions on future relations with Switzerland⁴ call for negotiations to run in parallel to negotiations on the free movement of persons, research and development and on access to the market for agricultural products.

335. On 22 July* the Council decided to open negotiations with Norway and Sweden to incorporate — pending the entry into force of the EEA — Community legislation adopted since the entry into force of the agreements on civil aviation concluded with those countries.

336. Community transport ministers met their counterparts from Central and Eastern Europe on 28 November.⁵ The main topic of discussion was the development of infrastructure and alignment of associated countries' legislation on that of Community legislation in the transport field.

¹ Twenty-fifth General Report, point 735.

² OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.111.

³ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.2.86.

⁴ Point 692 of this Report.

⁵ Bull. EC 11-1993, point 1.2.99.

Air traffic rights

337. Following the Commission communication on external relations in air transport¹ the Council adopted its conclusions on 15 March. It calls for exchanges of information and talks and suggests that areas in which there may be conflicts between Community legislation and the bilateral agreements and areas of mutual interest to Member States be identified as a prelude to case-by-case Community negotiations.²

338. On 16 November Parliament gave its opinion on air transport relations with non-Community countries.³

¹ Twenty-sixth General Report, point 685.

² Bull. EC 3-1993, point 1.2.70.

³ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.98.

Section 11

Telecommunications, information market and exploitation of research

Priority activities and objectives

339. *Completion of the internal market and the entry into force of the Treaty on European Union, with its new provisions on research and technological development, industrial policy and trans-European networks, made 1993 a turning-point for activities in the field of telecommunications policy, research into communications technology and telematic systems of general interest, and the information market.*

The Community continued its work on the liberalization and harmonization of telecommunications services. A big step was taken when the Council, after re-examining the situation with regard to telecommunications services in the Community, adopted a resolution establishing an action programme for the period up to 1998, which resulted in the adoption of Directive 93/97/EEC concerning satellite earth station equipment. The Commission continued its work in this field by adopting a communication on personal communications via satellite, on which the Council adopted a resolution in December. It also began to implement the principles set out in its communication on the telecommunications equipment industry.

At the same time, in recognition of the contribution which trans-European networks will make to growth and employment in the Community, the Commission adopted proposals on the integrated services digital network (ISDN) and on broadband networks, with the objective of creating advanced telecommunications infrastructure which will help to ensure the smooth operation of the internal market and to make Europe more competitive.

A major agreement was concluded on cooperation at Community level on high-definition television. This was followed up by adopting an action plan to promote the 16:9 format, irrespective of the European television standard and broadcasting mode used. The work on postal services continued with the adoption of a Council resolution indicating the path to be followed at Community level for organization of this sector in the context of the single market.

With regard to research and technological development, the supplementary financing allocated to the third framework programme for 1993 and 1994 provided the resources needed to continue to implement the specific programme on information and telecommunications technologies. The Commission's efforts focused primarily on the development of advanced communications systems using broadband network technologies and the new generation of technologies (photonics, opto-electronics and digital image transmission) and on telematics technologies and services for transport, health care, education, library management and linguistics. The policy with regard to the application of the results of the research carried out in the Community was bolstered by establishing relay centres to support the centralized activity relating to the dissemination and application of results.

Also, the European innovation monitoring system allowed close cooperation between the Member States on national and Community policies on innovation. The Commission stepped up its efforts to remove the technical and legal barriers to transfrontier use of electronic information services. On the external relations front, measures were taken to foster international cooperation, particularly with Central and Eastern Europe.

Information technology

340. Activities in the field of information technologies are now covered in the 'Industrial policy' section of Chapter II of this Report.¹

Telecommunications policy

341. To follow up the wide-ranging consultations initiated by the 1992 report on the situation in the telecommunications sector,² the Commission adopted a communication on 28 April,³ which was endorsed by the Economic and Social Committee on 24 November,⁴ and the Council adopted a resolution on 16 June⁵ advocating a series of measures to achieve the liberalization of telecommunications services which they recognized as inevitable and necessary

¹ Point 201 *et seq.* of this Report.

² Twenty-sixth General Report, point 343.

³ COM(93) 159; Bull. EC 4-1993, point 1.2.81.

⁴ Bull. EC 11-1993, point 1.2.101.

⁵ OJ C 213, 6.8.1993; Bull. EC 6-1993, point 1.2.122.

in order to meet technological and market demands. On 20 April¹ Parliament called upon the Council and the Commission to define precisely and clearly the principles underlying liberalization of this sector: universality, freedom of access, equality of treatment and adaptability. On 15 November the Commission adopted a communication on developing a universal service for telecommunications in a competitive environment.² On 7 December the Council adopted, on a proposal from the Commission, a resolution laying down the basic principles for a universal service in the Community and guidelines on the principles to be applied for financing the service.³

342. Another step taken was the adoption, on 29 October, of Directive 93/97/EEC* concerning satellite earth station equipment, which established the single market for such equipment, brought in harmonized procedures to ensure conformity with the essential requirements and guaranteed the right to use such equipment. On 19 January⁴ Parliament had called for a common approach to promote satellite communications in the Community and to lift the restrictions governing their use. On 27 April the Commission adopted a communication on personal communications via satellite.⁵ On this basis on 7 December the Council adopted a resolution on the framework for coordinating the action taken at national and Community level.⁶

343. In order to establish a coordinated strategy on radio frequency allocation in the Community, on 10 September the Commission adopted a proposal for a Council Decision* on the implementation by the Member States of measures in this field. On 7 December the Council called on the Commission⁷ to sign a memorandum of understanding with the European Radiocommunications Committee (ERC) and the European Radiocommunications Office (ERO).

344. To follow up the Commission's communication on the European telecommunications equipment industry,⁸ as endorsed by the Economic and Social Committee on 28 April,⁹ on 10 May the Council adopted conclusions¹⁰ in which it stressed that the measures for improving the competitiveness of the

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.82.

² COM(93) 543; Bull. EC 11-1993, point 1.2.100.

³ Bull. EC 12-1993.

⁴ OJ C 42, 15.2.1993; Bull. EC 1/2-1993.

⁵ COM(93) 171; Bull. EC 4-1993, point 1.2.85.

⁶ OJ C 339, 16.12.1993; Bull. EC 12-1993.

⁷ Bull. EC 12-1993.

⁸ Twenty-sixth General Report, point 343.

⁹ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.84.

¹⁰ Bull. EC 5-1993, point 1.2.78.

industry and correcting its structural problems were, in the first place, the responsibility of the industry itself, although the action taken by the Community should be strengthened with a view to improving the conditions of competition on the world market.

345. In its resolution on the Commission communication on telecommunications tariffs in the Community,¹ on 20 April Parliament called for a Community tariff agreement to reduce or do away with cross-border surcharges.²

346. To contribute to the freedom to provide telecommunications services in the context of trans-European networks, on 22 July the Commission adopted a communication on 'preparatory actions in the field of trans-European networks: integrated broadband communications (TEN-IBC)'.³ On 1 September it adopted a further communication related to the development of the integrated services digital network (ISDN), and two proposals for Decisions*, one on a series of guidelines setting out the priorities and broad lines of action for the development of ISDN, the other adopting a multiannual Community action on the implementation of projects of common interest and of measures to ensure the interoperability of the services.

347. On 22 January⁴ and 25 March⁵ respectively, Parliament and the Economic and Social Committee gave their opinions on the Green Paper on the development of the single market for postal services.⁶ On 25 June⁷ and 29 October⁸ Parliament also drew attention to the economic and social importance of postal services. On 2 June the Commission adopted 'guidelines for the development of Community postal services'⁹ based on the initial results of the consultations on the Green Paper. On 7 December¹⁰ the Council reiterated the principal objectives of the development of postal services.

348. On 22 July the Council adopted a resolution on the development of technology and standards in the field of advanced television services and a framework agreement for an action plan for the introduction of advanced

¹ Twenty-sixth General Report, point 343.

² OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.83.

³ COM(93) 372; Bull. EC 7/8-1993, point 1.2.93.

⁴ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.112.

⁵ OJ C 129, 10.5.1993; Bull. EC 3-1993, point 1.2.77.

⁶ Twenty-sixth General Report, point 351.

⁷ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.121.

⁸ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.2.90.

⁹ COM(93) 247; Bull. EC 6-1993, point 1.2.120.

¹⁰ Bull. EC 12-1993.

television services in Europe.¹ On 7 December it expressed its support² for the moves by the Digital Video Broadcasting Group with a view to coordinating activities at European level in collaboration with the Commission.

Communications technology

349. The supplementary financing allocated to the third R&TD framework programme in March³ made it possible to step up the pace. In response to the call for proposals published in May,⁴ 75 proposals were selected concerning over 400 organizations in 11 Member States, Austria, Finland, Norway, Sweden and Switzerland, with a total budget of ECU 15 million. The projects in question are aimed mainly at the technical harmonization of advanced digital communications and ensuring that Europe continues to play a leading role in relation to mobile and personal communications and advanced technologies in the field of broadband communications and information security. On 30 March the Commission adopted a final report⁵ on Phase I of the RACE programme.⁶

350. Several accompanying measures were taken in 1993, notably in the form of two calls for proposals, one in June⁷ to stimulate teleworking systems in Europe, the other in August⁸ on participation by organizations from the peripheral regions of the Community in the fields of advanced communications and telematics. Another new scholarship scheme was introduced to promote the mobility of researchers working in the field of advanced communications.

Telematic systems of general interest

351. Work continued on the projects selected in 1992⁹ as part of the specific programme on telematic systems in areas of general interest.¹⁰ These projects cover the setting-up of trans-European networks between administrations and

¹ Point 625 of this Report.

² Bull. EC 12-1993.

³ Point 208 of this Report.

⁴ OJ C 149, 29.5.1993.

⁵ COM(93) 118; Bull. EC 3-1993, point 1.2.76.

⁶ OJ L 16, 21.1.1988; Twenty-second General Report, point 404.

⁷ OJ C 173, 24.6.1993.

⁸ OJ C 214, 7.8.1993.

⁹ Twenty-sixth General Report, point 334.

¹⁰ OJ L 192, 16.7.1991; Twenty-fifth General Report, point 379.

the development of data communications systems for transport, health care, flexible and distance learning, libraries, linguistic engineering and rural areas.

Administrations

352. This field of work includes the development of systems for the interchange of data between administrations, particularly identification and specification of the essential requirements for trans-European networks. All but one of the 13 projects started in 1992¹ continued in 1993. A new accompanying measure has as its objective to produce a summary of the general requirements for implementation of the networks.

Transport

353. Work continued on the 57 projects started in 1992² on demand management, travel and traffic information, urban and interurban traffic management, driver assistance and freight, fleet management and public transport management. The supplementary financing³ allocated to the third R&TD framework programme made it possible to publish a further call for proposals⁴ from which 15 projects were selected.

Health care

354. The 35 projects in progress to follow up the AIM exploratory action⁵ cover such subjects as the architecture necessary in order to establish a common European medical file, the development of multimedia workstations and image processing and transmission systems for use in medicine, computer-aided decision-making systems for diagnostic purposes or integrated data communications between hospital units and the place where basic care is dispensed. A series of concerted action projects were also conducted this year on user participation in the medical profession together with support measures to ensure closer coordination of the R&TD activities conducted in the Member States, particularly on the application of patient data cards, hospital resource

¹ Twenty-sixth General Report, point 335.

² Twenty-sixth General Report, point 336.

³ Point 208 of this Report.

⁴ OJ C 166, 17.6.1993.

⁵ OJ L 314, 22.11.1988; Twenty-second General Report, point 406.

quality management, value-added services to improve health care in urban areas and in the regions and education and training for users and medical researchers. The supplementary financing¹ allocated to the third R&TD framework programme made it possible to publish a call for proposals in May² from which 26 proposals were selected.

Flexible and distance learning

355. Thirty-one projects involving 201 of the organizations most active in the field of distance learning in Europe are now in progress, with the objective of developing advanced systems and pilot projects designed to establish interactive training services and to check the effectiveness of various technologies in different teaching contexts and fields of knowledge. Following the publication of a call for proposals in May,² 16 proposals on the harmonization, implementation and evaluation of the action proposed were selected.

Data communications systems for rural areas

356. Sixteen projects are in progress³ covering a range of fundamental problems relating to the application of data communications systems in rural areas, particularly analysis of the market and identification of the obstacles to the use of data communications systems and teleworking.

Linguistic research and engineering

357. In addition to the 9 projects selected after the first call for proposals in 1991,⁴ the 16 projects selected after the second call for proposals in 1992⁵ ensured far greater participation by industry, small businesses and user organizations. Two accompanying schemes were started, one to define common specifications and formats for exchanges of linguistic data, the other to produce portable software with a view to the development of applications for processing natural language in a precompetitive environment.

¹ Point 208 of this Report.

² OJ C 121, 1.5.1993.

³ Twenty-sixth General Report, point 339.

⁴ OJ C 218, 21.8.1991; Twenty-sixth General Report, point 340.

⁵ Twenty-sixth General Report, point 340.

358. Furthermore, the departments in Brussels and Luxembourg used the Systran machine translation system to translate over 100 000 pages of text between 16 language pairs.

Libraries

359. Including the 15 projects selected after the 1992 call for proposals,¹ a total of 29 joint research projects on computerized catalogues, the interconnection of library systems, the introduction of new electronic services in libraries and the provision of data communications products and services relevant to libraries are now under way. A third call for proposals was published in November.²

TIDE

360. Also, following the start of the exploratory phase of the TIDE applied technology initiative³ work continued on the 10 of the 21 projects still under way for disabled and elderly people³ and a major study was launched on rehabilitation technologies in the context of the single market. Alongside Council Decision 93/512/EEC on the TIDE initiative,⁴ a call for proposals was published on 21 April⁵ culminating in the selection of 24 proposals on interpersonal communication, control systems for use in the home and the restoration and enhancement of motor and cognitive functions with the aid of integrated systems designed for the sections of the population covered by this initiative.

Standardization in IT and telecommunications

361. Standardization activities are now covered in the 'Industrial policy' section of Chapter II of this Report.⁶

Dissemination and exploitation of the results of Community and national R&TD programmes

362. The work programme adopted by the Commission in 1992 pursuant to Decision 92/272/EEC on the dissemination and exploitation of knowledge resulting from the specific R&TD programmes⁷ was updated. In particular,

¹ Twenty-sixth General Report, point 342.

² OJ C 310, 16.11.1993.

³ OJ C 76, 21.3.1991.

⁴ Point 603 of this Report.

⁵ OJ C 111, 21.4.1993.

⁶ Point 200 of this Report.

⁷ OJ L 141, 23.5.1992; Twenty-sixth General Report, point 359.

27 organizations in the Member States were selected to serve as the relay centres for the dissemination and exploitation network being established. In response to a standing call for proposals published in September 1992,¹ 30 exploitation projects were selected as eligible for a contribution from the Community. A further call for proposals was published in September² with a view to selecting further projects for funding in 1994.

363. The Cordis information service now covers eight databases, available in CD-ROM form, and has 6 200 users. As regards the protection of results, 42 new applications for patents of invention were filed between January and December, bringing the total number of files for which Community support has been requested over the last five years up to 176. The VALUE I programme³ ended in June and its results were submitted to a panel of independent experts for final evaluation.

Promotion of innovation and technology transfer

364. As this was the last year of the 1989-93 phase of the strategic programme for innovation and technology transfer (Sprint),⁴ on 20 December the Council adopted a Decision* extending the programme until 31 December 1994.

365. Sprint activities continued under three headings:

- (i) Facilitating the dissemination of new technology to firms: the national bodies to implement the MINT project (on technology audits in small firms) were selected and given their mandates. Work on major technology transfer projects was stepped up, bringing the number of projects in progress up to 21. The Commission also published a call for tenders⁵ for the organization of the European Community design prize in 1994.
- (ii) Strengthening innovation and technology transfer support service infrastructure: the activities of the transnational networks of innovation support services and networks of research and technology bodies continued; by the end of 1993 a total of 130 networks were receiving support under the Sprint programme. In response to the call for proposals published in August

¹ Twenty-sixth General Report, point 359.

² OJ C 252, 16.9.1993.

³ OJ L 200, 13.7.1989; Twenty-third General Report, point 369.

⁴ OJ L 112, 25.4.1989; Twenty-fifth General Report, point 398.

⁵ OJ C 57, 27.2.1993.

1992,¹ the Commission selected 15 schemes to improve network efficiency. Under the scheme to assist science parks, 35 new proposals were selected in response to the July 1992 call for proposals¹ and work started on the study on the establishment of a data communications network between science parks. Another call for proposals from promoters of science parks was published in December.²

- (iii) Improving awareness and understanding of innovation and exchanging experience on regional, national and Community innovation policies: with the cooperation of Eurostat, the European innovation monitoring system conducted a harmonized Community-wide survey of firms in the Member States.

Development of an information services market

366. On 3 March the Commission approved the Impact II³ work programme which focused on the theme Info-Euro-Access, i.e. improving access to information at European level for all interested parties. A call for declarations of interest was published on 1 October.⁴

367. The information market observatory continued its work by beginning a study on the information services markets and following up the strategic study started in 1992 on new opportunities for publishers on the electronic information services market.⁵

368. The Commission monitored the work of the network of national partners set up under the Impact II programme.⁶ User support and guidance services continued on the ECHO (European Commission Host Organization) server.⁷ Following a call for proposals for the shared-cost definition phase of geographical information services,⁶ 28 projects were selected. After evaluation of the 56 definition phase projects for interactive multimedia information services,⁶ 22 projects were selected for the shared-cost implementation phase.

¹ Twenty-sixth General Report, point 363.

² OJ C 238, 4.12.1993.

³ Twenty-fifth General Report, point 399.

⁴ OJ C 266, 1.10.1993.

⁵ Twenty-sixth General Report, point 365.

⁶ Twenty-sixth General Report, point 366.

⁷ Twenty-fifth General Report, point 399.

International cooperation

369. The Commission actively contributed to the GATT negotiations on telecommunications and to the work of the Organization for Economic Cooperation and Development (OECD) on matters such as information security and data protection.

370. With regard to international scientific and technological cooperation, an EEC-Canada working group met to launch joint activities in information technology and communications research, particularly in the fields of distance learning, electronic data interchange and language technology. The ministerial-level meeting between the EEC and Japan in January¹ provided an opportunity to start preparations for the first EEC/Japan forum on science and technology² which will study telematic applications and the information market in particular.

371. The 1992 call for proposals³ for scientific and technological cooperation with Central and Eastern Europe attracted some 300 pilot projects on information and communication technology. Consultations were held, under the PHARE and TACIS programmes, with a view to restructuring the telecommunications sector in the eligible countries. Finally, exchanges of experts and projects on telecommunications, information services and networks were organized, notably in China, India and Latin America, to demonstrate Europe's scientific and technological capabilities.

¹ Point 703 of this Report.

² Bull. EC 7/8-1993, point 1.2.87.

³ OJ C 111, 30.4.1992; Twenty-sixth General Report, point 322.

Section 12

Consumer policy

Priority activities and objectives

372. *In the context of giving effect to the Treaty on European Union, which gives consumer policy the status of a genuine Community policy, the Commission's second three-year action plan (1993-95) in favour of European consumers was adopted by the Commission on 28 July.*¹

This action plan focuses both on consolidation of Community legislation — several major directives having been adopted this year, such as the directives on cosmetic products and unfair terms — and on selective priorities designed to raise the level of consumer protection and to make consumers more aware of their rights, notably by encouraging access to justice, by creating a European guarantee and after-sales service scheme, and by adapting transfrontier financial services. The plan also aims at better integration of consumer policy within the other Community policies.

Consumer participation

373. On 19 January, the European Parliament adopted a Resolution² on application of the subsidiarity principle, notably in the domain of consumer protection, in which it recommends strengthening the role of the Consumers' Consultative Council (CCC)³, an organization which represents the large European and national consumer organizations, the disabled and the elderly. The Commission on the other hand has continued to provide financial support to national consumer organizations, particularly in southern Europe and in Ireland.³

374. On 25 November the Economic and Social Committee adopted an own-initiative opinion⁴ analysing ways of promoting dialogue between suppliers and consumers.

¹ COM(93) 378; Bull. EC 7/8-1993, point 1.2.111.

² OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.145.

³ Twenty-sixth General Report, point 630.

⁴ Bull. EC 11-1993; point 1.2.104.

Consumer information and education

375. In a resolution on future action on the labelling of products in the interest of the consumer,¹ adopted on 5 April, the Council, referring to its resolution of 13 July 1992,² called for a study of the possibility of establishing a Community framework for labelling requirements and criteria.

376. On 10 November the Commission adopted a communication on language use in the information of consumers³ and a communication on the use of languages in the marketing of foodstuffs,⁴ designed to encourage multilingual information and to improve cooperation between producers, distributors and consumers in this domain.

377. As well as organizing meetings with the media in order to analyse the Community's role in improving consumer rights, the Commission stepped up its financial aid to radio and TV stations to encourage them to give a European dimension to broadcasts on consumer problems.

Protection of consumer health and safety

378. On 29 October the Council adopted Decision 93/683/EEC* establishing a Community system of information on home and leisure accidents (Ehlass) designed to establish for one year the collection of data relating to accidents of this type with prevention in mind.

379. Pending the implementation of Council Directive 92/59/EEC on general product safety,⁵ it also adopted, on 25 October, Decision 93/580/EEC* concerning the institution of a Community system for the exchange of information in respect of certain products which may jeopardize consumers' health or safety. The aim of this system is to provide the Commission and the Member States with information on national measures restricting or prohibiting the marketing or use of consumer products which do not comply with the relevant rules that apply to them and may jeopardize the health or safety of consumers.

¹ OJ C 110, 20.4.1993; Bull. EC 4-1993, point 1.2.88.

² OJ C 186, 23.7.1992; Twenty-sixth General Report, point 629.

³ COM(93) 456; Bull. EC 11-1993, point 1.2.103.

⁴ Point 71 of this Report.

⁵ Twenty-sixth General Report, point 634

380. Likewise on 14 June the Council adopted Directive 93/35/EEC* amending for the sixth time Directive 76/768/EEC¹ on the approximation of the laws of the Member States relating to cosmetic products. In addition to harmonization of information for consumers and the monitoring authorities, and removal of the final barriers to the free movement of these products in the single market, the objective of this Directive is to contribute to the ban on animal testing and to replace such tests by alternative methods of ensuring the safe use of cosmetic products.

Protection of consumers' economic and legal interests

381. On 5 April the Council adopted Directive 93/13/EEC* on unfair terms in consumer contracts. This Directive enshrines the principle that consumers are not bound by unfair terms in contracts concluded with sellers or suppliers and makes it mandatory for Member States to prohibit the use of such terms.

382. With a view to further raising the level of consumer protection, the Commission adopted, on 15 November, a Green Paper on guarantees for consumer goods and after-sales services,² which surveys the differences between national laws regarding legal guarantees, different practices relating to commercial guarantees, and the attendant problems encountered by consumers in the single market. It also adopted, on 17 November, a Green Paper on consumer access to justice and the settlement of consumer disputes in the single market,³ which highlights the problem of the absence of a 'European legal space' and develops a number of arguments designed to launch an in-depth debate on initiatives to be envisaged at Community level in regard to the settlement of consumer disputes and, in particular, transfrontier disputes.

¹ OJ L 262, 27.9.1976; Tenth General Report, point 124.

² COM(93) 509; Bull. EC 11-1993, point 1.2.107.

³ COM(93) 576; Bull. EC 11-1993, point 1.2.105.

Section 13

Economic and social cohesion: structural measures

Priority activities and objectives

383. *In particularly difficult economic circumstances, economic and social cohesion remains one of the vital features of the Community; one which seeks to give every citizen an equal chance of enjoying the benefits of economic integration. The policies followed since 1988 in relation to the Structural Funds as at present constituted have provided the impetus required and have permitted important advances. They should therefore be continued in accordance with the Treaty on European Union, which gives greater legitimacy to Community measures in this field. To that end, the Council adopted a series of regulations amending and improving the rules and operating provisions to govern the Structural Funds from 1994 to 1999. These confirm and build on the fundamental principles laid down in 1988: concentration on the least-favoured regions, partnership, programming and additionality. The Council has also laid down a series of measures which will still further increase the quality and effectiveness of the measures undertaken.*

While awaiting the establishment of the Cohesion Fund provided for in the Treaty on European Union, a cohesion financial instrument came into force on 1 April. This has already facilitated extra investment by the four Member States which will benefit from the Fund at no cost to their national budgets and so helped demonstrate Community solidarity.

The extent of the cohesion effort as the Community becomes more closely integrated is reflected in the increased resources available to the Structural Funds. The decisions adopted by the Edinburgh European Council¹ mean that resources will exceed ECU 140 billion for the Structural Funds for the period 1994-99 and ECU 15 billion for the Cohesion Fund for the period 1993-99 — double the amount available in the period 1989-93. Of this total, 70% will go to Objective 1 regions (whose development is lagging behind) which cover almost 27% of the Community's population. Structural Fund spending will account for more than a third of the Community budget by the end of the decade.

¹ Bull. EC 12-1992, points I.53 to I.55.

The question of the future of the Community initiatives in the context of the changes made to the Structural Funds resulted in the Commission holding discussions with the various parties concerned to gather views on whether they should be concentrated on certain priority themes. The existing initiatives have helped improve cooperation and innovation, particularly at transnational level, but their large number has resulted in certain operational problems.

Formulation, coordination and launching of policies and actions

Horizontal measures

Reform of the Structural Funds

384. Following a very rapid procedure agreed upon by the three institutions, on 20 July the Council adopted Regulations (EEC) Nos 2080/93* to 2085/93* to govern the Community Structural Funds from 1994 to 1999 and amend the Regulations adopted during the 1988 reform.¹ These Regulations are designed to increase the effectiveness of the structural policies while confirming and strengthening the basic principles adopted in 1988. In future, partnership will include the social and economic partners in accordance with existing institutional rules and national practices. Programming procedures have also been adjusted, provisions for the appraisal, monitoring and assessment of structural measures strengthened and appropriate provisions adopted to ensure that environmental considerations are better taken into account in the Community's structural measures. The principle of and criteria for assessing additionality are clarified and the scope for assistance from the Funds and rates of assistance made more flexible. The new German *Länder*, eastern Berlin, Hainaut (Belgium), Cantabria (Spain), the Highlands and Islands (United Kingdom), Merseyside (United Kingdom), Flevoland (Netherlands) and the *arrondissements* of Valenciennes, Douai and Avesnes (France) were added to the list of regions eligible under Objective 1.

The new rules also confirm the existence of the Community initiatives, although with some changes as regards the proportion of commitment appropriations in the Structural Funds to be devoted to them (9%), increased flexibility although

¹ OJ L 185, 15.7.1988; Twenty-second General Report, point 533.

their geographical coverage remains restricted, and the establishment of a Management Committee.

385. As part of the process of the revision of the Structural Funds, on 22 January¹ Parliament put forward a series of suggestions for improving their effectiveness, stressing the importance of involving both Parliament itself and the social partners as well as the primary importance of reducing regional imbalances and taking account of environmental considerations in preparing regional policies. On 23 April² it highlighted the importance of the Committee of the Regions in the process of constituting the European Union.

386. On 28 October³ the Commission adopted the indicative breakdown by Member State of the commitment appropriations under the Objective 1 Community support frameworks for the period 1994-99 and, on 21 December,⁴ the indicative allocation of commitment appropriations between the Member States for areas eligible under Objectives 1, 2 and 5b.

Other activities

387. On 2 April⁵ the Commission adopted the conclusions of the annual reports for 1991 on the ERDF, the ESF and the EAGGF Guidance Section. On 29 October⁶ it also adopted the annual report for 1992 on the implementation of the reform of the Structural Funds. When on 15 July⁷ Parliament expressed its views on the 1991 annual report,⁸ it requested the strengthening of monitoring mechanisms and greater synergy between the various sources of finance.

388. Parliament also expressed its views on 9 February on the living and working conditions of frontier workers,⁹ on 28 May on areas with exceptionally low population densities¹⁰ and on 15 July on the problem of restructuring in the new German *Länder*.¹¹

¹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, points 1.2.122, 1.2.125 and 1.2.126.

² OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.95.

³ Bull. EC 10-1993, point 1.2.96.

⁴ Bull. EC 12-1993.

⁵ Bull. EC 4-1993, points 1.2.92 and 1.2.93.

⁶ Bull. EC 10-1993, point 1.2.99.

⁷ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.2.121.

⁸ Twenty-sixth General Report, point 448.

⁹ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.137.

¹⁰ OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.2.90.

¹¹ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, points 1.2.135 and 1.2.136.

389. The bulk of the work of the Consultative Council of Regional and Local Authorities was concerned with preparations for the establishment of the Committee of the Regions.¹ It also issued an opinion on the revision of the regulations concerning the Structural Funds and was consulted on the Commission's communication concerning the Community initiatives.²

ERDF

390. Regulation (EEC) No 2083/93,* adopted as part of the revision of the Structural Funds and amending Regulation (EEC) No 4254/88,³ extends the scope for assistance to take better account of the specific needs of the regions, particularly those eligible under Objective 1, by including investment in education and health and stressing the importance of certain priority areas such as technological research and development and the extension of trans-European networks. New forms of assistance, such as global grants for Community initiatives,⁴ are also planned.

European Social Fund

391. Regulation (EEC) No 4255/88 on the European Social Fund³ was amended on 20 July by Regulation (EEC) No 2084/93*. Objectives 3 and 4, where the ESF alone provides assistance, were redefined. The new Objective 3 combines measures to combat long-term unemployment with those to facilitate the integration of young people and its scope is extended to include those threatened with exclusion from the labour market. The aim of the new Objective 4 is to assist the adaptation of working men and women to industrial changes and to changes in production systems. The ESF now has more scope to provide assistance under Objectives 1, 2 and 5b in order to support employment growth and stability and boost human potential in research, science and technology and, specifically for Objective 1, strengthen education and training systems.

EAGGF Guidance Section

392. On 20 July the Council adopted Regulation (EEC) No 2085/93* amending Regulation (EEC) No 4256/88 on the EAGGF Guidance Section.³ In future agri-environmental measures and those concerning afforestation and early

¹ Point 1050 of this Report.

² Point 409 of this Report.

³ OJ L 374, 31.12.1988; Twenty-second General Report, point 534.

⁴ Point 409 *et seq.* of this Report.

retirement adopted in 1992 under the reform of the CAP¹ will be financed by the EAGGF Guarantee Section and the regional measures under Objectives 1 and 5b will have regard to certain other measures concerning in particular the promotion of local products, the conservation of the rural heritage, the protection of the most remote areas, financial engineering and research.

393. On 22 December the Council also adopted Regulation (EC) No 3669/93* amending Regulations (EEC) Nos 2328/91,² 866/90,³ 1360/78,⁴ 1035/72⁵ and 449/69,⁶ and concerning the implementation of measures under Objective 5a with the aim of expediting the adjustment of production, processing and marketing structures in the context of the reform of the common agricultural policy by simplifying procedures and strengthening the financial monitoring and assessment systems.

Financial instrument for fisheries guidance (FIFG)

394. By Regulation (EEC) No 2080/93,* the Council decided to establish a financial instrument for fisheries guidance (FIFG) to bring together the financial resources allocated to structural measures in the fisheries sector which have hitherto come under the common fisheries or agricultural policies. On 20 December the Council adopted Regulation (EC) No 3699/93* on Community structural assistance in the fisheries and aquaculture sector and the industry processing and marketing its products, the purpose of which is to integrate, from 1 January 1994, the structural aspects of the common fisheries policy into the legal framework governing the Structural Funds — in particular through the financial instrument for fisheries guidance (FIFG) by laying down the conditions under which this instrument can assist structural measures in the fisheries sector.

¹ Twenty-sixth General Report, points 506 and 516.

² OJ L 218, 6.8.1991.

³ OJ L 91, 6.4.1990; Twenty-fourth General Report, point 432.

⁴ OJ L 166, 23.6.1978.

⁵ OJ L 118, 20.5.1972.

⁶ OJ L 61, 13.3.1969.

Financial assistance

Regions whose development is lagging behind

395. Implementation of the Community support frameworks (CSFs) for the regions eligible under Objective 1 continued normally during 1993, the last year for implementing assistance under the rules for 1988-93. All the CSF appropriations for France, Ireland, Italy, Northern Ireland, Portugal and Spain were used while the rate of implementation for Greece was about 95%. Total Community assistance under Objective 1 was ECU 12 335 million. The ERDF committed ECU 7 427 million, the agricultural part of the EAGGF Guidance Section committed ECU 1 491 million, of which ECU 766 million was for rural development programmes and ECU 725 million for measures under Objective 5a, and the ESF committed ECU 3 617 million. The breakdown by country of all these commitments is given in Table 2.

TABLE 2

Objective 1 — 1993 commitments

Country	<i>(million ECU)</i>		
	ERDF ¹	ESF	EAGGF (agriculture part)
Greece	1 062.779	477.06	353.5
Spain	1 893.757	706.43	286.0
France	252.177	93.70	50.4
Ireland	517.722	354.28	138.2
Italy	2 268.638	868.48	324.6
Portugal	1 296.495	665.00	312.6
United Kingdom	135.497	92.07	25.7
Total	7 427.065	3 257.02	1 491.0

¹ Interreg (ECU 207.692 million).

396. The Structural Funds also provided further support for restructuring in the new German *Länder* where they acted as a useful complement to national measures to offset the structural deterioration in the labour market. The ERDF part-financed 2 686 investment projects and, in addition, the ESF committed a total of ECU 359.86 million for professional training.

Declining industrial areas

397. Commitments for operational programmes and Community programmes (Resider and Renaval) under the Community support frameworks for 1992-93 were terminated in most Objective 2 areas. Total Community assistance amounted to ECU 2 052 million, comprising ECU 1 631 million from the ERDF and ECU 421 million from the ESF. The breakdown by country of these commitments is given in Table 3.

TABLE 3
Objective 2 — 1993 commitments

Country	ERDF ¹	ESF
Belgium	81.082	11.32
Denmark	3.671	1.15
Germany	183.610	44.04
Spain	295.147	87.58
France	326.065	50.22
Italy	17.674	56.68
Luxembourg	—	0.04
Netherlands	39.593	15.19
United Kingdom	683.948	154.65
Total	1 630.790	420.87

¹ Interreg (ECU 29.446 million).

398. On 22 January Parliament adopted a resolution on regional and social redevelopment plans and the Community support frameworks for the areas of the Federal Republic of Germany included in Objective 2.¹

Combating long-term unemployment and the occupational integration of young people

399. In 1993 the ESF committed ECU 1 779 million for Objectives 3 and 4 in non-Objective 1 areas. The breakdown of these commitments by country is given in Table 4. However, it should be noted that measures to combat long-term unemployment and facilitate the occupational integration of young people in Objective 1 regions have been included in the CSFs for those regions.

¹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.128.

TABLE 4
Objectives 3 and 4 — 1993 commitments

(million ECU)

Country	Total assistance
Belgium	98.27
Denmark	57.51
Germany	151.95
Spain	313.83
France	282.14
Italy	469.58
Luxembourg	4.38
Netherlands	129.06
United Kingdom	272.25
Total	1 778.97

Adaptation of agricultural structures

400. The EAGGF Guidance Section committed a total of ECU 1 649 million for horizontal measures concerning the adaptation of the structures of production, processing and marketing of agricultural products Objective 5a. Of this amount, ECU 924 million was for the Objective 1 regions. The breakdown by country of these commitments is given in Table 5.

TABLE 5
Objective 5a — 1993 commitments

(million ECU)

Country	Objective 1	Non-Objective 1	Total
Belgium	—	29.6	29.6
Denmark	—	17.2	17.2
Germany	—	242.4	242.4
Greece	183.7	—	183.7
Spain	157.8	64.2	222.0
France	9.7	335.3	345.0
Ireland	112.2	—	112.2
Italy	89.2	154.0	243.2
Luxembourg	—	7.9	7.9
Netherlands	—	14.1	14.1
Portugal	149.3	—	149.3
United Kingdom	23.2	59.5	82.7
Total	725.1	924.2	1 649.3

401. As part of the modernization of structures of production, the EAGGF Guidance Section provided support for the installation of some 22 000 young farmers and the modernization of 50 000 holdings. More than 1 200 000 holdings received allowances to support agriculture in mountainous and other less-favoured areas for which commitment appropriations amounted to about ECU 500 million, including ECU 280 million for Objective 1 regions.

402. On 19 July the Council adopted Directive 93/66/EEC* amending the Community list of less-favoured agricultural areas in Greece and increasing the total of less-favoured agricultural areas to 55% of the Community total.

403. The EAGGF Guidance Section committed ECU 495 million under Regulations (EEC) Nos 866/90 and 867/90 on Community aid for investments in the marketing and processing of agricultural products.¹

Development of rural areas

404. The programming period for rural development measures, which mainly concern the regions eligible under Objectives 1 and 5b, came to an end in 1993. Over the period 1989-93 the Objective 5b Community support frameworks provided Community assistance totalling ECU 2 607 million at 1989 prices. Measures taken during the year concerned 50 areas and 75 programmes and EAGGF commitments in 1993 totalled ECU 507 million out of a grand total of ECU 1 174 million for the year. ERDF commitments for 1993 amounted to ECU 509 million and those from the to ESF ECU 158 million. The breakdown by country for all these commitments is shown in Table 6.

¹ OJ L 91, 6.4.1990; Twenty-fourth General Report, point 432.

TABLE 6
Objective 5b — 1993 commitments

(million ECU)

Country	ERDF	ESF ¹	EAGGF
Belgium	7.081	3.57	7.7
Denmark	5.993	6.33	2.7
Germany	131.958	48.98	104.9
Spain	43.666	20.12	44.0
France	127.852	41.66	209.1
Italy	116.863	23.25	122.8
Luxembourg	0.733	—	1.1
Netherlands	10.244	2.09	5.4
United Kingdom	64.403	12.29	9.4
Total	508.793	158.29	507.1

¹ Interreg (ECU 6.220 million).

405. On 28 April the Economic and Social Committee adopted an own-initiative opinion on extra-urban and/or rural areas¹ in which it called for a Community policy on the development of the countryside.

Fisheries structures

406. Acting under Regulation (EEC) No 4028/86² on the improvement and adaptation of structures in the fisheries and aquaculture sector, during 1993 the Commission granted assistance totalling about ECU 4 million for 59 projects for the construction of fishing vessels, about ECU 16.21 million for 539 projects for the modernization of fishing vessels and about ECU 52.68 million for 269 projects concerning aquaculture and artificial reefs. It also granted a total of about ECU 27.7 million to 114 projects concerning facilities in fishing ports.

407. Acting under the same Regulation, on 16 December the Commission fixed at ECU 253.69 million the maximum total expenditure by Member States eligible under measures to adjust capacity, of which it was estimated that ECU 164.25 would be met by the Community. The Commission also granted assistance worth some ECU 47.3 million to 25 projects submitted by Italy,

¹ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.102.

² OJ L 376, 31.12.1986; Twentieth General Report, point 684.

Portugal, France, Spain, Greece and Denmark for the establishment of joint enterprises, assistance worth some ECU 2.25 million for the establishment of three joint ventures submitted by Italy and Spain and about ECU 3.3 million for six exploratory fishing projects submitted by Spain, France and Germany. Financial assistance of ECU 3.81 million was granted for 12 projects submitted by Spain, Germany, the Netherlands, the United Kingdom and France concerning the search for new markets and ECU 2.1 million for two projects submitted by France and Italy concerning the establishment of a fund to guarantee loans. During the year, the Commission also granted assistance amounting to ECU 7.8 million to finance eight specific measures providing structural aid to deal with various unforeseen events (e.g. the wrecking of oil tankers). On 15 November it adopted a Decision on a joint measure to grant financial assistance of about ECU 500 000 for the adjustment of German fisheries in the Baltic.

408. Under the CSFs concerning the improvement of the processing and marketing of fisheries and aquaculture projects,¹ the Commission adopted during the year 18 operational programmes with a duration of two or three years. Most of the investments to be assisted will be made by small or medium-sized firms.

Community initiatives

409. By adopting on 16 June a communication on the future of the Community initiatives under the Structural Funds,² the Commission launched a debate on a new approach to these initiatives which could in future be grouped around five themes: cooperation and networks, rural development, the outermost regions, employment and the development of human resources, and the management of industrial change. Measures not coming under one of these themes could be included in the Community support frameworks or financed by the Cohesion Fund to be established. On 17 September³ the Economic and Social Committee adopted a favourable opinion on this programme and on 28 October Parliament adopted a resolution on the future of these initiatives.⁴

410. The measures taken under the various Community initiatives continued normally throughout the year in the Member States concerned. The breakdown of commitments made in 1993 is given in Table 7.

¹ OJ L 99, 19.4.1991; Twenty-fifth General Report, point 618.

² OJ C 209, 3.8.1993; COM(93) 282; Bull. EC 6-1993, point 1.2.134.

³ OJ C 304, 10.11.1993; Bull. EC 9-1993, point 1.2.85.

⁴ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.2.100.

TABLE 7
Commitments made in 1993

Member State	Rechar	Envireg	Stride	Interreg	REGIS	REGEN	Prisma	Télé- matique	Leader	Euroform	NOW	Horizon	RETEX	Konver
Belgium	16.761	—	0.887	—	—	—	—	—	2.210	—	—	—	—	0.720
Denmark	—	—	—	—	—	—	—	—	2.203	—	—	—	—	0.590
Germany	24.055	—	19.840	—	—	—	—	—	—	—	—	—	1.920	24.344
Greece	—	23.817	23.163	—	—	15.523	16.599	25.343	52.000	0.984	0.527	7.077	10.814	4.009
Spain	15.952	88.918	108.883	—	45.691	—	13.160	32.047	36.917	—	—	—	16.832	7.530
France	25.139	10.995	5.323	—	31.711	—	0.888	2.656	40.476	—	—	—	3.840	27.907
Ireland	—	19.352	—	—	—	—	—	—	13.750	—	—	—	1.968	0.240
Italy	—	95.715	49.296	—	—	20.248	—	35.002	49.227	—	—	—	12.051	11.720
Luxembourg	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Netherlands	—	—	3.765	—	—	—	—	—	—	—	—	—	—	2.334
Portugal	—	50.331	49.684	—	48.929	56.398	12.237	24.801	14.311	0.662	—	2.216	30.000	1.810
United Kingdom	52.733	13.663	—	—	—	—	—	—	—	—	—	—	6.040	13.080
Multi	—	—	—	209.072	—	34.287	—	—	2.411	—	—	—	—	—
Total	134.640	302.791	260.811	209.072	126.331	106.208	63.132	119.849	213.505	1.646	0.527	9.293	83.484	94.304

411. On 6 April the Commission laid down the guidelines for the Konver programme,¹ which will assist the conversion of areas dependent on the armaments industry to civilian uses. At Parliament's initiative, the 1993 budget contains ECU 130 million for this purpose.

Other financial assistance

412. In 1993 the Commission approved ECSC conversion loans totalling ECU 147.1 million which it submitted for the Council's assent. A further ECU 114.251 million were committed under the 1993 ECSC budget to finance interest subsidies on current loans.

TABLE 8
ECSC conversion loans

Country	1975-91		1992		1975-93	
	(1)	(2)	(1)	(2)	(1)	(2)
Belgium	289.8	18 393	59.359	4 452	349.159	22 845
Denmark	11.7	854	—	—	11.7	854
Germany	1 904.4	134 202	491.403	36 839	2 395.803	171 041
France	819.6	59 707	9,859	7 040	913.459	66 747
Ireland	4.4	420	—	—	4.4	420
Italy	861.6	58 185	65.131	4 885	926.731	63 070
Luxembourg	25.8	2 100	—	—	25.8	2 100
Netherlands	37.8	2 696	—	—	37.8	2 696
United Kingdom	2 466.3	142 226	257.205	8 908	2 723.505	151 134
Greece	5.0	375	—	—	5	375
Spain	176.6	9 660	41.165	734	217.765	10 394
Portugal	20.0	1 500	28.426	2 132	48.426	3 632
Transborder operation 'Saar-Lor-Lux'	100.0	5 000	90.000	6 750	190	11 750
Community	6 723.0	435 318	1 126.548	71 740	7 849.548	507 058

NB: (1) = Total of loans granted in million ECU.
(2) = Number of jobs created/being created.

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.100.

413. The Commission continued its work on the implementation of its report 'Europe 2000: prospects for the development of the Community territory,'¹ principally by monitoring the interregional cooperation networks more closely. It also continued to implement the Recite programme (Cooperation between regions and cities of Europe).² The ECOS and Ouverture measures for cooperation with the countries of Central and Eastern Europe³ were allocated an extra ECU 7 million. Atlantis, a new pilot measure, was launched to promote the economic development and the environment in the Community's Atlantic regions. This was the subject of a Parliament resolution adopted on 22 January.⁴ The Euroqualification transnational training programme, launched in 1992,⁵ was also implemented during the year.

Other measures for the regions

Greek Aegean islands programme

414. The Commission continued to implement in 1993 the programme set out in its final report of December 1992 on the Greek islands in the Aegean Sea,⁶ which had been favourably received by the Parliament on 18 November.⁷ On 19 July the Council noted the final Commission report and adopted the Regulation (EEC) No 2019/93* introducing specific measures for the smaller Aegean islands concerning certain agricultural products. The Regulation provides for specific aid from the EAGGF Guarantee Section, to facilitate supplies of basic agricultural products to these islands and to maintain and develop local production. The Commission adopted all the rules to implement these measures in the second half of the year. The Regulation also ensures that the specific characteristics of these islands are taken into account in the Structural Fund Regulations so as to make assistance from the EAGGF Guidance Section easier. With reference to structural aspects in particular, on 21 December the Commission decided, without waiting for the implementation of the Greek Community support framework for 1994-99, to grant special Community assistance of ECU 14 million for these islands so as to enable a series of

¹ Twenty-sixth General Report, point 440.

² Twenty-fifth General Report, point 503.

³ Twenty-sixth General Report, point 485.

⁴ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.136.

⁵ Twenty-sixth General Report, point 487.

⁶ Twenty-sixth General Report, point 489; Bull. EC 12-1992, point 1.3.165.

⁷ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.117.

urgent measures relating to the environment, SMEs including certain types of infrastructure, energy and agriculture to be completed before the end of 1994.

Integrated Mediterranean programmes

415. At the beginning of the year, the Commission amended the integrated Mediterranean programmes (IMPs) by making a series of transfers between Structural Funds within the IMPs for Aquitaine, Languedoc-Roussillon and Midi-Pyrénées. On 13 October it adopted its 1991-92 report on the IMPs.¹ On 22 January² Parliament adopted a resolution on the 1990 report.

Cohesion Fund

416. Following the entry into force of the Treaty on European Union, on 21 December the Commission adopted a proposal for a Regulation establishing the Cohesion Fund* which will help the least prosperous Member States to make a successful transition to EMU while enabling them to improve their transport infrastructures and environmental protection. The Commission also adopted a proposal for a Regulation* on the associated implementing provisions on the same date.

417. While awaiting the formal adoption of these Regulations, on 30 March the Council had adopted Regulation (EEC) No 792/93* establishing a cohesion financial instrument, which enabled projects to be financed from 1 April. The Commission was thus able to finance 588 projects in Spain, 33 in Portugal, 43 in Ireland and 64 in Greece. The funds committed totalled ECU 565 million. On 28 October* the Commission had proposed extending the Regulation until 31 December 1994.

¹ COM(93) 485; Bull. EC 10-1993, point 1.2.108.

² OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.135.

Section 14

Measures for the most remote regions

Priority activities and objectives

418. *The year 1993 saw the consolidation of Community measures for the French overseas departments, the Canary Islands and the Azores and Madeira under the Poseidom,¹ Poseican² and Poseima³ programmes respectively and Regulation (EEC) No 1911/91 on the application of the provisions of Community law to the Canary Islands.² These specific measures, which were carried out through the partnership between the Commission, the Member States and the regions and under the direction of the interdepartmental group responsible for the most remote regions, is intended to ensure that better account is taken of the constraints imposed by the remoteness and island nature of these regions and of their particular characteristics. During 1993 the Commission held high-level meetings within the framework of the partnership as part of its preparation of the first progress reports on the implementation of Poseidom, Poseican and Poseima.*

The regulations governing the Structural Funds for the period 1994-99⁴ strengthened measures to assist the economies of the most remote regions to catch up. All these regions are eligible under Objective 1 (regions whose development is lagging behind). In the Green Paper on the Community initiatives,⁵ which it adopted on 16 June, the Commission proposed making better access to the most remote regions one of the priority themes of future initiatives.

The Council adopted Regulation (EEC) No 404/93 on the common organization of the market in bananas,⁶ which takes account of the economic and social importance of the production and marketing of bananas for the bulk of the most remote regions.

¹ OJ L 399, 30.12.1989; Twenty-second General Report, point 490.

² OJ L 171, 29.6.1991; Twenty-fifth General Report, point 526.

³ OJ L 171, 29.6.1991; Twenty-fifth General Report, point 528.

⁴ Point 384 of this Report.

⁵ Point 409 of this Report.

⁶ Point 529 of this Report.

Agriculture

419. The Commission continued to adopt the implementing and management regulations relating to the specific measures planned for certain agricultural products for which provision was made in the framework Regulations (EEC) Nos 3763/91 (Poseidom),¹ 1600/92 (Poseican) and 1601/92 (Poseima).² It also approved operational programmes to implement during 1993 the agricultural structural measures for which provision was made in these programmes to encourage traditional production in the most remote regions. The Community will contribute ECU 38 million to these operational programmes.

Fisheries

420. On 24 June the Council adopted Regulation (EEC) No 1658/93 setting up a specific measure in favour of cephalopod producers permanently based in the Canary Islands.* This is designed to preserve the competitiveness of this sector, most of whose production is exported to the rest of the Community. Under Decision 92/448/EEC³ establishing the Poseima fisheries programme, the Commission decided to grant assistance worth ECU 2.3 million for a project to build an ocean research vessel in the Azores together with a further sum for scientific equipment for the vessel.

421. On 16 November the Commission adopted a series of measures (studies, certification measures and aquaculture projects) to improve the production and marketing of fisheries and aquaculture projects in the overseas departments and on 3 December it adopted a proposal for a Regulation* establishing for all the most remote regions a scheme to compensate for the extra costs in disposing of certain fishery products from the Azores, Madeira, the Canary Islands and the French department of Guyana arising as a result of their isolated location.

Customs, tariff and trade measures

422. On 24 June the Council adopted Regulation (EEC) No 1657/93⁴ temporarily suspending the autonomous Common Customs Tariff duties on certain industrial products intended to equip the free zones of the Azores and Madeira.*

¹ OJ L 356, 24.12.1991; Twenty-fifth General Report, point 523.

² OJ L 173, 27.6.1992; Twenty-sixth General Report, point 495.

³ OJ L 248, 28.8.1992; Twenty-sixth General Report, point 498.

⁴ OJ L 158, 30.6.1993.

This measure complements the one already taken to encourage processing operations carried out in the free zones and warehouses of the most remote regions.¹

Taxation

423. On 8 March the Council adopted Regulation (EEC) No 564/93² extending application of the charge known as the *arbitrio insular-tarifa especial* levied when certain sensitive products are introduced into the Canary Islands from other parts of the Community* in accordance with Article 6(4) of Regulation (EEC) No 1911/91.³

424. With regard to the dock dues applied in the overseas departments under Council Decision 89/688/EEC⁴, on 20 December the Commission defined its position on the new scheme of exemptions in Martinique and Guadeloupe to encourage local production of which it had been notified pursuant to Article 2 of that Decision.

Other measures

425. On 28 July the Commission decided to make a second Community contribution under the Poseima programme of ECU 8.3 million to the Azores and Madeira to compensate them for the extra costs involved in supplying oil to those islands during 1992. On 21 December it approved the Poseima environment programme for the Azores and Madeira, to which the Community will contribute ECU 8 million, and financed environmental studies and strategic projects in the overseas departments and the Canary Islands costing ECU 2 million. It also decided, on 17 December, to make a second Community contribution of ECU 2 million to the Azores and Madeira for the Poseima craft industries operational programme.

¹ OJ L 173, 27.6.1992; Twenty-sixth General Report, point 500.

² OJ L 59, 12.3.1993; Bull. EC 3-1993; point 1.2.89.

³ OJ L 171, 29.6.1991, Twenty-fifth General Report, point 528.

⁴ OJ L 399, 31.12.1989; Twenty-third General Report, points 490 and 492.

Section 15

Social dimension

Priority activities and objectives

426. 1993 was a year of transition, characterized on the one hand by the continuation of work on implementing the Community Charter of the Fundamental Social Rights of Workers, and on the other by preparations for the entry into force of the Treaty on European Union. The Union ushers in new ways in which the Community can take action in the social policy arena. Thus, the socioeconomic situation, and more particularly the intolerable level that unemployment has now reached, necessitates a fresh look at the way we address economic and social policy. With a view to generating discussion on the various future options, the Commission adopted a Green Paper setting out the basic problems and challenges facing the Union and its Member States, and making a number of suggestions on how to create a development model which would combine economic dynamism and social progress.¹ On conclusion of wide-ranging consultations on the various aspects dealt with in the Green Paper (e.g. employment, equal opportunities, the welfare State, the problem of social norms, social exclusion and the social dialogue), a White Paper containing specific proposals will be drafted.

This Green Paper, which takes account of the points made in the Commission's communication on a Community-wide framework for employment, is closely allied to the White Paper on growth, competitiveness and employment,² in which the Commission underlines the need, within the framework of vigorous action to tackle unemployment, for more active labour-market policies, for priority to be given to training geared to the kind of jobs which are available, for an early response to technological change, and for improvements to employment services or agencies.

The reform of the Structural Funds, and more particularly of the European Social Fund, is another essential factor in improving the mechanisms for providing training and integrating people into the labour market. The ESF, whose scope has been extended to persons at risk of exclusion from the labour

¹ COM(93) 551; Bull. EC 11-1993, point 1.2.119.

² Point 16 of this Report.

market, also operates within the framework of initiatives designed to upgrade human resources by way of vocational training, the promotion of equal opportunities, and better access to the labour market for the disabled.

At the same time, considerable progress has been made in implementing the Community Charter of the Fundamental Social Rights of Workers, which was the subject of a third progress report.¹ Following protracted negotiations, the Council adopted the Directive on the organization of working time, this being a significant step towards the creation of a truly European social policy. The Council also adopted a common position on the proposal relating to the protection of young people at work, which outlines a flexible and pragmatic approach in terms of setting out minimum requirements without erecting any unnecessary barriers to people seeking to gain access to the labour market.

In addition, with a view to improving standards of health and safety at work while bearing in mind the principle of subsidiarity, the Commission adopted a general framework for action which lays stress on promoting international cooperation and implementing measures related to information, education and training, and on the development of non-legislative initiatives such as studies and research in high-risk sectors of activity, whilst improving and extending the dialogue with management and labour.

As the social dialogue is one of the fundamental elements addressed by the Protocol and Agreement on Social Policy appended to the Treaty on European Union, the Commission adopted, on 14 December, a communication outlining the ways in which the Protocol and the Agreement could be implemented, with particular reference to aspects of the dialogue.

Employment

Dialogue with management and labour

427. The high point of the dialogue with management and labour this year was the summit conference held in Brussels on 28 September,² in connection with the preparation of the White Paper on growth, competitiveness and employment.³ During their discussions, the two sides called on the Social Dialogue Committee to help draw up the White Paper, and agreed to study, in

¹ COM(93) 668; Bull. EC 12-1993.

² Bull. EC 9-1993, point 1.2.97.

³ Point 16 of this Report.

the context of the social dialogue, the implications for employment in the light of technological development and the internationalization of economic activity.

428. The Social Dialogue Committee¹ continued to work towards the implementation of Articles 3 and 4 of the Agreement on Social Policy annexed to the Treaty on European Union, aimed at strengthening the role of management and labour. It was particularly concerned with implementing and enhancing the new Community procedures for dialogue, consultation and negotiation provided for by the Agreement.

429. A conference on the role of management and labour, which was held in Copenhagen in March,² focused on the employment situation and on the question of complementarity and the agreement-based approach versus the legislative approach in the social sphere.

430. In an own-initiative opinion on the public sector in Europe,³ the Economic and Social Committee stressed the need for public sector workers to be represented in the social dialogue at European level.

Employment and the labour market

431. Responding to a request from the Council,⁴ the Commission adopted, on 26 May, a communication on a Community-wide framework for employment,⁵ in which it proposed that the Community institutions and Member States commit themselves to a structured, cooperative process of reflection with a view to concerted policy action centred around the need to create a more labour-intensive pattern of growth. The Council gave its backing to this initiative,⁶ which was also widely discussed, on 24 June⁷ and 22 September,⁸ within the Standing Committee on Employment; emphasis was placed on the importance of training, the role of SMEs and the service sector in the creation of jobs, and the problem of reintegrating marginalized sections of the population into the labour market.

¹ Twenty-sixth General Report, point 376.

² Bull. EC 3-1993, point 1.2.91.

³ OJ C 304, 10.11.1993; Bull. EC 9-1993, point 1.2.98.

⁴ OJ C 49, 19.2.1993; Twenty-sixth General Report, point 379.

⁵ Bull. EC 5-1993, point 1.2.92.

⁶ Bull. EC 6-1993, point 1.2.143.

⁷ Bull. EC 6-1993, point 1.2.144.

⁸ Bull. EC 9-1993, point 1.2.95.

432. In its fifth annual report on employment in Europe (1993), adopted on 7 July,¹ the Commission pointed out that the prospects for job creation over the short and medium term were gloomy, with unemployment in the Community expected to reach 12% at the end of 1994. Noting the close relationship between employment and economic growth, it stressed the need not only to stimulate growth but also to promote a more labour-intensive system of production; in this connection, the Commission drew attention to its recent initiatives to foster growth and employment, in particular its proposed Community-wide framework for employment.

433. Expressing its own concern about the worsening economic situation, Parliament considered, in February, that the measures agreed at the Edinburgh European Council were insufficient to prevent a further increase in unemployment,² and emphasized the dangers of redundancies and social dumping in multinational companies.³ Drawing attention to the social cost of relocating industrial activities, Parliament also called on the Member States to ensure that, in the event of closure proposals, an independent audit is made of the social cost.⁴ In the same vein, the Economic and Social Committee stressed, on 28 April,⁵ the need for steps to be taken to turn the unemployment trend around.

Freedom of movement for workers

434. Council Regulation (EEC) No 2434/92⁶ amending Regulation (EEC) No 1612/68⁷ on freedom of movement for workers within the Community, with special reference to the EURES (European Employment Service) network, came into force, and the practical arrangements regarding the computer system and the standard exchange procedure were adopted by the Commission. EURES is a network bringing together the Member States' employment services, their likely partners and the Commission, and has the task of exchanging the kind of information covered by Regulation (EEC) 1612/68 to make such information available to potential users.

¹ Bull. EC 7/8-1993, point 1.2.137.

² OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.139.

³ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.140.

⁴ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.2.96.

⁵ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.103.

⁶ OJ L 245, 26.8.1992; Twenty-sixth General Report, point 383.

⁷ OJ L 257, 19.10.1968.

435. Information on freedom of movement and migration policy is contained in the 'Internal market' section of Chapter II.¹

Combating exclusion

436. Following on from the Commission communication on combating exclusion and promoting integration,² a European conference was held in Copenhagen on 3 and 4 June;³ this conference confirmed the need for a concerted approach to employment and social protection, and it was considered advisable to step up Community action. In the light of the conclusions arising from the conference, at which a call was also made for the adoption of a 'Solemn declaration on social exclusion', the Commission put forward a proposal to the Council for the adoption of a medium-term action programme* (1994-99) whereby the Community would help to finance 'model activities' carried out at local, regional, or national level, with the aim of developing innovative methods to combat exclusion, and with a consolidated approach being taken to the various problems connected with exclusion. The proposal was subsequently endorsed by the European Parliament⁴ and the Economic and Social Committee.⁵

Structural operations

437. ESF operations are now dealt with in the 'Economic and social cohesion' section of Chapter II.⁶

Social security

Social security and social action

438. On 5 November, the Commission adopted the first periodic report on social protection in Europe,⁷ which represents the Commission's contribution to the debate engendered by the Council recommendation on the convergence

¹ Point 98 *et seq.* of this Report.

² Twenty-sixth General Report, point 382.

³ Bull. EC 6-1993, point 1.2.145.

⁴ OJ C 296, 1.11.1993; Bull. EC 10-1993, point 1.2.117.

⁵ OJ C 304, 10.11.1993; Bull. EC 10-1993, point 1.2.116.

⁶ Point 391 of this Report.

⁷ COM(93) 531; Bull. EC 11-1993, point 1.2.120.

of social protection objectives and policies,¹ and in which it reports on the current status of social protection in the Community, explaining the points in common and the differences between Member States, and analysing changes which have come about since the early 1980s.

439. Having regard to changing demographic patterns and changes in the labour market, the Council adopted, on 30 June,² a resolution on flexible retirement arrangements, in which it noted the steps taken in several Member States to introduce the possibility of partial retirement from the labour market, combining retirement benefits with income from employment.

440. During the 1993, the Executive Committee of the Paul Finet Foundation considered 551 applications and awarded 495 study grants totalling BFR 12 048 008.

Social security for migrant workers

441. In order to take account of changes in national laws and to adapt the Community regulations in the light of experience gained from their implementation, the Council adopted, on 30 June, Regulation (EEC) No 1945/93* amending Regulation (EEC) No 1408/71³ on the application of social security schemes to employed persons, to self-employed persons and members of their families moving within the Community, and Regulation (EEC) No 574/72⁴ laying down the procedure for implementing Regulation (EEC) No 1408/71.

Living and working conditions

Industrial relations

442. On 23 November, the Council adopted a common position on the proposal for a Directive* on the protection of young people at work, which lays down minimum requirements and seeks to enable young people to work and develop their talents without making it any harder for them to gain access to the labour market.

¹ OJ L 245, 26.8.1992; Twenty-sixth General Report, point 385.

² OJ C 188, 10.7.1993; Bull. EC 6-1993, point 1.2.146.

³ OJ L 149, 5.7.1971; Fifth General Report, point 239.

⁴ OJ L 74, 27.3.1972; Sixth General Report, point 208.

443. In connection with the implementation of the Community Charter of the Fundamental Social Rights of Workers,¹ and having regard to the views of Parliament,² the Commission adopted, on 1 September,³ its opinion on the right of workers to be assured of an equitable wage, meaning a reward for work done which is fair and sufficient to enable them to have a decent standard of living. Although the Commission does not intend either to legislate or to propose binding instruments on remuneration, it nevertheless considers that it is appropriate to outline certain basic principles on equitable wages.

444. In a resolution adopted on 25 June,⁴ Parliament drew attention to the decline in recruitment and the increase in unemployment among managerial staff.

Measures for workers in the ECSC industries

445. In 1993, ECU 182 million was granted in readaptation aid, pursuant to Article 56(1)(c) and (2)(b) of the ECSC Treaty, to 75 531 ECSC industry workers. The traditional form of aid programmes was supplemented in 1993 by aid under the Rechar initiative, to which the ECSC contributed ECU 50 million in funding, and under a new set of steel industry social measures, totalling ECU 60 million.

446. In the context of the restructuring of the Community steel industry,⁵ the Commission adopted, on 28 April, an information note concerning the implementation of social measures,⁶ providing ECU 240 million over the period 1993-95 for workers whose jobs are affected by production capacity cutbacks in the steel industry.

A breakdown of the total sum granted for readaptation aid, by Member State and sector, is given in Table 9.

447. The Commission also decided, on 28 July, to reallocate the balance of the 11th programme of loans for ECSC subsidized housing,⁷ which has helped fund some 70 000 dwellings. It also approved, on 1 September, a draft 12th

¹ Twenty-third General Report, point 394.

² OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.90.

³ OJ C 248, 11.9.1993; Bull. EC 9-1993, point 1.2.94.

⁴ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.147.

⁵ Point 186 of this Report.

⁶ COM(93) 178; Bull. EC 4-1993, point 1.2.104.

⁷ Twenty-second General Report, point 490.

programme covering the period 1993-97, making available a first instalment of ECU 19 million for 1993.¹

TABLE 9
Readaptation aid — Appropriations committed in 1993

Member State	Steelmaking and iron-ore mining				Coalmining			
	Traditional aid		Social scheme		Traditional aid		Rechar	
	Workers	Amount (ECU)	Workers	Amount (ECU)	Workers	Amount (ECU)	Workers	Amount (ECU)
Belgium	2 565	6 062 381	1 460	4 473 842	554	1 549 541	479	1 732 227
Denmark								
Germany	13 981	40 811 852	9 670	31 994 304	4 418	13 254 000	5 730	18 686 761
Greece	67	134 000						
Spain	14 762	31 631 870	10 712	18 001 559	4 518	8 452 802	4 167	6 841 481
France	2 055	6 165 000	1 134	3 088 187	1 490	4 162 358	2 900	6 602 477
Ireland								
Italy	5 566	16 823 013						
Luxembourg	386	1 158 000						
Netherlands	2 062	3 392 074	80	205 685				
Portugal	413	1 137 274	283	664 453	100	250 052	50	118 667
United Kingdom	1 592	4 776 000	517	1 571 970	21 002	42 621 000	23 058	16 018 387
Total	43 449	111 091 464	23 856	60 000 000	32 082	70 289 753	36 384	50 000 000

European Foundation for the Improvement of Living and Working Conditions

448. 1993 saw the launch of the Foundation's new four-year programme (1993-96), the main aims of which are: to improve the health and well-being of Europe's workers and citizens, to strengthen economic and social cohesion and intensify efforts to combat the exclusion of disadvantaged groups, and to support moves towards the sustainable and integrated development of the socioeconomic and environmental aspects of living and working conditions.²

The Foundation continued to participate in the programme of activities for the European Year of Safety, Hygiene and Health Protection at Work,³ and

¹ Bull. EC 9-1993, point 1.2.100.

² Twenty-sixth General Report, point 399.

³ Twenty-sixth General Report, point 402.

undertook work for the European Year of Older People and Solidarity between Generations.¹ A series of conferences was also organized on the following subjects: advising the unemployed, innovative ways of improving the urban environment, partnerships for towns and cities, ecology at work, stress at the workplace, immigration and the role of management and labour.

Health and safety

Health and safety at work

449. Taking stock of previous measures in the field of safety, hygiene and health at work, the Commission adopted, on 10 November,² a framework for action in the field of health and safety in which it spells out the new guidelines which will underlie its work in this field over the coming years, and which are characterized more particularly by the development of dialogue with management and labour. The Commission also drew attention to the decision taken by the Brussels European Council to set up a European Agency for Safety and Health at Work.

450. On 23 November, after nearly three years of discussion, the Council adopted Directive 93/104/EC concerning certain aspects of the organization of working time*, thereby demonstrating its determination to act in the interests of the Community's workers. The Directive lays down a basic set of minimum provisions covering more particularly the maximum weekly working time (48 hours), the minimum daily rest period (11 uninterrupted hours), the minimum period of paid leave (4 weeks), the conditions relating to night work and the maximum period of such work (8 hours), and breaks in the event of prolonged periods of work.

451. Amending Directive 90/679/EEC on the protection of workers from risks related to exposure to biological agents at work,³ the Council adopted, on 12 October, Directive 93/88/EEC*, which sets out to classify biological agents in terms of the infection risk they present and to establish a code of practice for the vaccination of workers exposed to agents for which there are effective

¹ Twenty-sixth General Report, point 387.

² COM(93) 427; Bull. EC 11-1993, point 1.2.124.

³ OJ L 374, 31.12.1990; Twenty-fourth General Report, point 369.

vaccines. On the basis of the framework Directive 89/391/EEC,¹ which aims to improve the safety and health of workers at work, the Commission adopted, on 14 May, a proposal for a Directive on the protection of the health and safety of workers from the risks related to chemical agents* at work. On 23 November, the Council adopted Directive 93/103/EC* concerning the minimum health and safety requirements for work on board fishing vessels.

452. Concerned at the high rate of hepatitis B infection amongst health-care workers in Europe, Parliament called, on 9 February,² for a code of practice whereby employers would be obliged to offer, and meet the cost of, a programme of vaccination. The Economic and Social Committee adopted, on 30 June,³ an own-initiative opinion advocating an integrated approach to health and safety training at work, covering general education, vocational training and training for workers and their representatives, while the Commission adopted, on 3 December, a report on the European Year of Safety, Hygiene and Health Protection at Work.⁴

453. The Advisory Committee on Safety, Hygiene and Health Protection at Work held three plenary meetings, in the course of which it delivered opinions on the proposals relating to work equipment, agricultural workplaces, cableway installations designed to carry passengers, and standardization.

Health and safety in the ECSC industries

454. The Safety and Health Commission for the Mining and Other Extractive Industries held two plenary meetings at which it gave its opinion on the proposal for a Directive amending the 'machinery' Directive 89/655/EEC concerning work equipment.⁵ It also initiated discussions on the Commission's framework for action on ways of improving health and safety at work.⁶

455. The fifth ECSC medical research programme reached its conclusion, with a total research funding effort of some ECU 12 million; 56 projects received funding under the programme, most of which will terminate in 1996. The sixth

¹ OJ L 183, 29.6.1989; Twenty-third General Report, point 427.

² OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.144.

³ Bull. EC 6-1993, point 1.2.151.

⁴ COM(93) 627; Bull. EC 12-1993.

⁵ OJ L 393, 30.12.1989; Twenty-third General Report, point 427.

⁶ Point 449 of this Report.

ECSC ergonomics research programme likewise reached its conclusion, with a funding volume of ECU 12 million.

456. Under the Commission's guidelines on environment policy, ECU 3.8 million was granted for research into ways of controlling nuisances at the place of work and in the environment of iron- and steelworks.

Equal opportunities

457. In two resolutions adopted on 25 May¹ and 25 June,² Parliament advocated the diversification of local employment initiatives for women and called on the Member States to draw up policies for eliminating the division of women's labour between paid work and unwaged family work.

International cooperation

458. For the purposes of the Community's participation in the 80th session of the International Labour Conference, the Commission adopted, on 17 May,³ a recommendation for a Council Decision concerning negotiations on a convention and a recommendation on the prevention of major industrial accidents, and a convention and a recommendation on part-time work. It also adopted, on 1 September, a communication designed to ensure the Union's full participation in the 81st session of the Conference, which is concerned with health and safety in mines.

¹ OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.2.95.

² OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.152.

³ Bull. EC 5-1993, point 1.2.96.

Section 16

Environment

Priority activities and objectives

459. *In accordance with the general guidelines laid down in the fifth Community programme of policy and action in relation to the environment and sustainable development, the Community's activities focused on taking greater account of the environment in other policies. New mechanisms were gradually developed to achieve this, based on dialogue, exchanges of experience and the preparation of new instruments making it possible to define more appropriate policies.*

In keeping with the principle of shared responsibility, which is one of the cornerstones of the fifth programme, and out of awareness of its own responsibility, the Commission introduced an internal procedure aiming at taking fuller account of this concept, which reflects the institutional and political changes affecting all environment policies, at both international and local level, since the Rio Conference. Various measures taken this year bear witness to this interaction, for example amending Regulations on the Structural Funds.¹

The Commission's work and legislative programmes on the environment this year were marked by an integrated, preventive approach taking account of human activities and their consequences for the environment as a whole. The Regulation on the Community eco-audit scheme reflects this trend, as does the proposal for a Directive on the establishment of an integrated pollution prevention and control system covering all pollution from the same industrial site.

To keep the public more fully informed about the future action planned in this field, the Commission adopted a Green Paper on remedying environmental damage, in which it set out a series of ideas on the various types of liability and their limits, on the definition of environmental damage and on the remedies to be used.

On the international scene, the Community was also actively involved, particularly in the work on global environmental problems. It adopted a timetable for phasing out substances that deplete the ozone layer earlier than provided for

¹ Point 384 of this Report.

in the Montreal Protocol and devised a strategy for implementation of the Climate Change Convention and the Convention on Biological Diversity, both of which were signed at the Rio Conference. Finally, the Community contributed to starting up the work by the Commission on Sustainable Development, which was established as part of the follow-up to this Conference, and developed an approach within this forum in tune with the fifth programme.

In conclusions adopted on 2 December the Council reaffirmed the importance that it attaches to the consistent, effective and timely implementation of Community legislation by the Member States, legislation which must be prepared on the basis of wide-ranging and in-depth consultations in accordance with the principle of shared responsibility.

Parliament, for its part, repeatedly showed interest in environmental issues.¹ In particular, on 19 January it emphasized the need for the Commission to maintain its efforts in relation to the environment and strengthen the existing Community legislation in this field.²

Fifth action programme on the environment — Taking the environment into account in other policies

460. This year marked the start of the implementation phase of the fifth Community programme of policy and action in relation to the environment and sustainable development.³ On the basis of sharing responsibility between all levels of society, coupled with closer dialogue between all concerned, this programme gave birth to monitoring mechanisms such as the environment policy review group, made up of the heads of the departments of the environment in the Member States, which met several times to discuss ways of taking the environment into account in other policies and the priority strategic objectives, together with the establishment of a broad-based consultative forum bringing together representatives of all parties concerned. There are also plans to set up networks of contact points to improve exchanges between the Member States and the Commission and between the Member States themselves on their practical experience with environmental management, particularly with implementation of the Community legislation. The Commission, for its part, adopted a series of measures aiming at taking fuller account of the environmental dimension in other Community policies from their inception.

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, points 1.2.107 to 1.2.109.

² OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.145.

³ Twenty-sixth General Report, point 589.

General

Application of Community law (legal and other aspects)

461. On 2 April the Commission adopted a report¹ on the implementation of Directive 85/337/EEC on the assessment of the effects of certain public and private projects on the environment,² which takes stock of the measures adopted at national level and appraises practical implementation of this Directive in the Member States.

Economic and fiscal instruments

462. At the informal Council meeting in Aarhus on 14 and 15 May the Commission submitted a working paper entitled 'Economic growth, employment and environmental sustainability — A strategic view for the Community' in which it analysed the role which could be played by reforms to increase taxes on the use of environmental resources and reduce the tax burden on jobs, thereby bringing benefits for employment and the environment at the same time.

Financial instruments

463. To implement Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE),³ the Community granted financial support to 111 demonstration schemes and technical assistance projects in the field of environmental protection.

464. The interim financial instrument for the Cohesion Fund⁴ allocated ECU 954 633 million for funding environmental infrastructure in the four Member States assisted, mainly for water supply, sewage treatment, waste management and erosion control projects.

¹ COM(93) 28.

² OJ L 175, 5.7.1985; Nineteenth General Report, point 514.

³ OJ L 206, 22.7.1992; Twenty-sixth General Report, point 594.

⁴ Point 417 of this Report.

465. The appraisals of the regional development plans submitted by the Member States assisted by the Community's Structural Funds¹ and the negotiations on the Community support frameworks provided another opportunity to ensure that environmental protection requirements were taken into account.

Public awareness, information and training

466. In line with the guidelines formally adopted in the fifth action programme, particularly the call for closer dialogue between all concerned, the Commission organized a series of activities to this end. For example, on 14 May the Commission adopted a Green Paper on remedying environmental damage² with a view to opening a wide-ranging discussion to pave the way for the Commission to make appropriate proposals. In addition, a public hearing organized jointly by the European Parliament and the Commission was held on this subject on 3 and 4 November. Similarly, before drafting its proposals on drinking water, the Commission organized a conference in Brussels at which representatives of all circles concerned discussed the existing legislation. Finally, in November the Commission and the Council Presidency jointly organized a seminar on 'Environment and development — towards a European model for sustainable development' for representatives of public authorities, industry and non-governmental organizations to stimulate the debate on employment and growth.

467. The channels of communication with the Commission's non-institutional partners (non-governmental organizations, regional and local authorities, industry, etc.) were also strengthened. In this connection, an invitation to submit proposals relating to general measures to provide information and raise awareness about the environment was published.³

International cooperation

468. The Community was actively involved in the international work to follow up the United Nations Conference on Environment and Development (UNCED or 'Rio Conference'),⁴ particularly in the meetings of the intergovernmental committees for the negotiations on the Climate Change Convention

¹ Point 390 of this Report.

² COM(93) 47; Bull. EC 5-1993, point 1.2.99.

³ OJ C 54, 25.2.1993.

⁴ Twenty-sixth General Report, point 596.

and the Convention on Biological Diversity, in the preparatory work on the Convention on Desertification, in the Conference on the Development of Small Island States and in the meetings of the Commission on Sustainable Development, the new United Nations body responsible for following up the UNCED, to which the Commission submitted a situation report on the measures taken by the Community to this end.

469. At the end of the third Pan-European Conference of Environment Ministers in Lucerne from 28 to 30 April,¹ the participants agreed on the strategy underlying the environmental action programme for Central and Eastern Europe. The fundamental objectives of this programme are to take environmental factors into account in the economic reforms with a view to ensuring sustainable development, to strengthen the institutional structures, in particular education and vocational training, and to implement programmes of immediate assistance in regions where there is a direct threat to human health or the natural environment.

Industry and the environment, civil protection

Environmental control of products, industrial installations and biotechnology

470. In order to promote constant improvements in the environmental performance of industrial activities, on 29 June the Council adopted Regulation (EEC) No 1836/93 allowing voluntary participation by companies in the industrial sector in a Community eco-management and audit scheme.* This scheme is based on the establishment and implementation, by companies, of environmental policies, programmes and management systems for each production site, accompanied by systematic, objective and regular evaluation of the performance thereof, notably by independent verifiers, and the publication of annual environmental statements by each company participating in the scheme.

471. To extend the Community system for the notification and evaluation of new chemical substances, as introduced by Directive 67/548/EEC² and the subsequent amendments thereto, on 3 March the Council adopted Regulation (EEC) No 793/93* to allow systematic evaluation and control of the risks posed

¹ Bull. EC 4-1993, point 1.2.110.

² OJ L 196, 16.8.1967.

by the substances listed in the European Inventory of Existing Commercial Substances (Einecs).

472. The Commission, for its part, adopted on 25 March a proposal for a Council Regulation* amending for the first time Annex I to Regulation (EEC) No 2455/92 concerning the export and import of certain dangerous chemicals,¹ on 27 July a proposal for a Council Directive concerning the placing of biocidal products on the market* (preservatives, non-agricultural pesticides, disinfectants, etc.) which aims at introducing a system for approving active substances at Community level (an approved list) while authorizing the end products at Member State level, and on 21 December a proposal for a European Parliament and Council Directive on the classification, labelling and packaging of dangerous substances.²

Emissions from industrial installations and products

473. In order to prevent or minimize all emissions from major industrial sources into the air, water or land, on 14 September the Commission adopted a proposal for a Directive on integrated pollution prevention and control (IPC)*, with the objective of replacing the current sectoral approach by an integrated approach, allowing more effective pollution control and cutting the costs to industry.

Waste management

474. As part of the programme to remove frontier controls, on 1 February the Council adopted Regulation (EEC) No 259/93 on the supervision and control of shipments of waste within, into and out of the European Community*. The objective is to organize waste shipments within the Community and regulate exports of waste to developing countries. The Council subsequently asked the Commission to examine any circumstances justifying a total ban on exports of hazardous waste covered by the Basle Convention to developing countries.³ On the same day it also adopted Decision 93/98/EEC* approving the Basle Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. Parliament, for its part, expressed its views on this matter

¹ OJ L 251, 29.8.1992; Twenty-sixth General Report, point 604.

² COM(93) 638; Bull. EC 12-1993.

³ Bull. EC 3-1993, point 1.2.101.

on 18 November.¹ On 15 December the Council adopted a common position on the proposal for a Directive on packaging and packaging waste.

475. On 2 December the Council agreed a common position on a proposal for a Directive amending Directive 91/689/EEC on hazardous waste² with a view to revising the definition. Consequently, the proposal also provides for deferral of the date of entry into force of Directive 91/689/EEC and of the date of repeal of the current Directive 78/319/EEC on toxic and dangerous waste.³

Civil protection

476. Throughout the year the Commission continued to promote cooperation between the Member States on civil protection and accidental pollution at sea, in close collaboration with the Advisory Committee responsible for the control and reduction of spills of oil and other harmful substances, as set up in 1980,⁴ and with the permanent network of national correspondents, set up in 1987.⁵

Quality of the environment and natural resources

Protection of water, coastal areas, the environment and tourism

477. On 20 October the Council adopted Decision 93/550/EEC* concerning the conclusion of a Cooperation Agreement for the Protection of the Coasts and Waters of the North-East Atlantic against Pollution (Lisbon Agreement). On 18 October it adopted Decision 93/540/EEC* approving amendments to the Agreement for Cooperation in dealing with Pollution of the North Sea by Oil and other Harmful Substances (Bonn Agreement) which was concluded by Council Decision 84/358/EEC.⁶

478. On 15 February the Council adopted Decision 93/114/EEC* concerning the conclusion of the Protocol to the Convention of 8 October 1990 between the Governments of the Federal Republic of Germany and of the Czech and

¹ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.134.

² OJ L 377, 31.12.1991; Twenty-fifth General Report, point 635.

³ OJ L 84, 31.3.1978.

⁴ OJ L 188, 22.7.1980.

⁵ OJ C 176, 4.7.1987; Twenty-first General Report, point 154.

⁶ OJ L 188, 16.7.1984; Eighteenth General Report, point 360.

Slovak Federal Republic and the European Economic Community on the International Commission for the Protection of the Elbe.¹ The Commission in turn adopted a proposal for a Decision* on the conclusion, on behalf of the Community, of the Convention on the Protection and Use of Transboundary Watercourses and International Lakes.

479. On 5 July the Commission adopted two proposals for Decisions,* one on the accession of the Community to the Convention on the Protection of the Marine Environment of the Baltic Sea Area (Helsinki Convention — 1974),² the other on the conclusion of the Helsinki Convention as revised in 1992.³ A resolution adopted by Parliament on 19 January⁴ proposed setting up a joint Baltic Environmental Protection Fund.

480. In June the Commission published its 10th (1992) report on bathing water quality,⁵ which, in particular, confirmed that a growing proportion of bathing areas were complying with Directive 76/160/EEC.⁶

Protection of nature, the environment and agriculture

481. On the basis of Council Regulation (EEC) No 1973/92 establishing a financial instrument for the environment (LIFE),⁷ the Commission granted financial support totalling ECU 20.645 million to 22 nature conservation projects of particular importance to the Community, notably concerning biotopes, habitats and endangered species. These projects were coordinated with the programmes relating to agricultural production methods compatible with the environment based on Regulation (EEC) No 2078/92.⁸

482. On 24 November the Commission adopted the second report⁹ on the application of Directive 79/409/EEC on the conservation of wild birds.¹⁰

¹ Twenty-fourth General Report, point 509.

² OJ L 194, 25.5.1975.

³ Twenty-sixth General Report, point 614.

⁴ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.153.

⁵ Bull. EC 6-1993, point 1.2.162.

⁶ OJ L 31, 5.2.1976.

⁷ OJ L 206, 22.7.1992; Twenty-sixth General Report, point 617.

⁸ Point 520 of this Report.

⁹ COM(93) 572.

¹⁰ OJ L 103, 25.4.1979; Thirteenth General Report, point 281.

Urban environment, air quality, transport, noise and energy

483. On 17 May the Council adopted Decision 93/361/EEC* on the accession of the Community to the Protocol to the Convention on Long-range Transboundary Air Pollution concerning the Control of Emissions of Nitrogen Oxides or their Transboundary Fluxes. On 15 November it authorized the Commission to negotiate a second Protocol* to the Convention concerning the Control of Sulphur Emissions.

484. The Commission and the working party of experts on the urban environment started the 'Sustainable cities' project to follow up the Green Paper on the urban environment¹ by sponsoring exchanges of local experience with sustainable development and disseminating the most conclusive results.

485. The Council adopted Directive 93/12/EEC* on a further reduction in the maximum sulphur content of certain liquid fuels on 23 March, followed on 28 June, by Directive 93/59/EEC*, which aims at making the emission standards applicable to light commercial vehicles as stringent as those in force for cars, and, on 4 October, it adopted its common position on the proposal concerning the control of volatile organic compound emissions resulting from the storage of petrol and its distribution from terminals to service stations. On 10 December it also adopted its common position* on the proposal for a Directive on air pollution by motor vehicles.

486. On 12 May the Commission adopted a proposal for a Directive* amending Council Directive 86/662/EEC on the limitation of noise emitted by earthmoving machinery,² with a view to a two-stage reduction in noise levels from such machinery.

Global environment, climate change, geosphere and biosphere

487. On 5 October the Council adopted Decision 93/626/EEC* concerning the conclusion of the Convention on Biological Diversity, which was drafted under the auspices of the United Nations Environment Programme (UNEP)³

¹ Twenty-fourth General Report, point 536.

² OJ L 384, 31.12.1986; Twentieth General Report, point 558.

³ Point 901 of this Report.

and was signed by the Community and the Member States at the United Nations Conference on Environment and Development (UNCED).¹

488. The Council authorized the Commission to participate, on behalf of the Community, in the Ministerial Conference on the Protection of Forests in Europe in Helsinki on 16 and 17 June.² To protect tropical forests, the Commission continued its technical appraisal of the various parts of the pilot programme for the protection of the Amazon region of Brazil, particularly the phases relating to reserves, demonstration projects and applied research. It also extended its cooperation programmes to include the Amazon forests in countries other than Brazil.³

489. As part of the Community's strategy to limit carbon dioxide emissions and to improve energy efficiency,⁴ on 24 June the Council adopted Decision 93/389/EEC* on a mechanism for monitoring CO₂ and other greenhouse gas emissions in the Community.⁵ This provides for the Member States to compile inventories of CO₂ emissions and national abatement programmes, which will be evaluated by the Commission, assisted by a committee of representatives of the Member States. On 13 September the Council also adopted Directive 93/76/EEC to limit carbon dioxide emissions by improving energy efficiency⁶ and Decision 93/500/EEC concerning the Altener programme.⁷

490. To control substances that deplete the ozone layer, on 2 December the Council adopted a decision* concerning the conclusion of the second amendment to the Montreal Protocol, as adopted by the parties to the Protocol in Copenhagen in November 1992;⁸ on 7 June the Commission adopted a proposal for a Council Regulation* consolidating Regulations (EEC) No 594/91⁹ and No 3952/92¹⁰ and tightening up the existing Community legislation on hydrochlorofluorocarbons (HCFC) and methyl bromide, in the

¹ Twenty-sixth General Report, point 942.

² Bull. EC 6-1993, point 1.2.165.

³ Point 825 of this Report.

⁴ Twenty-sixth General Report, point 625.

⁵ OJ L 167, 9.7.1993.

⁶ Point 280 of this Report.

⁷ Point 292 of this Report.

⁸ Twenty-sixth General Report, point 624.

⁹ OJ L 67, 14.3.1991; Twenty-fifth General Report, point 668.

¹⁰ OJ L 405, 31.12.1992; Twenty-sixth General Report, point 624.

light of the amendment to the Montreal Protocol. On 2 December the Council agreed a common position on this proposal.

491. On 16 December the Council adopted a decision* on the conclusion of the framework Convention on Climate Change signed in Rio in June 1992.¹ The day before it had adopted conclusions on the Community programme on climate change.²

¹ Twenty-sixth General Report, point 626.

² Bull. EC 12-1993.

Section 17

Euratom safeguards

492. In 1993 the Euratom Safeguards Directorate conducted physical and accounting checks on average stocks of 300 tonnes of plutonium, 13 tonnes of highly enriched uranium and 220 000 tonnes of low-enrichment uranium, natural uranium, depleted uranium, thorium and heavy water. These materials were held in over 750 nuclear installations in the Community and gave rise to some 900 000 operator entries concerning physical movements and stocks. As in the past, the checks also covered equipment subject to external commitments under agreements concluded with non-member countries. The anomalies and irregularities detected by the Directorate were followed up rigorously by additional inspections; some are still being looked into.

493. Although there has been no drop in the number of man-days of inspection throughout the Community, the shift that had started in 1992¹ towards new activities (more stringent checks at the UP3 plant at La Hague, verification of the basic characteristics at the THORP plant in the United Kingdom and at the UP2-800 plant at La Hague) together with a decrease in certain 'traditional' activities, chiefly in Italy and Germany, continued.

494. Following the Commission Decision of 4 March 1992 concerning the operator of an installation at Dounreay (United Kingdom),² the operator has taken steps to ensure that the materials measurement and accounting systems are equivalent to those normally maintained in similar installations, with the result that at the beginning of 1993 Euratom was able to regard the matter as closed.

495. On the basis of a specific budget item introduced by the European Parliament for the organization of seminars for experts from Central and Eastern Europe, the Safeguards Directorate was able to provide training courses for experts from the Russian Federation, in particular by organizing five seminars in Luxembourg for a total of over 60 experts. More extensive programmes are planned for 1994 and 1995. Two-month intensive training courses

¹ Twenty-sixth General Report, point 718.

² OJ L 88, 3.4.1992; Twenty-sixth General Report, point 719.

for groups of two or three experts were also set up in order to create a computerized central nuclear materials accounting system.

496. The year 1993 was also a decisive year for the application of the principles underlying the new partnership approach, the framework for which had been set out by the Commission and the International Atomic Energy Agency (IAEA).¹

497. Despite the difficulties encountered, new practical inspection procedures were established and approved for nuclear reactors without mixed fuel (MOX) and low-enrichment uranium (LEU) fuel fabrication plants. These procedures were the subject of a nine-month evaluation period which ended in November for traditional-fuel reactors. Unfortunately it highlighted serious and expensive weaknesses in the new equipment tested. However, these technical problems should be resolved in 1994. Documents proposing inspection procedures were submitted to the IAEA in the second half of the year and should be approved in the near future for the other types of installations, namely MOX-fuel reactors and storage, enrichment and MOX-fuel fabrication plants.

498. The Euratom Safeguards Directorate continued its efforts to install and fine-tune highly automated safeguards systems for the major projects in progress (MELOX, France; Siemens-MOX 2, Germany; MDF, United Kingdom; UP2-800, France; and THORP, United Kingdom). In addition, work continued on the establishment of Euratom laboratories at the Sellafield and La Hague sites, which represents the most effective, safest and most economic medium-term solution.

499. On several occasions in 1993 the Euratom Safeguards Directorate took action in relation to cases of trafficking in nuclear materials from the East. As in 1992 the materials seized were in all cases of little strategic value, either qualitatively or quantitatively. Given the importance of the problem, the Safeguards Directorate helped to set up an alert and rapid intervention system. More general solutions are also being considered in conjunction with the JRC.

500. The Safeguards Directorate continued to participate in the bilateral negotiations on a new United States-Community Agreement governing all transfers of nuclear materials, technology and equipment. It also maintained

¹ Twenty-sixth General Report, point 721.

bilateral contacts with non-member countries, in particular Sweden, Norway, Finland and Austria, in the context of enlargement.

501. Following the discovery of a secret nuclear programme in Iraq, the IAEA asked its Member States to provide it with voluntary additional information not provided for in the Safeguards Agreements. Through the Safeguards Directorate, the Commission took the measures needed to implement Regulation (Euratom) No 2130/93* of 27 July amending Regulation (Euratom) No 3227/76 concerning the application of the provisions on Euratom safeguards,¹ and ensure the monthly transmission since September, with the Member States' agreement, of information requested by the IAEA concerning in particular imports, exports and production of uranium and thorium concentrates not covered by the Verification Agreements.

¹ OJ L 363, 31.12.1976; Tenth General Report, point 432.

Section 18

Nuclear safety

Priority activities and objectives

502. *Activities relating to nuclear safety within the Community and activities aimed at improving the safety of installations in the countries of Central and Eastern Europe and the former Soviet Union were continued in accordance with the guidelines laid down following the Chernobyl accident¹ and the summit meeting of the seven most industrialized countries² held in Munich in July 1992.*

503. *Considerable progress was made with the preparation of a Convention on Nuclear Safety,³ the States concerned having agreed that the safety of their installations — initially limited to nuclear power station reactors — should be subject to international obligations. Given the powers which the Euratom Treaty assigns to the Community in this field, the Commission took appropriate steps which should lead to it becoming a party to the Convention.*

Radiation protection

504. On 8 June the Council adopted Regulation (Euratom) No 1493/93* on shipments of radioactive substances between Member States which seeks to maintain the current level of radiation protection in the Member States in respect of shipments of radioactive substances, and establishes a harmonized system for the provision of information on such shipments. The Regulation is a provisional measure pending the entry into force of Directive 92/3/Euratom on the supervision and control of shipments of radioactive waste⁴ and the future revision of the Directive laying down the basic standards for protecting the general public and workers against the dangers arising from ionizing radiation* which is at present under discussion within the Community institutions.

¹ Twentieth General Report, points 759 and 762.

² Twenty-sixth General Report, point 725.

³ Twenty-Sixth General Report, point 735.

⁴ OJ L 35, 12.2.1992; Twenty-sixth General Report, point 731.

505. Pursuant to Article 33 of the Euratom Treaty, the Commission made nine recommendations on draft national regulations. In accordance with Article 35 of the Treaty, it also carried out four visits to verify the facilities for monitoring the level of radioactivity in the environment.

Plant safety

506. On 13 December the Commission adopted a report¹ on the implementation of the Council resolutions of 22 July 1975 and 18 June 1992 on the technological problems of nuclear safety.² In this communication it gives a comprehensive review of the activities carried out and suggests guidelines for a Community nuclear safety system, indicating that the efforts to achieve harmonization strengthen the coherence of the support provided to the countries of Central and Eastern Europe and the former Soviet Union to help them improve the safety of their nuclear installations under the PHARE³ and TACIS⁴ programmes, an important aspect of which is the provision of assistance to the safety authorities in the beneficiary countries.

507. On 16 July the European Parliament adopted a resolution⁵ in which it formulated a series of recommendations concerning the environmental and health aspects of the storage, transport and reprocessing of irradiated nuclear fuels in the Community, and on 28 January the Economic and Social Committee adopted an own-initiative opinion⁶ advocating a strengthening of international cooperation and of the role of the International Atomic Energy Agency (IAEA).

Radioactive waste

508. In 1993, the Commission outlined a Community strategy focusing on safety and environmental protection based on the conclusions of its third report (covering 1990 and 1991) on the present situation and prospects for radioactive waste management in the European Community.⁷

¹ COM(93) 649; Bull. EC 12-1993.

² OJ C 185, 14.8.1975; Ninth General Report, point 302; OJ C 172, 8.7.1992; Twenty-sixth General Report, point 729.

³ Point 655 *et seq.* of this Report.

⁴ Point 675 *et seq.* of this Report.

⁵ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.2.147.

⁶ OJ C 73, 15.3.1993; Bull. EC 1/2-1993, point 1.2.164.

⁷ COM(93) 88; Bull. EC 4-1993, point 1.2.113.

509. On 24 June the European Parliament adopted a resolution on the dumping of nuclear waste in the Atlantic¹ in which it opposed any attempt to lift the moratorium on the dumping of nuclear waste in the oceans and seas introduced in 1983 under the London Convention on the Prevention of Marine Pollution by Dumping of Wastes and Other Matter. On the same day Parliament also adopted a resolution on the moratoriums on nuclear testing.²

International action

510. On 27 September the Commission adopted a recommendation for a Decision on directives for the negotiation of an International Convention on Nuclear Safety* now being prepared within the IAEA.

511. On 10 March,³ as part of its policy of helping to improve nuclear safety in the countries of Central and Eastern Europe and the former Soviet Union, the Commission decided to contribute ECU 20 million from the TACIS and PHARE programmes to the nuclear safety account which the G7 decided to set up at the Munich Summit.⁴ Grants will be provided for the preparation and implementation of measures designed to make rapid improvements in operational and technical safety in nuclear reactors posing the greatest risk. On 27 April the Council authorized* the Commission to negotiate an agreement with the European Bank for Reconstruction and Development concerning its contribution to this account. On 22 April Parliament,⁵ for its part, emphasized the urgency of such measures following the accident at the Tomsk 7 nuclear plant.

512. The Commission coordinated bilateral assistance projects aimed at improving nuclear safety in the countries of Central and Eastern Europe and the former Soviet Union in the context of the G24 and in conjunction with the International Atomic Energy Agency, the Nuclear Energy Agency, the European Bank for Reconstruction and Development, the European Investment Bank and the World Bank. On 25 June the Council adopted conclusions⁶ in which it recalled the commitments entered into in this connection and the need to continue to implement the measures concerning nuclear safety provided for

¹ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.177.

² OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.178.

³ Bull. EC 3-1993, point 1.2.107.

⁴ Twenty-sixth General Report, point 799.

⁵ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.112.

⁶ Bull. EC 6-1993, point 1.2.179.

under the PHARE and TACIS programmes, while emphasizing the importance of medium and long-term solutions to energy problems. On 8 December the Commission adopted a communication on nuclear safety in the context of the electricity sector.¹ Based on existing information on the status of nuclear power plants in these countries, the communication highlights certain concerns and recommends guidelines. On 15 December the European Parliament adopted two resolutions on this subject.²

¹ COM(93)635; Bull. EC 12-1993.

² Bull. EC 12-1993.

Section 19

Agricultural policy¹

Priority activities and objectives

513. Although the package of measures to reform the CAP was adopted in 1992, the year 1993 held particular significance since it was the first year of implementation of the new arrangements. The Council also decided in principle to introduce some flexibility into these arrangements, particularly as regards set-aside, but without diminishing their effectiveness in terms of controlling production.

The major event of the year was the start of a three-year programme of phased reductions in cereal prices with compensation per hectare being paid directly to farmers provided production is cut back by means of set-aside. The continued and inexorable rise in intervention stocks only served to underline the need for reform; 1993 was also the first year of application of the reform in the beef, sheepmeat and tobacco sectors.

The aim of CAP reform is to improve market balance and ensure greater stability in farm incomes, at the same time providing the agricultural sector with more stable conditions generally and a clearer picture of future prospects. However, the disturbances on currency markets have introduced an element of uncertainty not only for farmers but also in terms of budgetary implications, and prompted the Council to change the agrimonetary system in force.

At the international level, Community activity was to a great extent dominated by the discussions on the agricultural aspects of accession to the Community by Sweden, Finland, Norway and Austria,² which made considerable progress, and by the Council's examination of the Blair House Agreement signed with the United States in November 1992 concerning the agricultural part of the Uruguay Round.³ Agricultural trade with the countries of Central and Eastern Europe continued to develop.

¹ For further details, see *The Agricultural Situation in the Community 1993 — Report*, published in conjunction with this Report (available from the Office for Official Publications).

² Point 634 *et seq.* of this Report.

³ Twenty-sixth General Report, point 967.

Content of the common agricultural policy

Reform of the common agricultural policy

514. In addition to the arrangements adopted in 1992 under the reform of the CAP,¹ on 14 June, as part of an overall agreement on the price proposals,² the Council adopted Regulation (EEC) No 1541/93³ fixing the non-rotational set-aside rate within the meaning of Regulation (EEC) No 1765/92.⁴ This Regulation concerns the introduction as from the 1994/95 marketing year of a non-rotational set-aside scheme for arable land at a rate 5% higher than that for rotational set-aside (currently fixed at 15%) but exceptionally, in certain cases, at a rate only 3% higher.

515. On 18 May,⁵ the Commission had adopted a discussion paper concerning possible developments in the set-aside policy. At its meeting in December the Council adopted a Regulation* amending Regulation (EEC) No 1765/92 in order to increase the flexibility of the arrangements under the CAP reform in this area, without thereby calling into question the underlying principles of the reform.

Agricultural prices for 1993/94

516. As the Council had already fixed prices in a number of major sectors for some years ahead and in order to ensure stability and continuity in relation to the decisions taken under the CAP reform, the 1993/94 price proposals*, whilst containing some important elements, were considerably diminished in scope compared with previous years and for the most part consisted of a roll-over of existing measures. The main measures adopted concerned the monthly increments for cereals, the target price for rice and conversion aid, the intervention price for olive oil and consumption aid, aid for linseed and the basic price for pigmeat. At the same time as it adopted this overall compromise, which also included decisions on non-rotational set-aside,⁶ prolongation of

¹ Twenty-sixth General Report, point 506.

² Point 516 of this Report.

³ OJ L 154, 25.6.1993; Bull. EC 6-1993, Point 1.2.180.

⁴ OJ L 181, 1.7.1992; Twenty-sixth General Report, point 507.

⁵ COM(93) 226; Bull. EC 5-1993, point 1.2.111.

⁶ Point 514 of this Report.

the sugar regime for a further year,¹ milk quotas² and the intervention price for butter,² the Council also invited the Commission to propose a ECU 12/tonne increase in set-aside compensation as from 1994/95 and to submit reports on the market situation for beef and sheepmeat.

Transitional arrangements applicable to Portugal

517. On 17 March the Council adopted Regulations (EEC) Nos 738/93* to 747/93* aiming to ensure the abolition of border checks connected with the implementation of the transitional arrangements provided for in the Act of Accession of Portugal³ as well as the entry of Portuguese agriculture into the single market. These measures supplement Council Regulations (EEC) Nos 3814/92 to 3818/92⁴ which concern Spanish agriculture. On 1 June the Council also adopted Regulation (EEC) No 1372/93* on measures adjusting the Portuguese food industry.

Structures and rural development

518. On 23 March the Council adopted Regulation (EEC) No 698/93* amending Regulation (EEC) No 1360/78⁵ to extend the aid scheme for the launching of producer groups and associations thereof.

519. The activities of the EAGGF Guidance Section are henceforth dealt with in the section 'Economic and social cohesion' in Chapter II.⁶

Forestry, environment and agriculture

520. As part of the measures implementing and accompanying the reform of the CAP, the Member States presented 180 programmes on production methods compatible with the requirements of environmental protection and upkeep of the countryside (Regulation (EEC) No 2078/92⁷), 36 programmes under the Community aid scheme for forestry measures in agriculture (Regulation (EEC)

¹ Point 525 of this Report.

² Point 534 of this Report.

³ OJ L 302, 15.11.1985; Nineteenth General Report, point 730.

⁴ OJ L 387, 31.12.1992; Twenty-sixth General Report, point 505.

⁵ OJ L 166, 23.6.1978; Twelfth General Report, point 285.

⁶ Points 392 and 393 of this Report.

⁷ OJ L 215, 30.7.1992; Twenty-sixth General Report, point 516.

No 2080/92)¹ and 13 programmes concerning the Community aid scheme for early retirement in agriculture (Regulation (EEC) No 2079/92).¹

521. For its part, on 2 December the Commission adopted a proposal for a Regulation* extending the European forestry information and communication system (EFICS) for a further five years.²

522. On 7 September it also adopted a proposal for a Regulation* on the conservation, characterization and use of genetic resources in agriculture, with a view to supplementing Regulation (EEC) No 2078/92.

Quality of agricultural products

523. Council Regulations (EEC) Nos 2081/92 and 2082/92³ concerning geographical indications and designations of origin and certificates of specific character for agricultural products and foodstuffs entered into force on 26 July. On 12 November the Commission also adopted a proposal for a Regulation* amending Regulation (EEC) No 2092/91 on organic production of agricultural products⁴ so as to facilitate its application in the light of experience gained.

Management of the common agricultural policy

Adjustments to the market organizations

Crop products

524. Under the reform, it was decided to implement a gradual but significant cut in cereal prices over three marketing years, starting in 1993/94. This price cut was offset by the introduction of a compensatory payment per hectare on condition that producers set aside 15% of the area for which compensation is applied for; producers applying for compensatory payments for an area producing less than 92 tonnes of cereals are exempt from the set-aside requirement. In 1993, this set-aside led to an 8.5% reduction in the area under cereals

¹ OJ L 215, 30.7.1992; Twenty-sixth General Report, point 516.

² OJ L 165, 15.6.1989; Twenty-third General Report, point 564.

³ OJ L 208, 24.7.1992; Twenty-sixth General Report, point 518.

⁴ OJ L 198, 22.7.1991; Twenty-fifth General Report, point 546.

compared to 1992 and resulted in production of 165 million tonnes, i.e. 16 million tonnes less than two years ago. On 19 July the Council adopted Regulation (EEC) No 2054/93* amending Regulation (EEC) No 2731/75¹ with a view to establishing a single standard quality for each type of cereal. On 10 February, it adopted Regulation (EEC) No 364/93* amending Regulation (EEC) No 1765/92² with a view to extending the traditional durum wheat production zones in France and amending the reference period for the calculation of the maximum areas eligible for production aid in Spain and Portugal.

525. Community sugar production and the sugar market remain subject to a production quota system which continues to be applied in 1993/94 under Council Regulation (EEC) No 1548/93*, adopted in the context of the price proposals. On 17 December it also reached political agreement on a proposal for a Regulation* extending the existing system for the 1994/95 marketing year and including inulin syrup in the market organization. On 22 January,³ Parliament gave its opinion on the operation of the market organization in this sector.

526. On 16 November the Council adopted Regulation (EC) No 3179/93* amending Regulation (EEC) No 136/66 on the establishment of a common organization of the market in oils and fats,⁴ providing for special intervention measures for olive oil, and Decision 93/622/EC* on the conclusion of the protocol* amending the 1986 International Olive Oil Agreement.⁵

527. Oilseeds (rape, sunflower, soya) have also been made subject to the set-aside scheme under Council Regulation (EEC) No 1765/92 establishing a support scheme for producers of certain arable crops.⁶ On 8 June the Council adopted Decision 93/355/EEC* on the conclusion of a memorandum of understanding (the Blair House Agreement) on oilseeds.⁷ In December it also approved a proposal for a Regulation* amending Regulation (EEC) No 1765/92 to take account of the memorandum, and adopted Regulation (EEC) No 3640/93⁸ introducing special arrangements for imports of maize and sorghum into Spain. On 22 December it also adopted Regulation (EC) No

¹ OJ L 281, 1.11.1975.

² OJ L 181, 1.7.1992; Twenty-sixth General Report, point 507.

³ OJ C 42, 15.2.1993; Bull EC 1/2-1993, point I.2.170.

⁴ OJ L 172, 30.9.1966.

⁵ OJ L 214, 2.8.1987.

⁶ OJ L 181, 1.7.1992; Twenty-sixth General Report, point 507.

⁷ Point 696 of this Report.

⁸ OJ L 333, 31.12.1993; Bull. EC 12-1993.

3670/93¹ on the special arrangements for imports of maize into Portugal, as provided for under this agreement and, on 20 December, a decision on the conclusion of agreements* with Argentina, Brazil, Canada, Poland, Sweden and Uruguay to take account of the implementation of the Community's new support scheme.

528. On 22 July the Commission adopted a communication on the development and future of wine sector policy² with a view to stimulating debate before the adoption of reform proposals aiming to ensure overall balance on the wine market by acting on both acreage and yields. It also adopted, on 21 December, a proposal for a Decision* on the conclusion of an agreement with the United States on the protection and mutual recognition of certain spirit drinks, and on 28 July a proposal for a Decision* on the conclusion of an agreement on wine with Australia. On 23 November, the Council adopted Decisions 93/721/EC*, 93/723/EC and 93/725/EC* on the conclusion of agreements on wine with Bulgaria, Hungary and Romania. On 19 July it had adopted Regulation (EEC) No 1990/93* amending Regulation (EEC) No 1442/88 on the grant of permanent abandonment premiums in respect of winegrowing areas³ to ensure that grubbing measures do not conflict with land planning requirements.

529. In the fresh fruit and vegetables sector, when fixing farm prices,⁴ the Council adopted Regulation (EEC) No 1289/93 maintaining all the basic and buying-in prices at their previous levels for the 1993/94 marketing year. However, the use of stabilizers and the effects of the currency realignments led to substantial cuts in the prices for certain products. On 17 March, the Council also adopted Regulation (EEC) No 638/93* which provides, in particular, for national quantitative restrictions on imports to be abolished with a view to establishing the single market. In addition, on 13 February it adopted Regulation (EEC) No 404/93* on the common organization of the market in bananas and on 19 October it authorized the Commission to negotiate under GATT the conditions for the implementation of the external aspects of the market organization for bananas*.

530. With regard to products processed from fruit and vegetables, on 17 March the Council adopted Regulation (EEC) No 668/93* reintroducing, as from 1993/94, a quota system for tomatoes intended for processing. On

¹ OJ L 338, 31.12.1993; Bull. EC 12-1993.

² COM(93) 380; Bull. EC 7/8-1993, point 1.2.56.

³ OJ L 132, 28.5.1988.

⁴ Point 516 of this Report.

8 November it adopted Regulation (EC) No 3119/93* extending, by means of certain adaptations, the aid scheme for the processing of oranges to small citrus fruits and, on 14 December, Regulation (EC) No 3511/93 on the free distribution outside the Community of fruit and vegetables withdrawn from the market during the 1993/94 season.¹ On 6 July the Commission adopted a proposal for a Regulation* introducing a specific measure for dried grapes.

531. On 26 November the Commission adopted a proposal for a Directive* amending Directives 66/400/EEC to 66/403/EEC² and Directives 69/208/EEC,³ 70/475/EEC and 70/458/EEC⁴ on the marketing of seeds with a view to preventing derogations from Community standards and extending the scope of these Directives.

532. In quantitative terms, the 1992 harvest of hops in the Community (727 333 ztr)⁵ was much poorer than that of 1991 and Council Regulation (EEC) No 1991/93* fixed the aid for 1992 at ECU 365/ha for the aromatic varieties, ECU 400/ha for the bitter varieties and ECU 280/ha for other varieties, including experimental varieties. These amounts were reduced to ECU 360/ha, ECU 395/ha and ECU 276/ha respectively following the currency realignments.⁶ Aid worth ECU 2 500/ha is also granted for varietal conversion.

533. Council Regulation (EEC) No 1989/93⁷ fixed the distribution of aid for fibre flax between the producer and the processor.

Livestock products

534. In the milk and milk products sector, the price proposals adopted by the Council on 14 June⁸ included Regulations (EEC) Nos 1560/93* to 1562/93* which provide for specific quantities to be allocated to certain priority producers and for the quotas of the countries other than Spain, Greece and Italy (which benefit from a specific increase) to be increased by 0.6%, as well as amending the arrangements to stagger the reduction in the intervention price for butter over two years. In addition, co-responsibility levies were abolished as from

¹ OJ L 320, 22.12.1993; Bull. EC 12-1993.

² OJ L 125, 11.7.1966; Tenth General Report, point 202.

³ OJ L 169, 10.7.1969; Third General Report, point 184.

⁴ OJ L 225, 12.10.1970; Fourth General Report, point 180.

⁵ 1 Ztr. (Zentner) = 50 kg.

⁶ Points 32 and 33 of this Report.

⁷ OJ L 182, 24.7.1993; Bull. EC 7/8-1993, point 1.2.160.

⁸ Point 516 of this Report.

1 April pursuant to Regulation (EEC) No 1029/93* and Council Regulation (EEC) No 2748/93¹ adjusted the amount of aid for school milk. With regard to the so-called 'SLOM' producers,² on 19 and 22 July the Council adopted Regulations (EEC) Nos 2055/93* and 2187/93* concerning the grant of reference quantities and compensation for producers temporarily prevented from carrying on their trade. On 22 December, it also adopted Regulation (EC) No 3610/93³ extending for one year the special arrangements for imports into the United Kingdom of butter from New Zealand. For its part, on 2 July the Commission adopted a proposal for a Regulation* amending Regulation (EEC) No 804/68⁴ with a view to ensuring the continuity of the financing of the programmes to promote milk consumption and, on 14 December, a proposal for a Regulation* concerning the payment of compensation to milk producers for the reduction in reference quantities.

535. In the beef and veal sector, on 18 January the Council adopted Regulation (EEC) No 125/93* which, in particular, extends eligibility for the suckler cow premium to producers of less than 120 000 kilograms of milk. On 22 December it adopted Regulation (EC) No 3611/93*, which authorizes Member States to restrict premiums in the event of damage to the environment. In addition, the Community contributed to the financing of promotion and marketing measures for quality beef and veal, particularly programmes using a logo identifying the meat offered to the consumer.⁵ For its part, on 24 November⁶ the Commission adopted the report, requested by the Council when it adopted the price proposals, on the outlook for the market in beef and veal.

536. Within the framework of the new trade concessions granted to the countries of Central and Eastern Europe,⁷ Council Decision 93/421/EEC⁸ improves access to the Community market for certain quantities of beef and veal at duties and levies reduced by 60% as from 1 July, under the interim association agreements with Hungary, Poland and the Czech and Slovak Republics.⁹

537. In the sheepmeat sector, on 10 February the Council adopted Regulation (EEC) No 363/93* amending the ewe premium scheme. On 22 December it also

¹ OJ L 249, 7.10.1993; Bull. EC 10-1993, point 1.2.144.

² Joined Cases C-104/89 and C-37/90: OJ C 152, 17.6.1992; Twenty-sixth General Report, point 1215.

³ OJ L 328, 29.12.1993; Bull. EC 12-1993.

⁴ OJ L 148, 28.6.1968.

⁵ OJ L 132, 29.5.1993.

⁶ COM(93) 601; Bull. EC 11-1993, point 1.2.154.

⁷ Point 651 of this Report.

⁸ OJ L 195, 4.8.1993.

⁹ Point 649 of this Report.

decided that the adjustments to voluntary restraint agreements concluded with Bulgaria, Hungary, Poland and the Czech and Slovak Republics and with Argentina, Australia, New Zealand and Uruguay concerning trade in sheepmeat and goatmeat¹ should be extended again and, on 22 December, it adopted Regulation (EC) No 3609/93 extending the suspension of the levy on imports of sheepmeat and goatmeat to countries other than those with which the Community has concluded voluntary restraint agreements.² On 24 November³ the Commission adopted the report on the situation in the market for sheepmeat which the Council had requested when it adopted the price proposals.

538. On 14 June, the Council adopted Regulation (EEC) No 1574/93* amending the common organization of the market in poultrymeat and eggs in order to ensure uniform application of the arrangements applicable to trade with third countries in these two sectors. In addition, on 21 September it adopted Regulation (EEC) No 2617/93⁴ laying down certain marketing standards for eggs.

Other work

Approximation of laws

539 For the approximation of laws on animal health, public health, feeding-stuffs, plant health products and seeds and propagating material see 'Technical harmonization' in the 'Internal market' section in Chapter II.⁵

Agrimonetary measures

540. Monetary compensatory amounts were abolished following the entry into force of the new agrimonetary arrangements adopted by the Council in December 1992.⁶ It is intended to use the ecu, to which a correcting factor is temporarily being applied, as the unit of account for fixing agricultural prices and amounts and that conversions between the ecu and the national currencies will be carried out using rates which are close to reality, i.e. to the central rate (corrected) for the fixed currencies which fluctuate inside the narrow band of 2.25% within the framework of the European Monetary System, and a rate

¹ OJ L 17, 26.1.1993; Twenty-sixth General Report, point 535.

² OJ L 328, 29.12.1993; Bull. EC 12-1993.

³ COM(93) 601; Bull. EC 11-1993, point 1.2.156.

⁴ OJ L 240, 25.9.1993; Bull. EC 9-1993, point 1.2.126.

⁵ Points 88 to 95 of this Report.

⁶ OJ L 387, 31.12.1992; Twenty-sixth General Report, point 541.

close to the average market rate (corrected) for the other currencies, which are considered as floating. Drops in farm incomes following agrimonetary movements can be offset by increasing certain amounts fixed in ecus, or by means of degressive aid.

541. The monetary disturbances experienced at the end of 1992 continued in 1993,¹ with realignments in the EMS and major movements of most of the floating currencies.² The agricultural conversion rates of the currencies considered as fixed from an agrimonetary point of view, except for the Irish pound, remained stable until August, thanks to the increase in the ecu correcting factor, from 1.195066 on 1 January to 1.207509 as from 14 May. The devaluation of the Irish pound on 30 January resulted in a total increase of 11.1% in its agricultural conversion rate. In view of the development of the ecu correcting factor during 1992/93, the prices and most amounts fixed in ecus were reduced. This reduction amounted to 1.29% for the chief sectors with a marketing year commencing on 1 July.

542. The decision taken on 2 August to increase the fluctuation margins of the EMS exchange-rate mechanism to 15%³ meant that the agrimonetary rules applicable to the floating currencies applied to all the Community currencies from that date. To take account of the increased danger of instability, on 21 December the Council adopted Regulation (EC) No 3528/93* increasing the neutral margins to 5 percentage points, to be asymmetrically distributed between -2% and +3%, in order to reduce the frequency of changes in the green rates, particularly for the revalued currencies. The proposal also provides for an adjustment to the arrangements for offsetting movements of the green rates and the loss of income connected with them.

Food aid for the needy

543. The Community continued its programme⁴ of food aid for the needy.⁵ Since Germany, like last year, did not participate in the programme, about ECU 150 million was shared among the 11 other Member States to assist the distribution of foodstuffs through social and charitable organizations.

¹ Twenty-sixth General Report, points 32 and 33.

² Points 32 and 33 of this Report.

³ Point 33 of this Report.

⁴ Twenty-sixth General Report, point 542.

⁵ OJ L 352, 15.12.1987; Twenty-first General Report, point 588.

Food aid for certain third countries

544. As part of its humanitarian operation to supply agricultural products and foodstuffs, and in addition to the PHARE programme,¹ in 1993 the Community financed food consignments with a total value of ECU 175.5 million from appropriations carried over from the 1992 financial year. Of this amount, supplies to Russian cities, particularly Moscow and St Petersburg, accounted for ECU 21 million, Albania for ECU 85 million, the Baltic States for ECU 46 million and the Republics of former Yugoslavia for ECU 23.5 million. However, implementation of this programme depends on the particular situations of the recipient countries.

Income aid

545. The Commission approved six new income aid programmes pursuant to Regulation (EEC) No 768/89,² which expired on 31 March. These programmes concerned the whole of Greece as well as certain regions of Spain (Castile-Leon, Castile-La Mancha, Andalusia and two areas in Extremadura). In all, eight Member States (Belgium, Denmark, Germany, Greece, France, Italy, the Netherlands and Spain) participated in the income aid scheme, which was introduced in 1989 and has not been extended.

State aid³

546. The Commission received an increasing number of notifications concerning draft schemes for aid to agriculture and the food industry in 1993 (approximately 277, i.e. 27% more than last year). Following interviews with representatives of the Member States and requests for additional information in most cases, which often resulted in amendments to the draft aid schemes, the Commission raised no objections concerning 225 dossiers. It also examined 23 measures which had not been notified in accordance with Article 93 of the EC Treaty. It proposed measures under Article 93 of the EC Treaty in respect of 4 existing schemes. The Article 93(2) procedure was initiated against several Member States concerning 9 draft aid schemes.

¹ Point 655 *et seq.* of this Report.

² OJ L 84, 29.3.1989; Twenty-third General Report, point 562.

³ For detailed information, see the Twenty-third Report on Competition Policy, due to be published in 1994.

Farm accountancy data network (FADN)

547. The management committee responsible for the coordination and management of the network held four meetings in 1993. A large part of its activity concerned the amendment of the farm return following the reform of the CAP, and many analyses were made of the impact of the reform on incomes and production. The study begun last year on the collection of information on non-agricultural activities and incomes continued. In addition, studies on the development of farmers' incomes during the 1980s and on the impact of the set-aside policy were carried out by external consultants.

Advisory committees and relations with trade organizations

548. As in previous years, farmers' organizations and the advisory committees made up of representatives of the sector and of consumer organizations, created at Community level, have been kept regularly informed of the application, development and future of the CAP. However, owing to financial difficulties the frequency of the meetings of the advisory committees was reduced.

Financing the common agricultural policy: the EAGGF

Guarantee Section

549. The 1993 budget, adopted on 17 December 1992,¹ provided EAGGF Guarantee Section appropriations amounting to ECU 34 052 million (not including the monetary reserve of ECU 1 000 million), broken down as follows:

EAGGF Guarantee Section (subsection B1),	33 943
including the following chapters, the titles of which have been changed:	
• Fisheries Guarantee Fund (Chapter B1-26)	27
• Set-aside of arable land (Chapter B1-40)	489
• Income aid (Chapter B1-41)	59
• Accompanying measures (Chapter B1-50)	182
Provisional appropriations (Chapter B0-40)	<u>109</u>
Guarantee Section total	34 052

¹ OJ L 31, 8.2.1993; Twenty-sixth General Report, points 1179 to 1183.

TABLE 10
The agricultural management and regulatory committees

Committee	From 1 January to 31 December 1993			
	Meetings ¹	Favourable opinion	No opinion	Unfavourable opinion
Management Committee for Cereals	49	963	91	—
Management Committee for Pigmeat	24	46	10	—
Management Committee for Poultrymeat and Eggs	13	56	12	—
Management Committee for Fruit and Vegetables	21	97	11	—
Management Committee for Wine	23	49	8	—
Management Committee for Milk and Milk Products	25	175	31	—
Management Committee for Beef and Veal	30	168	8	—
Management Committee for Sheep and Goats	13	25	3	—
Management Committee for Oils and Fats	25	82	12	—
Management Committee for Sugar	50	128	2	—
Management Committee for Live Plants	3	3	—	—
Management Committee for Products Processed from Fruit and Vegetables	10	29	3	—
Management Committee for Tobacco	14	22	—	—
Management Committee for Hops	4	15	—	—
Management Committee for Flax and Hemp	6	9	—	—
Management Committee for Seeds	4	13	—	—
Management Committee for Dried Fodder	8	9	2	—
Management Committee for Agricultural Income Aid	2	6	—	—
Implementation Committee for Spirit Drinks	9	—	—	—
Implementation Committee for Aromatized Wine-based Drinks	6	2	—	—
Management Committee for Bananas	17	7	12	—
Joint meetings of Management Committees ¹	15	11	4	—
Regulation 598/91 Committee	2	2	—	—
Committee for Loans to the ex-USSR and its Republics	3	—	—	—
EAGGF Committee	19	18	—	—
Standing Committee on Feedstuffs	11	8	—	—
Standing Veterinary Committee	37	146	—	—
Standing Committee on Seeds and Propagating Material for Agriculture, Horticulture and Forestry	7	11	2	—
Committee on Agricultural Structures and Rural Development	11	278	—	—
Community Committee on the Farm Accountancy Data Network	3	3	—	—
Standing Committee on Agricultural Research	2	—	—	—
Standing Committee on Plant Health	27	19	—	2
Standing Committee on Zootechnics	1	1	—	—
Standing Forestry Committee	11	7	—	—
Standing Committee on Organic Farming	6	2	—	—
Standing Committee on Propagating Material and Ornamental Plants	8	4	1	—
Standing Committee on Propagating Material and Plants of Fruit Genera and Species	8	4	1	—
Committee on Geographical Indications and Denominations of Origin	6	1	—	—
Committee on Certificates of Specific Character ²	6	1	—	—
<i>Ad hoc</i> Committee on the Supplementary Trade Mechanism	—	—	—	—
<i>Ad hoc</i> Committee on Cholera	2	—	—	—

¹ Except those on trade mechanisms (12 meetings) and agrimonetary questions (10 meetings).

² Agricultural products and foodstuffs.

Preliminary draft supplementary and amending budget No 1 (PDSAB),¹ adopted by the Commission on 17 March, provided for an increase in appropriations of ECU 1 884 million in relation to the 1993 budget. To cope with subsequent events, however, the Commission presented two letters of amendment, on 21 June and on 1 September;¹ total EAGGF Guarantee Section appropriations in 1993 therefore amounted to ECU 35 352 million (not including the monetary reserve), leaving a margin of ECU 1 305 million in relation to the agricultural guideline, fixed at ECU 36 657 million for 1993.

550. On 22 July the Council adopted the 1994 draft budget without major modifications compared to the Commission's preliminary draft,² which allocated appropriations amounting to ECU 36 465 to the EAGGF Guarantee Section, not including the monetary reserve of ECU 1 billion. The draft budget was fixed at the same level as the guideline, for a number of reasons. Firstly, 1994 is the first year of implementation of the CAP reform, which gives rise to substantial expenditure, particularly as certain measures under the previous arrangements continue to apply. Secondly, the 1993/94 price proposals result in an increase in expenditure of ECU 313 million. Lastly, as the calculation of the guideline is based on 74% of growth in GNP and on the inflation rate, the current economic recession and reduction in inflation have resulted in a lower guideline in 1994 than in 1993. However, because of repeated currency movements since September 1992, total expenditure could overshoot the 1994 guideline by ECU 1 469 million. If this happens, the conclusions of the Edinburgh European Council will be applied,³ according to which if agricultural expenditure should exceed the guideline, thereby compromising the financing of the reformed CAP, as already approved, the Council will take appropriate steps to fund the EAGGF Guarantee Section. Thus, any increase in costs will have to be covered from the EAGGF budget until the guideline is reached, then by calling on the monetary reserve, and finally by means of *ad hoc* measures once that has been exhausted.

551. When the final budget was adopted in December the appropriations allocated to the EAGGF Guarantee Section were fixed at ECU 36 465 million.

552. On 19 July the Council adopted Regulation (EEC) No 1992/93* transferring the financing of certain aids from the EAGGF Guidance Section to the

¹ Point 1082 of this Report.

² Point 1086 of this Report.

³ Bull. EC 12-1992, point I.52.

EAGGF Guarantee Section. On 14 June it had adopted Regulation (EEC) No 1571/93* on the financing of EAGGF Guarantee Section intervention.

553. On 19 July the Commission adopted a proposal for a Regulation* concerning the control of export refunds. On 27 October¹ it also adopted the 22nd financial report (1992) on the activities of the EAGGF Guarantee Section and the clearance of accounts for food aid, with a view to its transmission to the Council and to Parliament, and the Decision on the clearance of accounts for the 1990 financial year.

TABLE 11

EAGGF Guarantee Section expenditure, by sector

Sector	<i>(million ECU)</i>			
	Expenditure 1991	Expenditure 1992	Appropriations 1993 ¹	Appropriations 1994 ²
Arable crops ^{3, 4}	9 389.9	10 360.3	10 398	13 492
Sugar ⁴	1 819.3	1 944.5	2 064	2 103
Olive oil ⁴	1 874.3	1 754.4	2 364	1 999
Fruit and vegetables, wine, tobacco	3 466.1	3 573.7	4 797	4 524
Milk and milk products ¹	5 706.5	4 069.7	5 257	4 313
Beef, sheepmeat, goatmeat and pigmeat	6 337.7	6 304.6	6 662	6 567
Other sectors	1 303.6	1 758.5	2 146	1 918
Refunds on processed products	704.1	699.6	745	577
MCA's + ACA's	159.0	29.1	140	1
Impact of accounts clearance decisions	- 437.8	78.9	- 365	- 500
Others:				
• interest	84.7	86.0	105	110
• distribution to the needy in the Community	145.0	130.2	150	175
• fraud control	20.1	24.6	22	71
• rural development activities	388.2	304.4	507	433
Other measures	—	—	24	27
Subtotal A	30 960.7	31 118.5	34 956	35 810

¹ COM(93) 517; Bull. EC 10-1993, point 1.2.145.

(million ECU)

Sector	Expenditure 1991	Expenditure 1992	Appropriations 1993 ¹	Appropriations 1994 ²
Provisional appropriations	—	—	109	15
Total A ⁶	30 960.7	31 118.5	35 065	35 825
Guideline (until 1992)	32 511.0	35 039.0	—	—
Fisheries	26.2	32.1	33	37
Subtotal B	30 986.9	31 150.6	35 098	35 862
Set-aside (share borne by Guidance Section) ⁵	76.9	138.0	—	—
Income aid	3.8	25.9	72	58
Accompanying measures	—	—	182	545
Total B	31 067.6	31 314.5	35 352	36 465
Guideline (from 1993)	—	—	36 657	36 465
Depreciation of stocks and disposal of butter	797.3	799.5	—	—
Expenditure using carried-over appropriations	601.6	157.4	—	—
Total C ⁷	32 466.5	32 271.4	33 352 ⁸	36 465 ⁸

¹ 1993 budget (OJ L 31, 8.2.1993), as amended by SAB No 1/93.

² 1994 budget.

³ Including cereals, oilseeds, peas and field beans and share of set-aside borne by the Guarantee Section.

⁴ Including refunds on Community food-aid operations.

⁵ As from 1993, the financing of expenditure in this chapter is borne by the EAGGF Guarantee Section.

⁶ Total financed within the guideline until 1992.

⁷ Total financed inside the guideline from 1993.

⁸ Not including the appropriations for the monetary reserve (ECU 1 billion).

Guidance Section

554. Financing from the EAGGF Guidance Section, like that from the other Structural Funds, is broken down by the Objectives to which it contributes, namely the adjustment of regions whose development is lagging behind (Objective 1), the adjustment of agricultural structures (Objective 5a) and the development of rural areas (Objective 5b). The use to which the

appropriations were put under the 1992 budget is shown in the following table.

TABLE 12

EAGGF Guidance Section — Agriculture: summary of 1992 budget implementation
(commitment appropriations)

(million ECU)

Type of financing	Total	Objective 1	Objective 5a ¹	Objective 5b	Transitional
Direct:	41.036	31.947	—	2.209	6.880
• regional	41.036	31.947	—	2.209	6.880
• general	—	—	—	—	—
Indirect:	1 316.175	720.956	531.740	29.967	33.512
• regional	273.844	210.365	—	29.967	33.512
• general	1 042.331	510.591	531.740	—	—
Operational programmes:	1 307.210	752.794	169.593	384.823	—
• regional	908.703	523.880	—	384.823	—
• marketing/processing	398.507	228.914	169.593	—	—
Pilot projects, etc. (Article 22, Regulation (EEC) No 797/85; Article 8, Regulation (EEC) No 4256/88)	22.608	—	—	—	22.608
Global grant:	187.785	128.986	—	58.799	—
• Community initiatives	187.785	128.986	—	58.799	—
Total	2 874.814	1 634.683	701.333	475.798	63.000

¹ Objective 5a measures in areas not covered by Objective 1.

555. The appropriations under the 1993 budget amount to ECU 3 068 million for commitments (15.2% of the total for the Structural Funds) and ECU 3 366 million for payments. As a result of the adjustments decided in the transfers as well as appropriations, these appropriations were increased to ECU 3 099 million for commitments and ECU 2 954 million for payments. Although not included in the abovementioned amounts, part of the appropriations allocated for implementation of structural assistance in the territory of the former German Democratic Republic is managed by the EAGGF Guidance Section pursuant to Regulation (EEC) No 3575/90.¹ The commit-

¹ OJ L 353, 17.12.1990; Twenty-fourth General Report, point 24.

ment appropriations also do not concern fisheries, which have been managed separately from the EAGGF Guidance Section for agriculture since 1 January 1990. The 1993 financial year saw a change in the set-aside arrangements, as expenditure under this heading (ECU 20 million) is henceforth fully borne by the Guarantee Section, as opposed to just 50%. In addition, unlike 1992, the amounts intended for implementation of the programmes for the most remote regions (ECU 20 million in 1993) are included in the budget chapter on 'Other structural operations'. However, in 1994 they will again be included in the chapter on 'Structural Funds'.

Since 1994 is the first year of the new programming period for the Funds (1994-99), the appropriations had not yet been broken down by Fund at the time when the budget was established. This allocation will be decided on in negotiations with the Member States within the framework of partnership. Consequently, allocation of the 1994 budget appropriations has been carried out on a pro-rata basis derived from the 1993 budget.

Section 20

Fisheries

Priority activities and objectives

556. *This year has seen the adoption of the new monitoring arrangements for fishing activities, which settle a number of matters of importance for Community fisheries and guarantee proper implementation of the new common fisheries policy,¹ and also the establishment of the fishing licence scheme.*

557. *It has proved vital, at a time when the common fisheries policy is undergoing profound change, to reinforce the effectiveness, flexibility, coherence and transparency of its structural aspects by integrating these into the revised Structural Fund arrangements.²*

558. *A determined effort was made at Community level to resolve the market crisis in certain whitefish species that arose in February. The Commission pursued its international role by negotiating for the Community at the United Nations Conference on Straddling Stocks and Highly Migratory Species and upholding the principle of international cooperation as the best means of securing rational, responsible and sustainable exploitation of the living resources of the sea.*

New common fisheries policy

Implementation of new basic Regulation

559. On 20 December the Council adopted Regulation (EC) No 3690/93* establishing a Community system of fishing licences as provided for in Regulation (EEC) No 3760/92 establishing the new Community system for fisheries and aquaculture.³

¹ Twenty-sixth General Report, point 559.

² Point 394 of this Report.

³ OJ L 388, 31.12.1992; Twenty-sixth General Report, point 559.

560. Pursuant to the abovementioned Regulation (EEC) No 3760/92, the Council also adopted Decision 94/15/EC relating to the objectives and detailed rules for restructuring the Community fisheries sector with a view to achieving a lasting balance between the resources and their exploitation on a multiannual basis (1994-96), the proposed measures to be implemented on the basis of the multiannual guidance programmes adopted in 1992.¹ Parallel to this, the Commission adopted a communication on the implementation of the new aspects of the Community fisheries policy, accompanied by a proposal for a Council Regulation* setting the management objectives and strategies for certain fisheries for the period 1994-97.²

561. In response to the Council's conclusions on the current position of and prospects for European fisheries research,³ the Commission adopted a report on 15 October in which it takes stock of national and international sampling programmes and databases and looks at possible initiatives.⁴

New arrangements for monitoring application of the common fisheries policy

562. On 12 October the Council adopted Regulation (EEC) No 2847/93* establishing monitoring and control arrangements covering all fishing activities in Community waters and Community vessels fishing in third-country waters or on the high seas. Monitoring itself will fall to the Member States, the Commission's task being to supervise and ensure that it is effective. Pilot projects using new technology will be set up. On 10 November the Commission adopted a proposal for a Council Decision providing for an exceptional Community contribution towards the implementation of these projects, at a rate of 100% of the eligible costs incurred by the Member States.

563. The Commission continued to monitor compliance with TACs and quotas in Community waters and in certain international waters, which led it to the closure of a number of fisheries during the year following exhaustion of a TAC or quota and to initiate a number of preliminary infringement procedures for overfishing. Outstanding procedures from past years were pursued. The Commission also monitored compliance with conservation measures, fisheries

¹ OJ L 401, 31.12.1992; Twenty-sixth General Report, point 472.

² COM(93) 663; Bull. EC 12-1993.

³ Bull. EC 3-1993, point 1.2.135.

⁴ COM(93) 501; Bull. EC 10-1993, point 1.2.155.

agreements with non-Community countries and international agreements, and continued its fishery surveillance work in the NAFO regulatory area.

564. Under Council Decision 89/631/EEC¹ the Commission continued to contribute to the financing of programmes presented by the Member States for acquisition and improvement of the means of monitoring and inspection.²

Adjustment of Spanish and Portuguese accession arrangements

565. The report adopted by the Commission in December 1992³ pursuant to the Act of Accession of Spain and Portugal⁴ was discussed by the Economic and Social Committee⁵ and by the Council, which, in general agreement with the Commission's analysis, on 24 June requested it⁶ to make proposals for full integration of the accession arrangements into the general rules of the common fisheries policy, with full respect for the content of existing legislation and for the exemptions from the principle of freedom of access to waters provided for in Regulation (EEC) No 3760/92.⁷ On 13 October the Commission adopted a proposal for a Regulation* to that end.

Internal resources and policy on conservation and monitoring

Community measures

566. On 21 December the Council adopted the TACs and quotas for 1994⁸ and three Regulations determining the fishing opportunities in 1994 for vessels of Member States fishing in Spanish and Portuguese waters and for Spanish or Portuguese vessels fishing in other Member States' waters.⁸ It also allocated

¹ OJ L 364, 14.12.1989; Twenty-third General Report, point 598.

² OJ L 59, 12.3.1993.

³ Twenty-sixth General Report, point 564.

⁴ OJ L 302, 15.11.1985; Nineteenth General Report, point 590.

⁵ OJ C 304, 10.11.1993; Bull. EC 9-1993, point 1.2.134.

⁶ Bull. EC 6-1993, point 1.2.210.

⁷ OJ L 388, 31.12.1992; Twenty-sixth General Report, point 559.

⁸ OJ L 341, 31.12.1993; Bull. EC 12-1993.

the additional catch quotas obtained under the Agreement on the European Economic Area.¹

567. In addition, Regulation (EEC) No 3919/92² fixing the TACs and quotas for 1993 was amended three times³ during the year.

568. Regulation (EEC) No 927/93⁴ setting definitive TACs in the Kattegat and Skagerrak was adopted on 19 April, following Community consultations with Norway and Denmark.

569. The Commission adopted a proposal for the 15th amendment to Council Regulation (EEC) No 3094/86⁵ laying down certain technical measures for the conservation of fishery resources on 26 November.⁶ On 26 April, 18 June and 6 August the Commission adopted four reports on: control of stock exploitation rates in passive gear fishing, technical management of shared fish stocks in the Mediterranean, national monitoring of fishing effort and technical measures for the Skagerrak and Kattegat (ICES division IIIa).

National measures

570. The Commission was notified by the Member States of 177 national conservation measures, of which 161 were either the subject of comments or approved and 16 are still under examination.

External resources

571. On 1 June the Commission adopted a proposal for a Regulation* introducing statistical monitoring of trade in bluefin tuna in line with provisions adopted under the International Convention for the Conservation of Atlantic Tunas (ICCAT).

¹ Bull. EC 12-1993.

² OJ L 397, 31.12.1992; Twenty-sixth General Report, point 563.

³ OJ L 96, 22.4.1993; Bull. EC 4-1993, point 1.2.128; OJ L 285, 20.11.1993; Bull. EC 11-1993, point 1.2.171; OJ L 310, 4.12.1993; Bull. EC 12-1993.

⁴ OJ L 96, 22.4.1993; Bull. EC 4-1993, point 1.2.128.

⁵ OJ L 288, 11.10.1986; Twentieth General Report, point 662.

⁶ OJ C 346, 24.12.1993; COM(93) 615; Bull. EC 12-1993.

572. The Council adopted Regulation (EEC) No 1210/93¹ amending Regulation (EEC) No 2245/85² laying down certain technical measures for the conservation of fish stocks in the Antarctic. Regulation (EC) No 3680/93 was also adopted on 20 December laying down measures for the conservation and management of fishery resources in the NAFO regulatory area.³

573. On 25 March and 24 June the Council adopted Regulations (EEC) Nos 519/93, 520/93 and 521/93* on the conclusion of fishery agreements with Estonia, Latvia and Lithuania, and Regulation (EEC) No 1737/93* on the conclusion of an agreement on fisheries and the marine environment with Iceland. Taking due account of the agreement with Estonia, it adopted Regulations (EC) Nos 3126 and 3127/93⁴ fixing catch quotas in the fishing zones of this country for 1993, together with technical measures for conserving and managing resources.

574. The Council also adopted, on 20 and 21 December, the Regulations on the allocation for 1994 of the catch quotas in the fishing zones of the Faeroes,⁵ Sweden,⁵ Latvia,⁵ Estonia⁵ and Lithuania.⁵

575. Regulations (EEC) Nos 661/93⁶ and 330/93⁷ allocated additional catch quotas between Member States for vessels fishing in Swedish waters and in the Norwegian exclusive economic zone and the fishing zone around Jan Mayen for 1993. The catch quotas for 1994 for vessels fishing in the Norwegian exclusive zone and around Jan Mayen were allocated by Regulation (EC) No 3692/93.³ The catch quotas available in 1994 in Greenland waters were allocated by Council Regulation (EC) No 3693/93.³

576. On 28 September the Council adopted Regulation (EEC) No 3447/93* on the conclusion of an agreement on sea fisheries with Argentina. This is both the first fishery agreement with a Latin American country and the first negotiated and concluded as a 'second generation' agreement. The Council also adopted Regulation (EC) No 3329/93 on 29 November on the conclusion of

¹ OJ L 123, 19.5.1993; Bull. EC 5-1993, point 1.2.141.

² OJ L 210, 7.8.1985; Nineteenth General Report, point 592.

³ OJ L 341, 31.12.1993; Bull. EC 12-1993.

⁴ OJ L 280, 13.11.1993; Bull. EC 11-1993, point 1.2.177.

⁵ OJ L 341, 31.12.1993.

⁶ OJ L 71, 24.3.1993; Bull. EC 3-1993, point 1.2.144.

⁷ OJ L 38, 16.2.1993; Bull. EC 1/2-1993, point 1.2.201.

the fisheries agreement with Dominica* and another Regulation on 20 December on the conclusion of an agreement with Canada*.

577. The Council also decided on provisional implementation of new protocols to the fishery agreements with Sao Tomé and Príncipe*, Mauritania*, Guinea-Bissau*, Gambia* and the Seychelles* and to conclude protocols to the fishery agreements with Senegal*, Madagascar*, Mozambique* and Angola*, and it authorized Spain and Portugal to extend to 7 March 1994 their agreements on mutual fishery relations with South Africa.¹

578. The Commission adopted a recommendation for a decision on the negotiation of a fishery agreement with the Russian Federation* and a recommendation on adoption of additional negotiating guidelines for an agreement with Namibia* and asked the Council to authorize it to negotiate the Community's accession to the General Fisheries Council for the Mediterranean (GFCM)*.

579. The Community participated, as a member or observer, in the work of several international fishing organizations: the fifth Conference on Conservation and Management of Marine Stocks in the Central Bering Sea from 13 to 15 April; the 13th meeting of the Fishery Committee for the Eastern Central Atlantic (CECAF); the 10th annual meeting of the North Atlantic Salmon Conservation Organization (NASCO), from 6 to 10 June; the 45th annual meeting of the International Whaling Commission (IWC), from 10 to 14 May; the 20th session of the General Fisheries Council for the Mediterranean (GFCM), from 5 to 9 July; the 19th annual session of the International Baltic Sea Fishery Commission (IBSFC), from 13 to 18 September, and the 15th meeting of the Northwest Atlantic Fisheries Organization (NAFO), from 6 to 10 September.

580. On 19 April² the Council authorized the Commission to negotiate on behalf of the Community at the United Nations International Conference on Straddling Stocks and Highly Migratory Species, held in New York from 12 to 30 July. Recognized accordingly by the conference, it spoke in favour of international cooperation, in full respect for the United Nations Convention on the Law of the Sea of 1982, to ensure rational, responsible and sustainable exploitation of living marine resources.

¹ Bull. EC 4-1993, point 1.2.129.

² Bull. EC 4-1993, point 1.2.134.

Market organization

581. In completion of the market organization overhaul decided on in 1992¹ the Council on 12 July adopted Regulation (EEC) No 1935/93² setting common marketing standards for the new products brought within the common organization. By Regulation (EEC) No 1917/93³ it set guide prices for the new products for the 1993 fishing year.

582. On 22 November the Council adopted Regulations (EC) Nos 3353/93, 3354/93 and 3355/93 fixing guide prices for fishery products in 1994.⁴

583. Faced with a market crisis in certain whitefish species the Commission adopted Regulation (EEC) No 420/93⁵ making imports of certain products subject to a reference price until 30 June. By Regulation (EEC) No 695/93⁶ it adopted safeguard measures applicable until the same date to the placing in free circulation of fishery products landed in the Community by fishing vessels from third countries. Both Regulations were successively extended to 30 September,⁷ then to 31 October⁸ and finally to 31 December,⁹ in line with the wishes of Parliament expressed on 22 April¹⁰ and of the Council on 25 June¹¹ and 20 October¹². On 20 July the Commission adopted a proposal for a Regulation* making permanent the temporary measures introduced by Regulation (EEC) No 695/93. Such safeguard measures were also decided on by Regulation (EC) No 3193/93¹³ with regard to Atlantic salmon. In a declaration on 20 December the Council confirmed its intention to implement a series of measures, particularly with regard to the monitoring of direct landings.¹⁴

584. The market situation for tuna led to the granting of a compensatory allowance to producers' organizations for tuna delivered to the canning industry

¹ OJ L 388, 31.1.1992; Twenty-sixth General Report, point 581.

² OJ L 176, 20.7.1993; Bull. EC 7/8-1993, point 1.2.188.

³ OJ L 174, 17.7.1993; Bull. EC 7/8-1993, point 1.2.187.

⁴ OJ L 301, 8.12.1993; Bull. EC 11-1993, point 1.2.186.

⁵ OJ L 48, 26.2.1993.

⁶ OJ L 73, 26.3.1993; Bull. EC 3-1993, point 1.2.148.

⁷ OJ L 158, 30.6.1993; Bull. EC 6-1993, point 1.2.220.

⁸ OJ L 240, 25.9.1993; Bull. EC 9-1993, point 1.2.139.

⁹ OJ L 270, 30.10.1993; Bull. EC 10-1993, point 1.2.165.

¹⁰ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.132.

¹¹ Bull. EC 6-1993, point 1.2.219.

¹² Bull. EC 10-1993, point 1.2.163.

¹³ OJ L 285, 20.11.1993; Bull. EC 11-1993, point 1.2.189.

¹⁴ Bull. EC 12-1993.

in the periods 1 April to 30 June 1992,¹ 1 July to 30 September 1992² and 1 October to 31 December 1992.³

Structural action

585. This is now covered in the 'Economic and social cohesion' section of Chapter II.⁴

State aid

586. Under Articles 92 and 93 of the EC Treaty, Member States notified 23 proposed aid schemes for fisheries and aquaculture. The Commission also examined 5 that had not been notified.

587. The Commission raised no objection to implementation of 27 proposed aid schemes. It decided to terminate the Article 93(2) procedure in respect of 3 proposed schemes.

¹ OJ L 42, 19.2.1993; OJ L 77, 31.3.1993.

² OJ L 59, 12.3.1993; OJ L 77, 31.3.1993.

³ OJ L 177, 21.7.1993.

⁴ Point 394 of this Report.

Section 21

A people's Europe

Priority activities and objectives

588. *One of the major thrusts of the Community's activities this year was to show that Europe existed for the people and convince them of the benefits inherent in the construction of Europe by making them aware of its impact.*

The importance of the European citizen was reflected in the various Community policies such as the fight against unemployment and exclusion,¹ the introduction of instruments to enable consumers to take more advantage of the opening of internal borders,² to raise their level of protection by making them aware of their rights,³ to facilitate access to good quality education⁴ or to create for them a more open and transparent Community. The culmination was illustrated by the adoption of a Directive on the arrangements for Community nationals to exercise the right to vote and stand in elections. This Directive, which respects the principles of subsidiarity and proportionality, ensures that citizens can exercise these rights at the forthcoming European elections, thereby reducing the democratic deficit of the Community and strengthening the powers of the European Parliament. On 21 December the Commission adopted a report in which it analyses progress made in the various aspects of European citizenship.⁵

Free movement of persons

589. Matters relating to the free movement of persons are dealt with in the Internal Market, section of Chapter II.⁶

Citizens' rights

Right to vote

590. With a view to the implementation of Article 8b(2) of the EC Treaty as amended by the Treaty on European Union, on 6 December the Council adopted Directive 93/109/EEC* laying down detailed arrangements for the exercise of

¹ Point 431 *et seq.* of this Report.

² Point 62 of this Report.

³ Point 375 *et seq.* of this Report.

⁴ Point 250 of this Report.

⁵ COM(93) 702; Bull. EC 12-1993.

⁶ Point 98 *et seq.* of this Report.

the right to vote and to stand as a candidate in elections to the European Parliament in the Member State of residence, on the basis of a working paper including a draft proposal which it had endorsed on 4 October and a formal proposal presented on 27 October. The Directive is based on the principles of equality and non-discrimination and is designed to facilitate the exercise by the citizens of the Union of their right to vote and to stand for election in the Member State where they reside. It includes provisions to ensure freedom of choice and to prevent individuals from voting or standing for election in two constituencies at once.

Right of petition

591. In accordance with Parliament's Rules of Procedure and with the Interinstitutional Agreement signed in 1989,¹ the Commission sent 522 communications including 183 supplementary communications concerning petitions to Parliament, an increase of 1% over 1992.

Taxation

592. On 25 October the Council gave its agreement to a proposal for a Directive amending Directives 69/169/EEC and 84/231/EEC fixing the level of duty-free allowances for travellers entering the Community from non-member countries and the limits on purchases from tax-free shops in intra-Community travel.²

Public health

593. On 27 May the Council and the Ministers for Health meeting within the Council adopted a resolution on future action in the field of public health in which they affirm the need for Community action and wider cooperation between Member States in collaboration with the Commission and call on the Commission to prepare new proposals on the evaluation and continuity of the work in progress.³ In response to this request, on 24 November the Commission adopted a communication on the framework for action in the field of public

¹ Twenty-third General Report, point 935.

² Point 123 of this Report.

³ OJ C 174, 25.6.1993; Bull. EC 5-1993, point 1.2.145.

health¹ to accompany the entry into force of the Treaty on European Union, in particular Article 129. Parliament delivered its opinion on the subject on 19 November.²

594. On the same day the Council and the Ministers adopted Decision 93/362/EEC³ increasing the amount allocated to the 1990-94 action plan in the context of the 'Europe against cancer' programme,⁴ and conclusions on the measures taken by the Member States to ban smoking in public places.⁵ On 15 March the Commission adopted a report on the evaluation of the effectiveness of Community action undertaken in the context of the 'Europe against cancer' programme (1987-92).⁶ On 13 December the Council adopted a resolution establishing the future guidelines for the programme aimed at reinforcing cooperation between the Commission and the Member States.⁷

595. On 10 March the Commission adopted a report⁸ on the implementation of the action plan in 1991-92 in the framework of the 'Europe against AIDS' programme (1991-93);⁹ on 29 September it then proposed to the Council that the programme be extended*. On the basis of this report, on 10 December the Council adopted a resolution establishing guidelines for the continuation of the programme in 1994,⁷ and adopted conclusions on the establishment of an epidemiology network in the Community.⁷

596. On 25 May the Commission also adopted a communication on blood self-sufficiency in the Community,¹⁰ and Parliament proposed drawing up an action plan on this matter.¹¹ The Council welcomed this proposal and on 13 December recalled the need to achieve self-sufficiency by increasing cooperation between Member States while observing the principle of voluntary unpaid blood donations.⁷

597. In the field of international cooperation, the Commission on 24 May adopted a communication in which it reviews the collaboration which it started with the World Health Organization (WHO) in 1972.¹²

¹ COM(93) 559; Bull. EC 11-1993, point 1.2.191.

² OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.2.192.

³ OJ L 150, 22.6.1993; Bull. EC 5-1993, point 1.2.146.

⁴ OJ L 137, 30.5.1990; Twenty-fourth General Report, point 174.

⁵ Bull. 5-1993, point 1.2.147.

⁶ COM(93) 93; Bull. EC 3-1993, point 1.2.151.

⁷ OJ C 15, 18.1.1994; Bull. EC 12-1993.

⁸ COM(93) 42; Bull. EC 3-1993, point 1.2.152.

⁹ OJ L 94, 16.4.1991; Twenty-fifth General Report, point 223.

¹⁰ COM(93) 198; Bull. EC 5-1993, point 1.2.148.

¹¹ OJ C 248, 4.10.1993; Bull. EC 9-1993, point 1.2.142.

¹² COM(93) 224; Bull. EC 5-1993, point 1.2.149.

Fight against drugs

598. On 8 February the Council adopted Regulation (EEC) No 302/93* on the establishment of a European Monitoring Centre for Drugs and Drug Addiction. The main objective of this Centre, provided for by the European plan to combat drugs,¹ is to supply the Member States with objective, reliable and comparable information concerning drugs and drug addiction and their consequences. In accordance with the decision of the Brussels European Council in October, the Monitoring Centre will be located in Lisbon.² On 22 July the Commission adopted a proposal for a Regulation* on the budgetary and financial arrangements for the Monitoring Centre.

599. Following the Commission communication concerning an assessment of the European Drug Prevention Week,³ on 13 December the Council adopted a declaration calling for the organization in October 1994 of a second European Week in which the emphasis would be placed on lasting, primary prevention aimed at young people.⁴

600. During the year the Commission was fully associated with the work of the European Committee to Combat Drugs (ECCD). When the Union Treaty came into force, this Committee was replaced by the European Coordinators' Group on Drugs, whose task will include coordinating, where necessary, the positions of members of the Union at international meetings, such as the Dublin Group, the United Nations Narcotics Committee, and any other coordination duties.

601. The Commission continued to monitor international trade in drug precursors, especially in cooperation with the chemical industry and the Community's trading partners. On 17 October it adopted Regulation (EEC) No 2959/93⁵ extending the number of countries covered by a specific cooperation regime in this area. In conjunction with the Member States it continued to implement the customs strategy to protect the Community's external frontiers against trafficking in drugs and illicit substances.

¹ Twenty-fourth General Report, point 166.

² OJ C 323, 30.11.1993.

³ COM(93) 353.

⁴ OJ C 15, 18.1.1994; Bull. EC 12-1993.

⁵ OJ L 267, 28.10.1993.

Solidarity

Measures to help the disabled

602. With a view to promoting equal opportunities for disabled people and their integration in the European Community, on 25 February the Council adopted Decision 93/136/EEC* establishing a third Community action programme — Helios II (1993-96), which has a budget of ECU 37 million. Its objectives include helping disabled people to lead an independent life, promoting their functional rehabilitation, their integration into the educational system and training and their social and economic integration. Negotiations are under way concerning subsequent extension of the Helios programme to EFTA and certain Central and East European countries.

603. On 21 September the Council adopted Decision 93/512/EEC* on a Community technology initiative for disabled and elderly people (TIDE) (1993-94). It seeks to promote the development and supply of technical aids, the pooling of information and experience in this area, and the application of new technology to facilitate communication, mobility and employment for the disabled.

604. In a resolution passed on 22 April¹ Parliament condemned the upsurge in Europe of acts of violence and discrimination against handicapped persons.

Measures to help older people

605. The European Year of Older People and Solidarity between Generations was launched in Brussels on 21 January.² The aim is to alert public opinion to the social changes that will result from the ageing of the Community's population, to develop dialogue and mutual understanding and to help older people to lead an independent social life. At the closing ceremony, the Council and the Ministers for Social Affairs adopted a declaration fixing certain guidelines for future policy in respect of this sector of the population.³

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.136.

² Bull. EC 1/2-1993, point 1.2.209.

³ OJ C 343, 21.12.1993; Bull. EC 12-1993.

Measures to help disaster victims

606. During the year the Commission approved 16 awards of emergency aid totalling ECU 5.38 million for disaster victims.

607. Parliament requested the Commission on several occasions to grant aid to victims of specific disasters and to take measures to prevent such disasters from occurring again.¹

¹ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.212; OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.2.213; OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.153; OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.154; OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.138; OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.2.227; OJ C 315, 22.11.1993; Bull. EC 10-1993, points 1.2.168 to 1.2.171.

Section 22

Information, communication, audiovisual media and culture

Priority activities and objectives

608. *The debates in the Member States on ratification of the Treaty on European Union revealed that, in the current depressed economic situation with growing numbers facing unemployment and marginalization, there is an element of public doubt as to whether further European integration is necessary or indeed advisable.*

The Community institutions are aware that the Community cannot progress unless its citizens are convinced of the legitimacy of the values on which it is based and the importance of its achievements. They have therefore continued to develop projects designed to bring the Community closer to its people, in line with the declaration annexed to the Treaty on European Union and the conclusions of the Birmingham and Edinburgh European Councils.¹

Since the success of Community policies depends to a large degree on the way they are presented, the Commission has developed a new approach for its information and communication policy based on a number of priority objectives. The aim is to explain to the public the nature and the scale of the challenges facing society, to demonstrate the benefits of European integration and to show people in concrete terms, at local level, the effect of European policies on their daily lives. This means using plain, simple language which everyone can understand, increasing the transparency of the institutions by making information, documents and Community issues in general more accessible to the public, and explaining why the Community chooses the approaches and solutions it does, without trying to mask the problems involved in satisfying all the aspirations of the various interest groups and the public at large. The Commission also has a duty to be receptive to the needs, demands and reactions of all groups of society at all times and to cooperate in a spirit of openness and frankness with Parliament, the other Community institutions and the Member States to ensure that the message is put across clearly and coherently.

¹ Twenty-sixth General Report, points 5 and 10.

In the belief that access to information includes making documents available to the public, the Commission adopted a communication setting out the main principles on which public right of access to Community documents would be based. It also approved and launched a number of measures, set out in a communication adopted on 2 June, aimed at closing the gap between the public and the institutions.

Community action on culture focused on implementation of the new objectives set by the Commission and adopted by the Council in November 1992¹ with a view to the entry into force of the Treaty on European Union. The new objectives are centred around preserving European heritage, creating an environment which will allow culture to flourish and maintaining Europe's cultural influence throughout the world.

Information and communication policy

Information and transparency

609. On 30 June the Commission adopted a paper entitled 'The Commission's information and communication policy: a new approach',² aimed at improving the quality of public information and analysis of what is happening in the Community. In addition to internal procedural changes, the Commission laid plans for a number of initiatives including setting up a Users' Advisory Council to canvass representatives of the various sections in society on the Commission's information policy, refining tools for sounding out and analysing public opinion, increasing the role of the Commission Offices in the Community as discussion and information forums and as centres for coordinating national relays and networks, and making greater use of such relays and information networks to reach both the public at large and specialized audiences in the Member States. The Commission also plans to make greater use of audiovisual and electronic information and to increase the flow of information to non-member countries. On 17 September Parliament made a number of suggestions for further improvements to the Community's communication policy.³

610. In addition to the Commission's usual activities in the field of communication, this year saw the launch of a major information campaign on the single

¹ Twenty-sixth General Report, point 183.

² Bull. EC 6-1993, point 1.2.231.

³ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.2.149.

market, consisting mainly of exhibitions, while, in the United Kingdom, further successful Europe Weeks were held with the help of local authorities. In the same vein, a number of new public information centres were opened: following the example of Brussels, Luxembourg, Berlin and Bonn, Lisbon opened a centre this year and Barcelona and Thessaloniki are set to follow shortly. The Arche documentation centre on Europe in Paris has now been completed and expects to receive some 200 000 visitors a year. The number of rural 'carrefours' (information centres) increased from 15 to 29, and over 20 000 visits to Commission departments were made in the course of the year. The European Journalism Centre was officially opened on 9 September.

611. As well as making better use of the tools it has for putting its message across to the public and receiving feedback, the Commission has tried to make documents produced by Community institutions more accessible. In a communication adopted on 5 May¹ it takes the view that right of access should be the rule, with exceptions justified only by the need to find the right balance between increased openness and the protection of certain public and private interests. In December the Council and the Commission approved a code of conduct laying down general rules on such right of access.²

612. The Commission also followed up the communications adopted last December on transparency and relations with interest groups³ by approving and implementing a number of specific measures aimed at bringing the public and the Community institutions closer together. In its communication of 2 June⁴ it takes stock of the measures already in place, including publishing more documents of interest to the public in the Official Journal and indicating in the legislative programme⁵ which proposals would appear to be suitable for preliminary broad discussion as well as subjects on which Green or White Papers are to be published in the coming year. Further progress has also been made on declaratory consolidation, under the supervision of the Office for Official Publications,⁶ and on legislative consolidation,⁷ and an attempt has been made to improve the distribution of documents and databases, particularly CELEX.⁸ At round-table discussions held in July, the Commission asked

¹ OJ C 156, 8.6.1993; COM(93) 191; Bull. EC 5-1993, point 1.1.1.

² OJ L 340, 31.12.1993; Bull. EC 12-1993.

³ Twenty-sixth General Report, points 5 and 10.

⁴ OJ C 166, 17.6.1993; COM(93) 258; Bull. EC 6-1993, point 1.1.3.

⁵ Point 997 of this Report.

⁶ Point 618 of this Report.

⁷ Point 70 of this Report.

⁸ Point 1153 of this Report.

special interest groups to adopt codes of conduct and compile directories. In return, it has started work on a database on these groups.

613. In accordance with the conclusions of the Edinburgh European Council¹ the Council held a series of open debates on work programmes and on certain major initiatives of Community interest. It also decided to publish voting records, with explanations, and common positions adopted under Articles 189b and 189c of the EC Treaty, as amended by the Treaty on European Union.² It amended its rules of procedure accordingly.³ On 8 June it adopted a resolution laying down a number of drafting guidelines for all those involved in drawing up legal instruments within the Council.⁴

Press, radio and television

614. The number of journalists accredited to the Commission in Brussels remained high, at over 730 journalists from 55 countries, of whom 637 were from the press and 93 from television and radio. This total includes 68 representatives of national and international press agencies.

615. The Spokesman's Service held 235 meetings with the press on Commission decisions, proposals and reactions and 43 press conferences following Commission meetings. The President and Members of the Commission gave 74 press conferences on key issues, several of which were given jointly with visitors to the Commission. The Spokesman's Service also conveyed to the press the Commission position on the occasion of Council and European Council meetings and part-sessions of Parliament. Special arrangements were made to cover international events involving the Community, such as the G7 Summit in Tokyo.⁵

616. More than 3 100 information memos and papers were released to the accredited press, while the Offices in the Member States and the delegations in non-member countries received over 1 100 telexed memos and commentaries drafted specifically to enable them to brief local press contacts on a daily basis.

¹ Bull. EC 12-1992, point I.24.

² Bull. EC 10-1993, point 1.6.8; Bull. EC 12-1993.

³ OJ L 304, 10.12.1993.

⁴ OJ C 166, 17.6.1993; Bull. EC 6-1993, point 1.1.4.

⁵ Point 693 of this Report.

Office for Official Publications

617. In line with the Commission's policy of increased transparency¹ the Office used every means available to it to ensure the selective and speedy distribution of Community documents. With the same end in view a computerized administrative directory has been set up for all the institutions, accessible via remote terminals, and the information they supplied has been fed in. The plan is to market the directory, which is to be regularly updated. The same approach has been followed to provide the public with a database on special interest groups, again in the interests of transparency.

618. During the course of the year, the computerized system for the consolidation of Community legislation became operational. The Office is now consolidating legislation daily, as it is amended, creating a valuable new source of information; some of the backlog was also cleared thanks to demonstrations and operations to meet specific requirements of the various institutions. However, the attempt to clear the backlog of pre-1993 legislation was hindered by the lack of funds.

619. Work on a consolidated version of the Treaties proceeded while the Treaty on European Union was being ratified in the Member States, cutting down the amount of time needed to produce the final version once ratification had been completed.

620. Renewal of the contracts for the production of the Official Journal, due to expire on 1 April 1994, has provided a good opportunity to make major quality improvements by introducing new technologies into the production process. It will shortly be possible to use electronic documents as a basis for producing documents in all other formats.

Historical archives

621. The Commission released for consultation the historical archives² of the ECSC High Authority,³ the EEC Commission and the Euratom Commission for 1962,⁴ thus adding over 2 400 files to the 20 000 already made accessible

¹ Point 612 of this Report.

² Kept at the European University Institute in Florence.

³ See also D. Spierenburg and R. Poidevin, *Histoire de la Haute Autorité de la CECA. Une expérience supranationale*, Brussels, Bruylants, 1993.

⁴ Twenty-sixth General Report, point 1162.

to the public, dating from 1952 for the ECSC and 1958 for the EEC and Euratom under the 30-year rule.¹

622. In accordance with the resolution adopted by the Council and the Ministers for Culture on 14 November 1991² and in view of the complexity of the measures to promote Europe's cultural heritage likely to be agreed on by the Member States, the Commission convened and chaired three further full meetings of the group of national experts on archives and sent the Council the group's report, together with proposals for joint action and research.

623. The Commission continued to help with work on the archives from the former Yugoslavia.³ As mediator, it successfully brokered one of the rare concrete agreements on succession-related issues to be signed by all delegations from the former Yugoslavia. The agreement addresses the question of saving extremely vulnerable archives from Bosnia-Herzegovina. Under the agreement a special seminar was held in Vienna on microfilm copying and restoration; the seminar was initiated by the Commission.

Audiovisual policy

624. On 23 July, two years into the MEDIA programme (1991-95),⁴ the Commission adopted a communication proposing certain amendments concerning the structure and functioning of the programme so as to boost its impact and increase its budget.⁵ The Council adopted conclusions on this communication on 5 November.⁶ On 29 October the Commission followed up its communication by adopting a proposal for a Council decision* introducing the amendments. On 5 November, to mark the first 100 years of the cinema, the Council adopted a resolution on the encouragement of film production and the preservation of Europe's cinematographic heritage.⁷

625. On 22 July the Council adopted Decision 93/424/EEC* on an action plan for the introduction of advanced television services in Europe, with a budget of ECU 228 million over a period of four years. At least half the amount will

¹ OJ L 43, 15.2.1983; Seventeenth General Report, point 54.

² OJ C 314, 5.12.1991; Twenty-fifth General Report, point 1224.

³ Twenty-sixth General Report, point 1165.

⁴ OJ L 380, 31.12.1990; Twenty-fourth General Report, point 179.

⁵ Bull. EC 7/8-1993, point 1.2.195.

⁶ Bull. EC 11-1993, point 1.2.199.

⁷ Bull. EC 11-1993, point 1.2.205.

be spent on programme production. This financial support is intended to compensate for the extra costs incurred by the introduction of the new 16:9 format for television, both for new shoots and for reformatting old material. In a resolution passed on 22 January Parliament called for the production of quality programmes in 16:9 format to be encouraged in preparation for the introduction of high-definition television.¹ On 15 November the Commission proposed* that the Council repeal Directive 92/38/EEC,² prescribe the 16:9 format for all wide-screen television services and set standards for non-digital transmissions. On 17 November, in response to the Council resolution of 22 July,³ the Commission also adopted a communication setting out a framework for Community policy on digital video broadcasting;⁴ the Council adopted conclusions on this communication on 7 December.⁵

626. Lastly, the Commission continued to support Europe-wide festivals and meetings of people involved in the audiovisual industry and also Euronews, a multilingual current affairs television channel.

Culture

627. Pending entry into force of the Treaty on European Union, whose provisions on culture (new Article 128 of the EC Treaty) are based on respect for cultural diversity and the principle of subsidiarity, attention was concentrated this year on the five priority objectives set out in the Commission communication entitled 'New prospects for Community cultural action'.⁶ In a resolution passed on 21 January Parliament put forward a number of suggestions for developing Europe's cultural identity and promoting its common heritage by providing support in specific areas.⁷

628. The Commission has decided to carry out an assessment of all heritage projects organized to date. An initial assessment of the high-profile projects supported by the Community has already been sent to the Member States and two others on support for restoration courses and on the programme for the protection of the architectural heritage are in the process of being drawn up.

¹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.216.

² OJ L 137, 20.5.1992; Twenty-sixth General Report, point 182.

³ OJ C 209, 3.8.1993; Bull. EC 7/8-1993, point 1.2.197.

⁴ COM(93) 557; Bull. EC 11-1993, point 1.2.201.

⁵ Bull. EC 12-1993.

⁶ Twenty-sixth General Report, point 183.

⁷ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.218.

The Commission also organized a series of meetings with the authorities in the Member States to prioritize areas of common interest with a view to greater Community involvement in this field. It continued to provide support for the conservation of Europe's architectural heritage. The theme this year was historic gardens and a jury of experts selected 58 pilot projects for a share of the ECU 3.2 million available. The aim of the scheme is to make Europeans more aware of the importance of their cultural heritage as well as to promote economic and social development.

629. With regard to books and reading, the Commission continued to promote translation through the support programme for the translation of contemporary literary works.¹ A total of ECU 220 000 was given to support the translation of 76 works by European authors, with priority going to the less widely spoken languages and, in 1993, to drama. In a resolution adopted on 17 May the Council and the Ministers for Culture called on the Commission to assess what measures were needed to promote the translation of contemporary dramatic works within the framework of the support programme.² Each year, the Commission also awards a European literature prize and a European translation prize (the Aristeion prizes). The awards ceremony was held on 13 December in Antwerp, this year's European City of Culture.

A European books and reading awareness campaign entitled 'Reading for pleasure' was launched on 22 April in Copenhagen. The campaign is concentrating on young people, translation, cooperation with and between libraries, small and medium-scale publishing in Europe, and the use of the media to promote books and reading. Lastly, the Commission has launched a project aimed at making users more aware of the problem of acidification of paper and promoting the use of permanent paper. It has published a directory of the producers of permanent paper, which has been warmly welcomed in professional circles.

630. The aim of the annual Kaleidoscope programme³ is to encourage European cultural exchanges and other projects involving all artistic disciplines. This year a total of ECU 2.9 million was spent on 135 projects, chosen on the basis of the opinion of a panel of independent experts. The Commission also supports a number of high-profile events, of which the best-known are the Youth Orchestra and the Baroque Orchestra of the European Community, the European City of Culture programme, held this year in Antwerp, and European

¹ OJ C 309, 19.11.1987; Twenty-first General Report, point 705.

² OJ C 160, 12.6.1993; Bull. EC 5-1993, point 1.2.152.

³ Twenty-sixth General Report, point 187.

Cultural Month, held in Graz. Stockholm and Weimar have been selected as European City of Culture for 1998 and 1999 respectively, whilst Nicosia will host European Cultural Month in 1995.¹ Support for the conservation of the Parthenon, Mount Athos, the Chiado and Coimbra comes under the same heading. As an expression of solidarity, the Commission also decided to make a special contribution to the Uffizi Gallery in Florence, damaged by a bomb earlier this year. On 5 November the Ministers for Culture expressed their support for those members of the creative and artistic community in Bosnia-Herzegovina who were organizing the Winter Festival in Sarajevo, which received financial assistance from the Community.²

631. Taking cultural aspects into account in other common policies is another key element in the development of the Community's cultural action and one specifically provided for in the new Article 128 of the EC Treaty, as inserted by the Treaty on European Union. With a view to implementing this provision a preliminary study on the funds allocated to culture under the various Community programmes was completed in June.

632. Under the heading of cultural cooperation with non-member countries, the Commission, as an exceptional measure, is now opening up existing programmes to certain projects in countries in Central and Eastern Europe and Latin America with which the Community has concluded association agreements containing a clause on culture. On 15 July Parliament adopted a resolution supporting the idea of incorporating a cultural specificity clause into the GATT.³ This followed on from another resolution passed on 13 July calling for closer cultural cooperation with the United States.⁴ A study was conducted on the most effective forms of synergy which might be achieved between international organizations involved in cultural matters (Council of Europe and Unesco) and the Commission.

¹ Bull. EC 11-1993, point 1.2.203.

² Bull. EC 11-1993, point 1.2.204.

³ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.2.198.

⁴ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.2.201.

Chapter III

External relations

Section 1

Priority activities and objectives

633. *Faced by economic crisis at home, together with rapid historical change, the emergence of new economic powers and a degree of instability on the world scene giving rise to new risks and uncertainties, the institutions throughout the year continued their multilateral and bilateral efforts to consolidate the Community's role in relation to the outside world, while at the same time actively preparing for the entry into force of the Treaty on European Union, of which the provisions on a common foreign and security policy mark the beginning of a new stage in the definition of the Union's identity.*

As the world's foremost trading power, the Community depends heavily on world trade; it therefore did its utmost to ensure the success of the Uruguay Round of multilateral trade negotiations. The GATT Trade Negotiations Committee formally concluded seven years of work on 15 December. At the end of the round, the 117 countries taking part agreed to substantial improvements in access to their markets for goods and made a significant start on liberalizing their markets for services. The GATT rules and disciplines were also improved: measures to protect trade were strengthened, the conditions for international competition made more equal and operators afforded increased legal security. The GATT system and the multilateral liberalization rules were extended to cover intellectual property and services too. Lastly, the system was reinforced by the reform of the dispute-settlement apparatus and the foundation of a world trade organization. The Community also succeeded in arranging a viable transition for its sensitive textile and agricultural sectors. The outcome of the Uruguay Round is therefore an unprecedented success for the Community.

A new stage was marked by the opening this year of membership negotiations with Austria, Finland, Sweden and Norway, whose accession will enhance the

European Union's economic dynamism and its presence on the world stage, as well as giving a boost to its policy towards the eastern reaches of the continent.

An effective springboard for candidate members, the Agreement setting up a European Economic Area, as amended in the light of the no-vote in the Swiss referendum, was ratified by all Member States in the course of the year and will enter into force on 1 January 1994. The Agreement will transform relations between the Union and the five EFTA signatories, establishing an integrated, dynamic and homogeneous grouping based on common rules and equal competition, invested with the means — legal in particular — necessary for its implementation and grounded in the principles of equality, reciprocity and the overall balance of the contracting parties' advantages, rights and obligations.

In its dealings with the Central and East European countries, the Community showed its resolve to pursue the course charted in recent years: a policy of rapprochement based on economic cooperation, political dialogue, financial aid and technical assistance in a variety of fields. The new Europe agreements negotiated this year with Bulgaria, Romania, the Czech Republic and Slovakia are vital instruments for consolidating links in Europe. With last year's agreements with Poland and Hungary, they offer — not only politically and economically, but in terms of the political dialogue and the various forms of cooperation they organize — guidelines and a framework for a new relationship that could one day culminate in these countries joining the European Union, once the requisite conditions are satisfied. In view of this, and on the basis of a communication from the Commission, the Copenhagen European Council sent the associated countries a strong political signal in the form of new trade concessions, including increased access to the Community market. Similarly, with a view to fostering ties with the Baltic States, not least because of the changes wrought by the enlargement negotiations under way, the Commission proposed that the Council convert the cooperation agreements recently concluded with those countries into free-trade agreements paving the way for future association agreements.

The continent's political and economic progress and stability also call for a new relationship with the Independent States emerging from the former Soviet Union, whose political and economic situation remains a cause for concern in spite of the reforms under way. Partnership and cooperation agreements laying the foundations for a qualitative change in economic ties based on the market economy and respect for democratic principles are being negotiated with Belarus, Ukraine, Kazakhstan, Kyrgyzstan and Russia; they provide for an ongoing political dialogue and will succeed the 1989 Agreement with the Soviet Union, of which the Community was long the main trading partner. With the

completion of negotiations with Russia imminent, Mr Boris Yeltsin, the Russian President, Mr Jean-Luc Dehaene, the President of the European Council, and Mr Delors, the President of the Commission, signed a policy statement on 9 December, setting out the fundamental principles of the new relationship between the European Union and Russia and reiterating the Union's support for the reforms that would enable Russia to join the ranks of European countries sharing common democratic, cultural and social values.

The process of change initiated by the countries of Central and Eastern Europe and the Independent States of the former Soviet Union is flanked by the PHARE and TACIS programmes. They were again the preferred channel for assistance from the Community, which remained the chief donor to these countries and played a key role in the coordination of assistance, primarily because of its experience and the scale of the programmes in question. The PHARE and TACIS programmes, for which some ECU 500 million and ECU 1 billion respectively were committed, now favour a decentralized multiannual approach more appropriate to the recipient countries' medium-term projects.

Relations with the countries of the Mediterranean and the Middle East were this year marked by concern at the continuation of the conflict in former Yugoslavia, in spite of the institutions' mediation and aid efforts, but also by the hope born of September's peace agreement between Israel and the PLO, to which the Community's efforts to mediate over the years had contributed.

Joining forces with the international community, the European Community played an active part in the quest for a peace agreement in former Yugoslavia, providing at the same time humanitarian aid totalling ECU 425 million. On the entry into force of the Treaty on European Union, with its provisions on a common foreign and security policy, the Council, on the basis of the guidelines of the October European Council in Brussels, adopted joint action to safeguard the delivery of aid. In line with the resolutions of the UN Security Council, it also reinforced the embargo on Serbia and Montenegro. The measures applied in previous years in favour of republics taking part in the peace process were, however, extended, the cooperation agreement with Slovenia was concluded and the Commission proposed to the Council that the Former Yugoslav Republic of Macedonia (FYROM) be included in the list of countries eligible for the PHARE programme.

The Commission delivered its opinions on the membership applications from Malta and Cyprus, containing a positive message as regards their eligibility and suitability for membership of the Union. Relations with Turkey were also substantially reinforced, in line with the guidelines set by the Copenhagen

European Council, and a joint action programme was drawn up for the adoption of the measures required for customs union between Turkey and the Community.

In the context of the Commission's communication on the future of relations with the Maghreb countries, the Council authorized the Commission to negotiate agreements with Morocco and Tunisia based on partnership and the principles of reciprocity and common interest, giving priority to political dialogue, financial, economic, social and cultural cooperation and the gradual introduction of a free-trade area. Combined with the opening-up of the Maghreb countries' economies to each other, these agreements will help them bring to fruition the social and economic change under way.

Welcoming the signature of a mutual recognition agreement between Israel and the PLO as offering some hope of lasting peace in the Middle East, the Community swiftly drafted practical proposals for interregional cooperation, so demonstrating its political, financial and economic commitment to the creation of an area of peace, mutual understanding and economic cooperation in the region. The Commission proposed that ECU 500 million be granted to the Occupied Territories in the form of grants and loans for the period 1994-98 and was authorized by the Council to negotiate with Israel an association agreement promoting deeper political dialogue, the expansion of the areas of free trade and the stepping-up of cooperation.

Links with the Asian countries were further tightened, notably through the signing of a cooperation agreement with India, the initialling of an agreement with Sri Lanka and the opening of negotiations with Viet Nam for a new trade cooperation agreement making respect for human rights a key condition for the development of dialogue and partnership. A similar agreement was concluded with Mongolia, which also became eligible for the TACIS programme. Attaching great importance too to the regional integration process under way throughout Latin America and to political and economic dialogue with the countries of the region, the Commission played an active part in the annual ministerial conferences between the Community and the Rio Group and the Community and the San José countries. These meetings resulted in the signature of a cooperation agreement with the countries of the Andean Pact and a framework agreement for cooperation with the countries parties to the General Treaty on Central American Economic Integration and Panama.

Relations with the United States, Japan and Canada generally continued to move in the right direction on the basis of joint declarations and of deep-rooted trading links. Relations with the United States were dominated by an

intensification of political dialogue on the situation in Russia, the conflict in former Yugoslavia and the Middle East peace process, together with the Uruguay Round negotiations, in which both sides played a decisive role. The dialogue meant that foreign policies could be coordinated more effectively. In the Uruguay Round, negotiations between the Community and the United States were a prerequisite for progress towards a multilateral solution. A number of trade disputes were settled, including that between the Community and the United States on government contracts. The dispute on the anti-dumping duties imposed on Community steel products was, however, only partially solved. The Community's many contacts with Japan served to draw attention to Japan's growing surplus in trade with its partners and to call for its reduction in the near future. A joint working party of experts set up at the beginning of the year to study the poor performance of a number of Community exports to Japan continued to work vigorously in preparation for next year's EC-Japan ministerial meeting. Considerable progress was made in negotiations with Canada for various agreements on matters including science and technology, fisheries and business cooperation.

Concluding that the economic crisis and the new interdependencies emerging on the world scene no longer permitted the continuation of relations based on a model now obsolete, the Commission used the revision of the financial protocol to the fourth Lomé Convention to propose that the Council negotiate with the ACP countries a mid-term review of the Convention with a view to establishing a more balanced, effective and open relationship. It suggested that the principles of democracy, the rule of law and good governance be asserted in the Convention, that the instruments of dialogue be adjusted to give the ACP countries a real voice and that the Convention's administrative procedures be made more effective.

The improvement of procedures and, above all, the coordination of policies were generally a major issue in the institutions' consideration of the Community's role in development. On the basis of a communication from the Commission, the Council identified several key areas for coordination (in particular the fight against poverty); the Commission then drafted practical proposals aimed at increasing the effectiveness of development operations by the Community and its Member States.

At the same time, the Community prepared for the entry into force of the Treaty on European Union, one key objective of which is the introduction of a common foreign and security policy that will enable the Community to speak with a single voice on the international scene. At the start of November, in response to the stimulus of the previous month's Brussels European Council, a

first set of joint actions was adopted for immediate execution: they involved the dispatch of a team of observers to monitor parliamentary elections in Russia, support for the delivery of humanitarian aid in Bosnia-Hercegovina and support for the process of democratic and non-racial change in South Africa.

The December meeting of the European Council in Brussels launched a process destined to lead to the conclusion of a stability pact in Europe. A first exercise in preventive diplomacy, this pact will initially involve countries of Central and Eastern Europe for which membership of the Union is a prospect and with which the Union has concluded or negotiated agreements. The aim is to enhance stability by preventing tension and potential conflict in Europe, developing neighbourly ties and encouraging countries to consolidate their frontiers and resolve problems with national minorities.

The number of diplomatic missions from non-member countries accredited to the European Communities rose to 157 in 1993. The Commission opened delegations in South Africa, Albania, Colombia, Finland, Romania, Slovenia, Ukraine and Hong Kong, bringing to 107 the number of its delegations abroad.

Section 2

Enlargement of the Community

EFTA countries

634. Following the decision of the Edinburgh European Council¹ that accession negotiations with Austria, Finland and Sweden would begin early in 1993, the ministerial meetings opening the three conferences took place in Brussels on 1 February.² After the Commission had adopted its opinion on Norway's application for membership on 24 March,³ the Council decided on 5 April to open negotiations with that country. The inaugural ministerial meeting was held the same day.⁴ In opening the negotiations with each of the four applicant countries, the Council stressed that enlargement represented a challenge and that accession entailed full acceptance of the *acquis communautaire* and the Treaty on European Union, including the provisions on a common foreign and security policy and on cooperation in the fields of justice and home affairs. The membership negotiations would be conducted in separate conferences but, as far as possible, in parallel.

635. At the ministerial meetings⁵ with each of the four applicants held in Luxembourg on 8 and 9 June, a number (varying for each applicant) of the 29 negotiating chapters were settled, as the examination of the secondary legislation by the Commission and the applicants had raised no substantive problems. Specific solutions were found to various problems raised by the four countries.

636. On 22 June, the Copenhagen European Council called on the Commission, Council and applicant countries to ensure that the negotiations were conducted constructively and expeditiously,⁶ and expressed determination that the objective of the first enlargement of the European Union in keeping with

¹ Bull. EC 12-1992, point I.6.

² Bull. EC 1/2-1993, point 1.3.1.

³ Bull. EC 3-1993, point 1.3.1; Supplement 2/93 — Bull. EC.

⁴ Bull. EC 4-1993, points 1.3.1 and 1.3.2.

⁵ Bull. EC 6-1993, points 1.3.2 to 1.3.5.

⁶ Bull. EC 6-1993, point I.10.

the guidelines laid down by the Lisbon¹ and Edinburgh² European Councils should become a reality on 1 January 1995.

637. On 10 February³ and 15 July⁴ respectively, Parliament adopted two resolutions in which it stressed the importance of full acceptance of the *acquis communautaire* and drew attention to the institutional changes it deemed necessary.

638. Following the ministerial meetings held on 5 October,⁵ several more issues were resolved. Further chapters were closed and significant progress was made on a number of others. The European Council meeting in Brussels on 29 October confirmed 1 January 1995 as the target date for enlargement and 1 March 1994 as the deadline for completing negotiations. This would allow Parliament to give its assent before the end of its term of office.

639. After the entry into force of the Treaty on European Union on 1 November, the negotiations continued on the basis of Article O. Discussion began on what it was hoped would be the prompt completion of the other chapters for negotiation on the basis of the Treaty.⁶

640. On 17 November, Parliament adopted a new resolution on enlargement,⁷ setting out its institutional priorities and requesting the opening of an interinstitutional dialogue which could be furthered by contributions from a 'committee of wise men'. At its meeting in Brussels in December, the European Council adopted the position of the Union on the place of the applicant countries in the institutions.⁸

641. Considerable progress was made at the ministerial meetings in Brussels on 21 December.⁸ The questions on standards and the single market were settled; the chapters on the common foreign and security policy and justice and home affairs were closed, while negotiations on other chapters, including economic and monetary union, also progressed.

¹ Bull. EC 6-1992, point I.4.

² Bull. EC 12-1992, point I.6.

³ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.3.2.

⁴ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.3.1.

⁵ Bull. EC 10-1993, points 1.3.2 to 1.3.6.

⁶ Bull. EC 11-1993, point 1.3.1.

⁷ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.3.2.

⁸ Bull. EC 12-1993.

Cyprus and Malta

642. The Copenhagen European Council¹ considered that its enlargement guidelines on the EFTA countries did not affect other applications, which should be examined on their own merits, and therefore welcomed the Commission's opinions on the membership applications lodged by Malta and Cyprus.

643. In its opinion² on Cyprus's application,³ which it adopted on 30 June, the Commission said it believed Cyprus had a European identity which suited it to Community membership but that accession hinged on a peaceful, balanced and lasting settlement of the conflict between the island's two communities.

644. The same day, the Commission adopted its opinion⁴ on Malta's application for membership.⁵ It underlined the importance of sending the country a positive signal confirming that its future lay in Europe, at the same time urging it to undertake the necessary reforms, particularly in the economic field, and to continue an intensive dialogue with the Community which would help prepare it for integration into the European Union.

645. In its conclusions of 4 October,⁶ the Council welcomed the messages of encouragement sent to Cyprus and Malta. It agreed to use all the means offered by the Association Agreement with Cyprus⁷ to help the country make the economic, social and political transition towards integration into the European Union and said it would re-examine the membership application in January 1995 in the light of progress made in settling the Cypriot problem. On Malta's application, the Council also agreed to use the means offered by the Association Agreement⁸ to help implement the structural reforms needed to integrate Malta's economy into the European Union.

¹ Bull. EC 6-1993, point I.11.

² Bull. EC 6-1993, point 1.3.6; Supplement 5/93 — Bull. EC.

³ Twenty-fourth General Report, point 722.

⁴ Bull. EC 6-1993, point 1.3.7; Supplement 4/93 — Bull. EC.

⁵ Twenty-fourth General Report, point 724.

⁶ Bull. EC 10-1993, points 1.3.7 and 1.3.8.

⁷ OJ L 133, 21.5.1973; Sixth General Report, point 386; OJ L 393, 31.12.1987; Twenty-first General Report, point 784.

⁸ OJ L 61, 14.3.1971; Fifth General Report, point 410.

Section 3

Central and Eastern Europe and Independent States of the former Soviet Union

Central and Eastern Europe

Overview

646. The Copenhagen European Council of 21 and 22 June examined the prospects for cooperation held out by the Commission communication entitled 'Towards a closer association with the countries of Central and Eastern Europe'.¹ Reflecting the conclusions of its Edinburgh meeting,² the European Council established that any country which so wished could become a member of the European Union once it was able to fulfil the obligations associated with membership and meet the economic and political requirements. Against that background, the European Council laid down guidelines for future cooperation with Central and Eastern Europe, emphasizing the importance of multilateral dialogue and a more rapid opening-up of Community markets.³

Europe Agreements and other agreements

647. To enable the Europe Agreements* concluded in December this year with Hungary and Poland to enter into force on 1 February 1994, the Council adopted Regulations (EC) No 3491/93 and No 3492/93,⁴ laying down implementing rules for safeguard and trade-protection measures, on 13 December.

648. Other Europe Agreements were signed with Romania* (1 February) and Bulgaria* (8 March), receiving Parliament's assent on 27 October. The agreements combine areas of Community and Member-State responsibility and are valid indefinitely. In addition to trade, they cover approximation of

¹ Bull. EC 5-1993, point I.3.4.

² Twenty-sixth General Report, point 737.

³ Bull. EC 6-1993, points I.13, I.14, I.16 and I.26.

⁴ OJ L 319, 21.12.1993; Bull. EC 12-1993.

legislation, economic cooperation, financial and technical assistance and political and cultural cooperation. Each agreement contains a clause on observance of democratic principles and human rights and a clause enabling either party to suspend the agreement at short notice if the obligations attached to it are not complied with. Interim Agreements with Romania (Decisions 93/186/EC* and 93/187/ECSC*) and Bulgaria (Decisions 93/690/EC* and 93/691/ECSC*) will ensure that the trade provisions come into effect as anticipated. Moreover, on 20 December the Council adopted Regulations* 3641/93/EC and 3642/93/EC¹ laying down implementing rules. They came into force on 1 May and 31 December respectively.

649. Following the dissolution of the Czech and Slovak Federal Republic, separate Europe Agreements with the Czech Republic* and the Slovak Republic* were signed on 4 October and received Parliament's assent on 27 October. Additional protocols to the Interim Agreement with the Czech and Slovak Federal Republic² were concluded on 20 December³ and signed on 21 December with each of the new Republics* assuming the rights and obligations associated with that Agreement.

650. The Agreements on trade and commercial and economic cooperation concluded in 1992⁴ with Latvia and Lithuania entered into force on 1 February. The Agreement with Estonia entered into force on 1 March. At the request of the Copenhagen European Council,⁵ the Commission asked the Council for authorization to negotiate with the Baltic States to convert the agreements on trade and commercial and economic cooperation into free-trade agreements*, with the aim of concluding Europe Agreements whenever the necessary conditions are fulfilled. The free-trade agreements would fit in with the enlargement negotiations and would preserve compatibility between the Community *acquis* (established Community law and practice) and the existing agreements between the applicant Nordic countries and the Baltic States.

Trade arrangements

651. Following the decision made at the Copenhagen European Council to grant further trade concessions to the countries of Central and Eastern Europe, additional protocols* to the Interim Agreements with Poland, Hungary, the

¹ OJ L 333, 31.12.1993 and Bull. EC 12-1993.

² OJ L 116, 3.4.1992; Twenty-sixth General Report, point 749.

³ Bull. EC 12-1993.

⁴ OJ L 343, 25.11.1992; OJ L 403, 31.12.1992; Twenty-sixth General Report, point 747.

⁵ Bull. EC 6-1993, point 1.14.

former Czech and Slovak Federal Republic, Romania and Bulgaria were signed on 20 December with a view to speeding up the dismantling of customs duties on imports from those countries and improving access to the Community market. Council Decision 93/421/EEC¹ brought the protocols into effect provisionally from 1 July for Poland, Hungary, the Czech Republic and Slovakia. The Council also adopted Regulations (EEC) Nos 2232/93, 2233/93, 2234/93, and 2235/93, rearranging the administration of Community quotas and ceilings for those four countries.²

652. Additional protocols on trade in textile products accompanying the Interim Agreements and Europe Agreements with Poland, Hungary and the former Czech and Slovak Federal Republic have been in effect provisionally since 1 January.³ Agreements in the form of exchanges of letters with Romania and Bulgaria on trade in textile products⁴ were also adopted, as were agreements with Hungary, Romania and Bulgaria on the naming of wines⁵ and reciprocal introduction of tariff quotas for wines.⁶

653. The trade arrangements established by the agreements on trade and commercial and economic cooperation signed in 1992⁶ with the Baltic States, which are also eligible for preferences under the Generalized System of Preferences,⁷ were supplemented by framework agreements and annual arrangements for fisheries.⁸ Protocols on trade in textile products were signed with Latvia and Lithuania.⁹

G24 coordination

654. The Commission continued to coordinate assistance from the Group of 24 to the countries of Central and Eastern Europe. The Former Yugoslav Republic of Macedonia became eligible for G24 assistance on 29 July. The practice of considering countries individually was continued, the involvement of international financial organizations (particularly the World Bank) was

¹ OJ L 195, 4.8.1993; Bull. EC 7/8-1993, point 1.3.10.

² OJ L 200, 10.8.1993; Bull. EC 7/8-1993, point 1.3.10.

³ Twenty-sixth General Report, point 998.

⁴ Point 890 of this Report.

⁵ Point 528 of this Report.

⁶ OJ L 343, 25.11.1992; OJ L 403, 31.12.1992; Twenty-sixth General Report, point 747.

⁷ Twenty-sixth General Report, point 752.

⁸ Point 573 of this Report.

⁹ Point 898 of this Report.

increased, and coordination in the recipient countries was stepped up. The G24 and the consultative group on Romania and Bulgaria met on 10 and 14 May, and a high-level meeting on Albania was held on 16 and 17 November. A joint G24-Council of Europe conference on democratic institutions in Central and Eastern Europe took place on 6 and 7 December.

PHARE

655. Reaffirming the Community's commitment to PHARE,¹ the Copenhagen European Council responded to appeals from some of the recipient countries by allocating resources (up to 15% of the total commitment appropriations for the year) for infrastructure projects. At Parliament's instigation, the Commission adopted 52 projects on 21 April as the first instalment of a new PHARE programme to promote democracy.² This scheme fosters cooperation between Community non-governmental organizations (NGOs) and eligible countries.

656. Following the adoption on 10 May³ of its annual report on the implementation of PHARE in 1991, the Commission approved PHARE general guidelines for 1993 to 1997 (on 9 July).⁴ In line with the Council conclusions of 9 November 1992,⁵ PHARE remains the main channel for Community aid. Although it will continue to be voted on annually, the budget will be planned on a multiannual basis, starting with the 1993 indicative programmes. Emphasis will be laid on diversification, and there will be shift in priority away from technical assistance towards investment. The decentralization in progress will be continued and, as in the past, PHARE will be primarily 'demand-led'.

657. On 30 June the Council adopted Regulation (EEC) No 1764/93* amending Regulation (EEC) No 3906/89⁶ on PHARE to take account of the division of the former Czech and Slovak Federal Republic. On 28 July the Commission adopted a proposal for a Regulation to add the Former Yugoslav Republic of Macedonia to the list of recipients.⁷

658. The PHARE budget this year totalled ECU 1 005.25 million, broken down as shown in Table 13; 79 programmes were approved, on the basis of

¹ Bull. EC 6-1993, points I.13 and I.26.

² Bull. EC 4-1993, point 1.3.4.

³ COM(93) 172; Bull. EC 5-1993, point 1.3.7.

⁴ Bull. EC 7/8-1993, point 1.3.6.

⁵ Twenty-sixth General Report, point 758.

⁶ OJ L 375, 23.12.1989; Twenty-third General Report, point 786.

⁷ Point 736 of this Report.

past experience, and new guidelines and multiannual indicative programmes were drawn up with the recipient countries.

Other forms of cooperation

659. Other measures providing assistance and backing for economic recovery in the countries of Central and Eastern Europe were adopted to supplement PHARE activities. On 13 December the Council adopted Decision 93/696/EC¹ to provide guarantees under the Community budget for all EIB loans to the countries of Central and Eastern Europe.

660. The ECSC granted loans to Poland and Hungary to help them restructure their steel industries, while the EIB granted further loans to a number of Central and East European countries.²

661. In the interests of promoting cooperation between Community firms and their counterparts in Central and Eastern Europe, the activities of BC-Net, the Euro-Info Centres and the Business Cooperation Centre (BCC) were extended to Poland, Hungary, the Czech Republic and Slovakia. The BCC also now operates in Bulgaria.³ The programme of scientific cooperation begun in 1992 was continued.

Political dialogue

662. Arrangements for political dialogue are now in place for all the countries of the region. The Copenhagen European Council also put to the signatories to the Europe Agreements the idea of structuring relations within a framework of improved and wider-ranging multilateral dialogue, with consultation on matters of common interest.⁴ A first meeting within that framework was held at ministerial level in Brussels on 21 September with representatives of Poland,

¹ Point 44 of this Report.

² Point 55 of this Report.

³ Point 168 of this Report.

⁴ Bull. EC 6-1993, point I.13.

TABLE 13
Financing provided under PHARE

Recipient country	Sector										Total
	Agriculture	Developing the private sector and SMEs	Financial sector	Environment and nuclear safety	Social development, employment and health	Education, training, R&D	Infrastructure: energy, telecommunications, transport, etc.	Civil service and public institutions, customs, statistics (including foreign trade)	Emergency and humanitarian aid	General technical assistance; miscellaneous	
Albania	10	7		3.3	6	2.5		1.2	10	35	75
Bulgaria		6	5	8.6	10.5	15	20.9	8		16	90
Estonia						1.5				10.5	12
Hungary	30.5	31			10	16	10	2.5		16	100
Latvia						2				16	18
Lithuania						2.5				22.5	25
Poland	30	7	10		10	45	55	42	9.9	26	225
Romania	5	70				18		10		27	139.9
Slovak Republic	3	19			3	5	5			5	40
Slovenia					8	3.5				7.5	11
Czech Republic		27				8	9	8			60
Other former Yugoslav republics				20	10	15.75	29	10		25	25
Regional cooperation programmes		27.5 ¹			10	9.9				52.2	112.25
Total	78.5	194.5	15	31.9	67.5	144.65	128.9	81.7	19.9	242.7	1 005.25

NB: Where a box is left empty, no financing has been provided.

¹ JOPP: Joint venture PHARE programme.

Hungary, the Czech Republic, Slovakia, Romania and Bulgaria.¹ Discussions centred on implementation of the conclusions of the Copenhagen European Council, the run-up to the Council of Europe summit² and the United Nations General Assembly,³ the draft pact for stability in Europe, relations with Russia and the situation in former Yugoslavia. The Community 'troika' (the last, current and next presidents of the Council) met the foreign ministers of the Visegrad countries on 8 March.⁴ The Community encouraged the four countries to cooperate among themselves, not as an alternative, but rather as an important contribution to European integration.

663. On 19 April the Community 'troika' had a meeting in Copenhagen with the foreign ministers of the Baltic States.⁵ On 5 February the Council Presidency had opened political dialogue with Albania. On 14 and 15 April bilateral political dialogue meetings took place between the Council Presidency and Bulgaria and Romania.

Particular aspects

664. On 30 June Mr Genk Ruli, Albania's minister of economic and financial affairs, and Mr Bashkim Koplicu, the deputy prime minister, met Sir Leon Brittan, and later Mr Van den Broek,⁶ for the signing of the PHARE indicative programme. Sir Leon visited Albania on 1 and 2 November. He had talks with President Sali Berisha and saw the sites of a number of projects receiving PHARE funding.

665. Visits to Bulgaria were made by Mr Van den Broek (in April)⁷ and Sir Leon Brittan (in May).⁸ They had talks with Mr Zhelyu Zhelev, Bulgaria's President, Mr Lyuben Berov, the prime minister, and other members of the government. Discussions centred on the development of bilateral relations, implementation of the PHARE programme and the situation in Russia and former Yugoslavia.

666. In March and May, Sir Leon Brittan and Mr Van den Broek toured the capitals of the Visegrad countries⁹ and met their Heads of State, prime ministers

¹ Bull. EC 9-1993, point 1.3.7.

² Point 917 of this Report.

³ Point 896 of this Report.

⁴ Bull. EC 3-1993, point 1.3.12.

⁵ Bull. EC 4-1993, point 1.3.7.

⁶ Bull. EC 6-1993, point 1.3.14.

⁷ Bull. EC 4-1993, points 1.3.12.

⁸ Bull. EC 5-1993, point 1.3.13.

⁹ Bull. EC 3-1993, points 1.3.15 and 1.3.16; Bull. EC 5-1993, point 1.3.15.

and other government officials. Their meetings covered all aspects of the development and interests of the region.

667. The meetings of the Joint Committees established under the Interim Agreements with Hungary, Poland, Romania and the former Czech and Slovak Federal Republic were held in Budapest (4 and 5 February), Warsaw (25 and 26 February), Bucharest (14 and 15 October) and Bratislava (21 and 22 October). The main topics of discussion were the implementation of the Interim Agreements and the PHARE programme, the development of trade relations, the countries' economic situations and the progress of reform.

A number of bilateral meetings took place, chief among them being that between Mrs Scrivener and the Polish Prime Minister Ms Hanna Suchocka on 22 and 23 March,¹ and that between Mr Jan Krzysztof Bielecki (Poland's Minister for European Integration) and Sir Leon Brittan on 20 July.² On 2 December Mr Van den Broek met Poland's new Foreign Minister, Andrzej Olechowski, in Brussels to discuss general policy issues.³

668. On 24 and 25 February⁴ Mr Christophersen visited Prague, where he had talks with officials including Mr Vaclav Klaus, Prime Minister of the Czech Republic, and Mr Julius Toth, the Finance Minister, in order to examine the consequences for economic and financial development of the dissolution of the Federal Republic. On 23 and 24 February⁵ Mr Vladimir Meciar, Prime Minister of Slovakia, had talks with Mr Delors, Sir Leon Brittan and Mr Van den Broek. Discussion centred on the country's economic problems, notably within the steel and armaments industries, the negotiations for a Europe Agreement and the management of the waters of the Danube. The Commission's action as an intermediary finally brought the dispute between Hungary and Slovakia over the Danube, which had been commented on twice by Parliament,⁶ before the International Court of Justice in The Hague. Mr Michal Kovac, President of Slovakia, had talks with Mr Delors on 4 November.⁷

669. Mr Ion Iliescu, President of Romania, had talks with Mr Delors on 17 February⁸ following meetings between Prime Minister Mr Nicolae Vacaroiu

¹ Bull. EC 3-1993, point 1.3.17.

² Bull. EC 7/8-1993, point 1.3.14.

³ Bull. EC 12-1993.

⁴ Bull. EC 1/2-1993, point 1.3.14.

⁵ Bull. EC 1/2-1993, point 1.3.13.

⁶ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.14; OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.3.19.

⁷ Bull. EC 11-1993, point 1.3.10.

⁸ Bull. EC 1/2-1993, point 1.3.11.

and Sir Leon Brittan and Mr Van den Broek, when the Europe Agreement and Interim Agreement were signed on 1 February.¹ Mr Misu Negritoiu, the Deputy Prime Minister, had talks with Sir Leon on 11 May, when the PHARE indicative programme for Romania was signed.² Visits to Romania were made by Mr Van den Broek (in April)³ and Sir Leon (in June).⁴ They had talks with Mr Iliescu, Mr Vacaroiu and other members of the Government. Mr Van den Broek also met Romania's Foreign Minister Teodor Viorel Melescanu in Brussels on 3 December.⁵ Discussions at all these meetings centred on the development of bilateral relations, the implementation of assistance programmes, the economic situation, the progress of reform and the situation in the region. As a result of Romania's inability to become self-sufficient in food, the Commission took a decision on 31 March to allocate it 150 000 tonnes of wheat as food aid.⁶

670. On 24 March the Economic and Social Committee made a call for closer links with the Baltic States, with a view to the conclusion of Europe Agreements with them, and laid particular emphasis on the social ramifications of economic transition.⁷ On 23 April Parliament in turn discussed the situation in the Baltic States and the issues involved in European cooperation.⁸ Mr Laor, Estonia's Prime Minister, met President Delors and Sir Leon Brittan on 19 and 20 October. Latvia's Minister for External Trade and EC Affairs, Olgerts Pavlovskis, met Mr Van den Broek in Brussels on 7 December.⁹

Independent States of the former Soviet Union

Overview

671. The Community continued to make a significant contribution to the process of political and economic reform on which the new Independent States had embarked by providing technical assistance and humanitarian, food and medical aid, but also by developing bilateral trade. The conclusion of partnership and Cooperation Agreements which deal with economic, political and

¹ Bull. EC 1/2-1993, point 1.3.9.

² Bull. EC 5-1993, point 1.3.10.

³ Bull. EC 4-1993, point 1.3.15.

⁴ Bull. EC 6-1993, point 1.3.16.

⁵ Bull. EC 12-1993.

⁶ Bull. EC 3-1993, point 1.3.11.

⁷ OJ C 129, 10.5.1993; Bull. EC 3-1993, point 1.3.7.

⁸ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.3.8.

⁹ Bull. EC 12-1993.

cultural considerations alike should, over time, create closer links and broader cooperation with the countries in question.

Partnership and other agreements

672. The Commission was authorized by the Council to negotiate partnership and Cooperation Agreements with the new Independent States to take over from the 1989 Agreement with the Soviet Union.¹ The latter accord was immediately confirmed as applying to the new Independent States by agreements in the form of exchanges of letters*. Negotiations began with Russia*, Belarus*, Ukraine*, Kazakhstan* and Kyrgyzstan*. The content and implementation of these agreements, which will combine areas of Member State and Community responsibility and be valid initially for 10 years, will depend on political and economic developments in each of the countries in question and on the closeness of their relations with the Community. The agreements will cover ECSC products, but other arrangements will be made for quantitative restrictions. Trade in textiles will be dealt with by separate agreements.² On 12 March Parliament endorsed the general principles of cooperation set out in the draft partnership agreements.³ On 15 July it conducted a comprehensive examination of the situation of the States of the former Soviet Union.⁴

673. Following its decision on 18 March⁵ to speed up the negotiations for an agreement with Russia*, the Council, on a proposal from the Commission, amended the existing negotiating Directives on 5 April to provide for the inclusion of a 'future developments' clause allowing adjustments to be made to the various chapters of the agreement, with the aim of establishing free-trade arrangements once the country was able to fulfil GATT obligations. The Council revised the negotiating Directives again on 9 November in order to set a deadline (1998) for a decision on the start of negotiations for free-trade arrangements, rework the anti-dumping and safeguard procedures and introduce new market-access provisions for financial services. The new Directives call for rapid conclusion of the agreement.

¹ OJ L 68, 15.3.1990; Twenty-fourth General Report, point 685.

² Point 889 of this Report.

³ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.20.

⁴ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.3.19.

⁵ Bull. EC 3-1993, point 1.3.19.

Trade arrangements

674. The trade arrangements established by Council Regulation (EEC) No 848/92¹ for the new Independent States entered into force, and all specific quantitative restrictions were removed. The new Independent States have also been eligible for the Community scheme of generalized preferences (which excludes fisheries and ECSC products, however) since 1 January.² Those of the States which have concluded textiles agreements with the Community have become eligible for preferences in that sector as well.

Assistance for the new Independent States of the former Soviet Union

675. Regulation (Euratom, EEC) No 2053/93* concerning the provision of technical assistance for the new Independent States (TACIS), adopted by the Council on 19 July, added Mongolia to the list of recipients and also made provision for stiffer conditions and more decentralization. In coordination with the 11 current recipients, it was decided in October 1992 to suspend TACIS activities in Tadjikistan because of the unstable situation there. The Commission drew up indicative programmes for technical cooperation with the countries in question for 1993 to 1995,³ and on that basis produced action programmes for 1993 for Russia, Ukraine, Belarus, Kazakhstan, Armenia and Kyrgyzstan and organized visits to the other States to explore opportunities for assistance.⁴ A ministerial meeting bringing together the national coordinators was held in Brussels from 8 to 12 November⁵ to discuss priorities for the second TACIS programme.

676. Under the 1991 TACIS programme, contracts representing 99% of the value of the allocation were signed for training (ECU 83 million), transport (ECU 45.5 million), food distribution (ECU 69 million), energy (ECU 99 million) and financial services (ECU 31.9 million). Contracts representing approximately 33% of the total financial allocation (ECU 425 million) have been awarded under the 1992 programme. These cover development of human resources (the civil service, education, policy-making, the legal profession, employment, social security, health care, citizenship, NGOs and twinning), assistance to enterprises (financial services, privatization, small and medium-sized firms, conversion of

¹ OJ L 289, 14.4.1992; Twenty-sixth General Report, point 788.

² OJ L 396, 31.12.1992; Twenty-sixth General Report, point 935.

³ Bull. EC 10-1993, point 1.3.17.

⁴ Bull. EC 11-1993, point 1.3.12; Bull. EC 12-1993.

⁵ Bull. EC 11-1993, point 1.3.11.

existing industry), distribution of farm produce and food, and networks (in transport, telecommunications and energy; this includes nuclear safety).

677. On 28 July the Commission adopted its first annual report on the implementation of cooperation. This examined the results of TACIS for the programme years 1991 and 1992.¹

678. The Commission has played a central role in the coordination of assistance, chiefly as a result of the experience it has accumulated and the scale of its programmes. It accordingly took part in meetings of the World Bank's consultative groups for Russia, Kazakhstan, Kyrgyzstan, Moldova and Belarus, and was involved for the first time in the meeting of G7 finance and foreign ministers held in Tokyo on 14 and 15 April to discuss assistance for the former Soviet Union.²

679. Exchanges of information and analysis of the precise content of the donors' projects and programmes continued, with the aim of preventing duplication, filling any gaps and making the most of the potential for programmes and individual activities to complement each other. Steps were also taken to catalogue joint efforts in order to coordinate them and arrange joint financing. In such matters, the Commission has forged particularly close links with the World Bank, the European Bank for Reconstruction and Development (EBRD) and the Organization for Economic Cooperation and Development (OECD). Within the Community steps have been taken to develop exchanges of information with the Member States in order to coordinate their activities.

680. As a result of the decision to reallocate the ECU 1 250 million loan granted to the former Soviet Union in 1991³ to the new Independent States as 12 direct loans, most deliveries of food aid and medical assistance took place in 1993, enabling the States to cover most of their food and medical supply shortages during the year. Such deliveries will continue in 1994 for some recipients, particularly Russia. On 15 November⁴ the Council decided that Azerbaijan and Uzbekistan should be considered eligible for loans, after Russia had agreed with them to assume their share of the former Soviet Union's debt. In addition, ECU 30 million which had not been used by Kazakhstan was reallocated on 31 March to Armenia (ECU 20 million) and Georgia (ECU

¹ COM(93) 362; Bull. EC 7/8-1993, point 1.3.16.

² Bull. EC 4-1993, point 1.3.17.

³ OJ L 362, 31.12.1991; Twenty-fifth General Report, point 844.

⁴ Bull. EC 11-1993, point 1.3.13.

10 million) to help them cope with a deteriorating food situation. The Commission subsequently took similar action for the same purpose, reallocating to Georgia ECU 40 million which had not been used by Uzbekistan.¹

Particular aspects

681. Bilateral trade relations between the European Community and the new Independent States are of primary importance: the Community was the former Soviet Union's largest trading partner in the past, and has remained the largest trading partner of the new Independent States. In 1992, the Community took 45 to 50% of their exports and supplied 40 to 45% of their imports, producing a trade deficit of around ECU 4.2 billion.

682. Mr Nursultan Nazarbayev, the President of Kazakhstan, had talks with Mr Delors on 2 February.² Discussion centred on the various Community measures to encourage political and economic reform. Exploratory talks relating to the proposed partnership and Cooperation Agreement with Kazakhstan were also held. Mr Tursunbek Chyngyshev, Prime Minister of Kyrgyzstan, had talks with Mr Van den Broek and Mr Vanni d'Archirafi on 11 and 12 February. Discussion focused on the development of bilateral relations between Kyrgyzstan and the Community.³ On 26 and 27 March⁴ the members of the Community 'troika' and Mr Van den Broek went to Moscow where they joined senior Russian Government officials in discussing relations between the Community and the Russian Federation (a matter on which Parliament had spoken on 14 October⁵) and the country's internal problems. From 3 to 7 June Sir Leon Brittan had talks in Moscow and St Petersburg with Mr Yeltsin and a number of other leading Russian officials. It was decided to maintain the pace of the negotiations for a partnership and Cooperation Agreement. An agreement on space-launch services was concluded.⁶ Talks were held between Deputy Foreign Minister Mr Vitaly Churkin and Mr Van den Broek on 22 April⁷ to discuss the conflict in former Yugoslavia. Parliament first expressed its concern at the tension between Russia's Parliament and Government, and the resulting risks of instability, on 11 March, in advance of the

¹ Bull. EC 10-1993, point 1.3.19.

² Bull. EC 1/2-1993, point 1.3.16.

³ Bull. EC 1/2-1993, point 1.3.17.

⁴ Bull. EC 3-1993, point 1.3.22.

⁵ OJ C 296, 1.11.1993; Bull. EC 10-1993, point 1.3.20.

⁶ Point 895 of this Report.

⁷ Bull. EC 4-1993, point 1.3.19.

events of September.¹ It repeated its fears on 27 May during voting on a resolution on the situation in the Independent States of the former Soviet Union,² and on 14 October emphasized the need for political and economic reform.³ On 25 October⁴ meetings took place in Brussels between Sir Leon Brittan and Mr Alexander Shokhin (Deputy Prime Minister of the Russian Federation) and between Mr Van den Broek and Mr Churkin to take stock of progress and to look at the prospects for an early conclusion of negotiations for the new Agreement. On 11 November,⁵ as part of a Council Presidency visit, Mr Delors and Mr Jean-Luc Dehaene (the President of the Council) saw Mr Yeltsin in Moscow. Mr Yeltsin himself, when in Brussels on 9 December,⁶ signed a joint declaration, with Mr Delors and Mr Dehaene, expressing both parties' pleasure at the outcome of the negotiations for the partnership and Cooperation Agreement between the European Union and the Russian Federation.

683. On 28 and 29 September, Mr Saparmurad Niyazov, President of Turkmenistan, had talks with Mr Delors and Sir Leon Brittan.⁷ On 16 September, Mr Anatoly Zlenko, Foreign Minister of Ukraine, had talks with Mr Van den Broek,⁸ and on 29 November⁹ Mr Anatoly Holubchenko, the Industry Minister, saw Sir Leon for talks on European Union support for the process of economic reform in Ukraine, the negotiation of a partnership and cooperation agreement and individual trade matters. On 16 September Parliament appealed for a negotiated solution to be found to the conflict between Armenia and Azerbaijan.¹⁰ On 21 October Mr Van den Broek had talks with Mr Andrei Sangheli, Prime Minister of Moldova, on the internal situation in that country and the outlook for bilateral relations. On 28 October Parliament expressed its concern at the consequences of the civil war in Georgia.¹¹

¹ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.23.

² OJ C 176, 28.6.1993; Bull. CE 5-1993, point 1.3.17.

³ OJ C 296, 1.11.1993; Bull. EC 10-1993, point 1.3.20.

⁴ Bull. EC 10-1993, point 1.3.21.

⁵ Bull. EC 11-1993, point 1.3.15.

⁶ Bull. EC 12-1993.

⁷ Bull. EC 9-1993, point 1.3.15.

⁸ Bull. EC 9-1993, point 1.3.16.

⁹ Bull. EC 11-1993, point 1.3.18.

¹⁰ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.3.14.

¹¹ OJ C 296, 1.11.1993; Bull. EC 10-1993, point 1.3.22.

*Section 4***European Free Trade Association****Relations with EFTA**

684. On 13 December the Council, on behalf of the Community, and the Commission, on behalf of the ECSC, concluded the amended Agreement establishing the European Economic Area (EEA)* and bilateral agreements on fisheries and agriculture paving the way for the EEA to come into force on 1 January 1994 when all the ratification procedures will have been completed in the EFTA countries and Member States. The EEA is the largest integrated economic area in the world with over 370 million inhabitants. Within it there will be free movement of goods, persons, services and capital and vast scope for cooperation in many areas such as R&D, environment, social policy, and consumer policy.

685. Following Switzerland's rejection of the Agreement establishing the European Economic Area in the December 1992 referendum,¹ the other contracting parties signed a protocol at a diplomatic conference on 17 March adjusting the Agreement to allow it to be implemented without Switzerland, although it may join the EEA at a later date if it so wishes.² Under the terms of the protocol Liechtenstein may also become a full member of the EEA at a date to be determined by the EEA Council once the latter has decided that there are no obstacles to the Agreement's application. In that case Liechtenstein will have to redefine its relations with Switzerland on customs matters. The protocol also reflects the outcome of the renegotiation of the financial mechanism provided for by the Agreement, in particular the fact that the EFTA countries are to assume responsibility for what was initially intended to be Switzerland's contribution.

686. On 22 January³ Parliament welcomed the EFTA decision to work towards a constructive renegotiation of those parts of the Agreement affected by the Swiss decision, approving the Agreement as amended by the protocol

¹ Twenty-sixth General Report, point 789.

² Bull. EC 3-1993, point 1.3.2.

³ OJ C 42, 15.2.1993, Bull. EC 1/2-1993, point 1.3.4.

on 23 June.¹ On 22 December the Council adopted a Regulation suspending anti-dumping measures against EFTA countries in the light of the EEA's imminent entry into force on 1 January 1994.² During a visit to the Commission on 17 September, in his capacity as EFTA President, Wolfgang Schüssel, Austria's Minister for Foreign Affairs, expressed the hope that the EEA would come into force as quickly as possible.³

Bilateral relations with the EFTA countries

687. Bilateral relations entered a new phase marked by the accession negotiations which commenced this year with Austria, Finland, Norway and Sweden⁴ and by a series of visits during which a wide range of topics of mutual interest were discussed.

688. Visits to Austria by Mr Van den Broek on 14 and 15 June⁵ and Mr Delors on 1 and 2 October provided an opportunity to take stock of the negotiations and other matters of mutual interest such as the situation in former Yugoslavia, the Uruguay Round, security and human rights. During his visit to Brussels on 15 July the Austrian Chancellor, Franz Vranitzky, raised the question of aid provided by his country to certain firms in the car and electronics industries.⁶ On 22 July the Commission ruled that, in three cases, State aid given by Austria to two car makers and one consumer electronics firm was incompatible with the free-trade agreement. As the aid was not repaid and no mutually satisfactory solutions could be found, the Commission adopted, on 22 September, three proposals for Council Regulations⁷ withdrawing the tariff concessions granted for the products in question under the bilateral free-trade agreement between the Community and Austria.⁸ These proposals were subsequently amended on 3 November.⁹ On 20 December the Council adopted two decisions withdrawing tariff concessions for Grundig colour televisions and General Motors gear-boxes.¹⁰ A meeting was held in Brussels on 3 December between Franz Fischler, Austrian Minister for Agriculture, and Mr Steichen.¹¹

¹ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.3.8.

² Point 863 of this Report.

³ Bull. EC 9-1993, point 1.3.1.

⁴ Point 634 of this Report.

⁵ Bull. EC 6-1993, point 1.3.9.

⁶ Bull. EC 7/8-1993, point 1.3.4.

⁷ Bull. EC 9-1993, point 1.3.59.

⁸ OJ L 300, 31.12.1972.

⁹ Bull. EC 11-1993, point 1.3.56.

¹⁰ OJ L 343, 31.12.1993; Bull. EC 12-1993.

¹¹ Bull. EC 12-1993.

689. The accession negotiations with Finland were the main item on the agenda in discussions the Finnish Government held with Mr Van den Broek on 16 and 17 March¹ and on 20 and 21 September,² and with Mr Christophersen and Mr Bangemann on 26 and 27 July³ and on 22 and 23 September respectively. Discussions also touched on the progress made in ratifying the EEA Agreement, the results of the Western Economic Summit,⁴ the monetary situation and Finnish wood and paper imports into the Community, for which the Commission introduced a Community surveillance system in July. Enlargement was also discussed during the visit to the Commission by Pertti Salolainen, the Finnish Minister for Trade, on 13 May,⁵ and during the visit by Mr Kaivisto, President of the Republic, to President Delors on 16 November.⁶

690. Mr Christophersen went to Sweden on 31 January and 1 February⁷ and Mr Van den Broek on 19 May.⁸ During his discussions with the Prime Minister, Carl Bildt, and other members of the Swedish Government, Mr Christophersen expressed particular interest in the economic and financial situation in Sweden. In his talks, Mr Van den Broek discussed the accession negotiations and the implementation of foreign and security policy once the Treaty on European Union had been ratified. On 15 and 16 April Mr Delors met leading Swedish ministers and politicians.⁹ Ulf Dinkelspiel, Swedish Minister for European Affairs and External Trade, paid three visits to the Commission, on 29 April, 20 July and 11 October. He met several members of the Commission, discussing enlargement and the EEA with Mr Van den Broek, the Structural Funds with Mr Millan, the Uruguay Round, the Baltic States and textiles with Sir Leon Brittan, and various matters of mutual interest with Mr Bangemann and Mrs Scrivener.

691. Norway's accession was the centrepiece of talks between Mr Van den Broek, Mr Van Miert and Mr Steichen and members of the Norwegian Government on 18 February,¹⁰ 18 and 19 October¹¹ and on 21 and 22 June.¹² Fisheries were discussed during Mr Paleokrassas's visit on 21 and 24 October.¹³ Gro

¹ Bull. EC 3-1993, point 1.3.4.

² Bull. EC 9-1993, point 1.3.2.

³ Bull. 7/8-1993, point 1.3.5.

⁴ Point 693 of this Report.

⁵ Bull. EC 5-1993, point 1.3.1.

⁶ Bull. EC 11-1993, point 1.3.3.

⁷ Bull. EC 1/2-1993, point 1.3.6.

⁸ Bull. EC 5-1993, point 1.3.3.

⁹ Bull. EC 4-1993, point 1.3.3.

¹⁰ Bull. EC 1/2-1993, point 1.3.5.

¹¹ Bull. EC 10-1993, point 1.3.10.

¹² Bull. EC 6-1993, point 1.3.10.

¹³ Bull. EC 10-1993, point 1.2.161.

Harlem Brundland, Norwegian Prime Minister, met Mr Delors in Brussels on 9 November to discuss enlargement.¹ Mr Matutes went to Norway on 22 and 23 November for talks on energy matters.²

692. Following the No-vote in the country's referendum the Swiss Government indicated that, although Switzerland was still setting its sights on membership of the EEA and, beyond that, of the Community, it would not undertake any steps in that direction until the conditions were right. In February it requested that negotiations be initiated to conclude bilateral agreements with the Community in a whole range of areas. Flavio Cotti, Swiss Minister for Foreign Affairs, and Jean-Pascal Delamuraz, Swiss Minister for Economic Affairs, reiterated this request when they visited the Commission on 28 June.³ On the basis of a communication on the Community's future relations with Switzerland,⁴ in which the Commission proposed that negotiations be opened with a view to concluding new sectoral agreements with Switzerland based on an overall balance of mutual concessions, the Council adopted conclusions on 8 October defining the priority areas to be covered by such agreements.⁵ These are transport, for which the Commission presented a recommendation for negotiating Directives,⁶ the free movement of persons, research, market access for agricultural products, technical barriers to trade, the opening-up of public procurement, veterinary and plant health legislation, intellectual property, and geographical and origin names. On 10 December the Commission proposed that the Council authorize it to negotiate an initial agreement on the movement of persons* to ensure the full application of Community legislation in this area.

¹ Bull. EC 11-1993, point 1.3.1.

² Bull. EC 11-1993, point 1.2.85.

³ Bull. EC 6-1993, point 1.3.11.

⁴ COM(93) 486; Bull. EC 10-1993, point 1.3.11.

⁵ Bull. EC 11-1993, point 1.3.4.

⁶ Point 3.3.4 of this Report.

Section 5

Relations with the United States, Japan and other industrialized countries

Western Economic Summit

693. The 19th Western Economic Summit was held in Tokyo from 7 to 9 July.¹ On the political front, the Heads of State or Government reaffirmed their desire to extend partnership and cooperation with the rest of the world. In the light of the rapidly deteriorating situation in former Yugoslavia, they reiterated their commitment to the territorial integrity of Bosnia-Herzegovina and stressed the need to strengthen the role of the UN to meet new international challenges such as the prevention of conflict, maintaining and restoring peace, and reconstruction.

On the economic front, there was concern over low growth and high unemployment. The leaders took the view that, alongside cautious macroeconomic policies, structural reforms were required to make markets, particularly the job market, more efficient. Agreement was reached on measures to bring about a rapid reduction in European interest rates, leading in turn to an upturn in investment, to ensure a substantial reduction in the US budget deficit in the medium-term, and to achieve growth led by strong domestic demand in Japan. The participants again voiced the hope that the Uruguay Round negotiations would be completed by the end of the year and welcomed progress in political and economic reforms in Central and Eastern Europe, the Baltic States, the new Independent States of the former Soviet Union and Mongolia. For the Russian Federation, USD 3 billion was approved for a special restructuring and privatization programme; and it was decided to set up a special USD 300 million fund to support the restructuring of small and medium-sized enterprises in conjunction with the European Bank for Reconstruction and Development (EBRD).

United States

694. With the arrival in office of President Clinton, relations with the USA continued to grow closer, with cooperation being extended to new fields. Members of the new Administration showed themselves ready and willing to

¹ Bull. EC 7/8-1993, point 1.3.38 and points 2.2.1. to 2.2.3.

make real progress, and embarked on a far-reaching political and economic dialogue with the Community. As a result, the two sides reached similar and often identical positions on a range of major international issues. The first contact was made in a meeting between Mr Delors and President Clinton on 18 March,¹ which highlighted the need for close cooperation to solve major world problems and kick-start the global economy. As part of the bilateral meetings instituted by the Transatlantic Declaration,² another meeting at this level held on 7 May³ was attended by the President of the Council, Danish Prime Minister Poul Nyrup Rasmussen. On 16 February,⁴ 6 May,⁵ 16 July,⁶ and 1 December,⁷ there were meetings between Presidents of the Council and Warren Christopher, US Secretary of State, who also met Community foreign ministers on 9 June⁸ and 28 September in New York. The talks, most of which were attended by Mr Van den Broek, concentrated on the situation in former Yugoslavia, cooperation on aid for Russia and the Middle East peace process. Sir Leon Brittan and Mr Mickey Kantor, US Trade Representative, met on several occasions to discuss bilateral trade problems.⁹ As part of the Uruguay Round negotiations, they agreed to cooperate closely on extending the scope of reciprocal market access offers and to complete negotiations by 15 December.

695. After intensive negotiations,¹⁰ the Community and the USA reached partial agreement in April on public procurement. This took the form of a memorandum of understanding providing for a balanced liberalization of access to public works contracts, avoiding discrimination and ensuring openness in contracts for supplies works and certain services provided by central administration bodies as well as for supplies and works in the electrical equipment sector.¹¹ The memorandum was concluded at Community level by Council Decision 93/323/EEC* while the benefit of Directive 90/531/EEC¹² on procedures for awarding contracts in the water, energy, transport and telecommunications sectors was extended to the USA by Council Decision 93/324/EEC*. As no settlement was reached on the dispute over telecommunications equipment

¹ Bull. EC 3-1993, point 1.3.31.

² Twenty-fourth General Report, point 693.

³ Bull. EC 5-1993, point 1.3.27.

⁴ Bull. EC 1/2-1993, point 1.3.32.

⁵ Bull. EC 5-1993, point 1.3.28.

⁶ Bull. EC 7/8-1993, point 1.3.40.

⁷ Bull. EC 12-1993.

⁸ Bull. EC 6-1993, point 1.3.34.

⁹ Bull. EC 1/2-1993, point 1.3.31; Bull. EC 3-1993, point 1.3.32; Bull. EC 4-1993, point 1.3.30; Bull. EC 9-1993, point 1.3.32; Bull. EC 10-1993, point 1.3.32; Bull. EC 11-1993, point 1.3.33.; Bull. EC 12-1993.

¹⁰ Twenty-sixth General Report, point 807.

¹¹ Bull. EC 4-1993, point 1.3.30.

¹² OJ L 297, 29.10.1990; Twenty-fourth General Report, point 121.

contracts, the US Government decided in May to impose sanctions against the Community. In Regulation (EEC) 1461/93¹ of 8 June, the Council retaliated with similar restrictive measures against US bidders. However, negotiations continued and a jointly financed study was launched to assess the prospects for opening up public procurement on both sides of the Atlantic.

696. Talks on the wine sector and on an agreement on mutual recognition of the registered designation of spirituous beverages also continued and in Decision 93/355/EEC of 8 June,² the Council approved the agreement relating to a long-standing dispute over oilseed.³ In September, negotiations were held on extending the agreement on fishing in US waters, which expires at the end of the year.

697. The dialogue on standardization and the assessment of conformity made good headway over the year with a view to negotiations on agreements on mutual recognition.

698. Following high-level contacts, cooperation on higher education and vocational training also received fresh impetus and a joint cooperation and exchange initiative between Community and US universities was launched.

699. Despite regular close contacts, some trade disputes are still to be settled. In particular, the anti-dumping procedures and countervailing duties introduced in March 1992 at the request of the US iron and steel industry against imports from seven Member States and other countries,⁴ led to the imposition of prohibitive customs tariffs on some products. Several of these decisions were brought before the US Court of International Trade and the Community contested them under GATT. Similarly, the Community asked for a special group to be set up to examine whether the 'gas guzzler' levy, luxury tax and corporate average fuel efficiency payment on cars were permitted under the agreement. Meanwhile, the settlement procedure set in motion following the US embargo on certain Community tuna products⁵ continued. The Community also queried whether section 1106 (tobacco programme) of the 1993 US Omnibus Budget Reconciliation Act was compatible with GATT. The United States rejected a request from the Community to tone down the measures adopted in

¹ OJ L 146, 17.6.1993; Bull. EC 6-1993, point 1.2.39.

² Point 528 of this Report.

³ Twenty-sixth General Report, point 811.

⁴ Twenty-sixth General Report, point 994.

⁵ Twenty-sixth General Report, point 809.

retaliation against the directive banning the use in livestock farming of certain substances having a hormonal action, in the light of higher US beef exports to the Community.¹

700. Once again the Commission reported in April on trade and investment barriers facing Community businesses on the US market.² The report notes that many such barriers should disappear once the Uruguay Round has been completed. On 12 May the Commission adopted an information memo to the Council on the repercussions for the Community of the North American Free Trade Agreement (NAFTA) concluded by the United States, Canada and Mexico in 1992.³

701. Despite areas of disagreement over public procurement and steel, trade relations continued to develop satisfactorily. The Community and the United States are each other's largest trading partners, with bilateral trade in goods totalling an estimated USD 200 billion this year and two-way investment by the end of last year standing at around USD 420 billion (at 1992 levels).

Japan

702. Solid progress was made in achieving the goals of the Commission communication of 15 June 1992, outlining a comprehensive approach to relations which takes account of macroeconomic and sectoral issues and the range of cooperation schemes between the Community and Japan.⁴

703. At the fifth ministerial meeting⁵ on 15 January talks focused on the international economic climate and the situation in Japan and the Community.⁶ Considerable attention was given to bilateral problems, particularly trade. The two sides welcomed the new Trade Assessment Mechanism (TAM), through which the Community and Japan cooperate to reach an objective picture of how Community products are faring on the latter's market. Six meetings of the EC-Japan group of experts were held this year with favourable results. The approach was cooperative rather than adversarial and highlighted those sectors

¹ OJ L 382, 31.12.1985; Nineteenth General Report, point 203.

² Bull. EC 4-1993, point 1.3.29.

³ Bull. EC 5-1993, point 1.3.24.

⁴ COM(92) 219; Twenty-sixth General Report, point 816.

⁵ Twenty-fourth General Report, point 703.

⁶ Bull. EC 1/2-1993, point 1.3.33.

of the Japanese market in which the Community's performance could be improved and vice versa.

704. The annual high-level EC-Japan consultations were held in Tokyo on 19 and 20 April and looked at the reasons behind the Community's growing trade gap with Japan and the Japanese Government's economic recovery programme. Cooperation in fields such as industry, science and technology, the environment, development aid, energy technology, competition policy and social and cultural affairs was also discussed.

705. The third EC-Japan Summit was held in Tokyo on 6 July.¹ Leading the Community delegation were Jean-Luc Dehaene, the Belgian Prime Minister, and Mr Henning Christophersen. The Japanese delegation was headed by Prime Minister Kiichi Miyazawa. Economic and trade relations were top of the agenda. The Japanese noted the Community's concern at the widening trade gap between Japan and its partners. Mr Miyazawa admitted that this was the source of some embarrassment to his Government. The Community asked Japan to take the necessary macroeconomic measures to bring the surplus down to internationally acceptable levels. Ministers went on to discuss political cooperation and looked closely at the situation in Russia and the new Independent States of the former Soviet Union and in Central and Eastern Europe. They also talked about the general political situation and security in the Asia-Pacific region and in Europe.

706. The motor vehicles agreement concluded between the Community and Japan in July 1991 requires Japan to monitor its exports to the Community and to five Member States for a transitional period up to 31 December 1999.² On 1 April, at the annual consultations provided for by the agreement, the Commission and the Japanese Government drew up export forecasts for the current year. However, as demand slumped from April on, consultations were resumed in July, ending on 4 September. It was estimated that demand would fall 15.9% and the forecast for the number of vehicles being sent to the Community was cut to 980 000, down 18.5% on 1992.

707. The new Government led by Morihiro Hosokawa came into office in August and gave the first encouraging signs that change in the form of deregulation and electoral reform was on the way.

¹ Bull. EC 7/8-1993, point 1.3.42.

² Twenty-fifth General Report, point 1060.

708. Progress was also made in many of the specific areas singled out for cooperation in the EC-Japan joint declaration of July 1991,¹ and the Commission helped arrange the ministerial conference on development in Africa, which was held in Tokyo on 5 and 6 October.

709. On 2 November, Tokyo was also the venue for bilateral consultations between the Commission and the Japanese Fair Trade Commission, who looked at the ways in which the Japanese distribution system (in agriculture, retailing and pharmaceuticals) and the insurance sector were giving rise to distortions of competition.

710. The third high-level consultations on the environment took place in Tokyo on 15 and 16 November, covering the latest developments in Community and Japanese legislation, issues linked to trade and the environment, the UNCED, climate change, chemical substances and the prospects for bilateral cooperation.

711. Sir Leon Brittan visited Tokyo from 13 to 16 November and had talks with Mr Hosokawa and other government members on issues such as the completion of the Uruguay Round, the TAM, US-Japanese relations and Japanese deregulation measures.²

712. The Community's trade balance with Japan started to improve in April and this trend continued. The apparent improvement, however, is due largely to the recession in Europe, reflected in a shrinking market for Japanese exports such as cars and electrical appliances. The continuing fall in EC exports to Japan remains a major source of concern. Parliament and the Economic and Social Committee, on 22 January, 17 and 30 September³ and 30 June⁴ respectively, also voiced their concern.

¹ Twenty-fifth General Report, point 859.

² Bull. EC 11-1993, point 1.3.35.

³ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.34; OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.3.33; OJ C 279, 18.10.1993; Bull. EC 9-1993, point 1.3.34.

⁴ OJ C 249, 13.9.1993; Bull. EC 6-1993, point 1.3.36.

Other industrialized countries

Canada

713. The main feature of relations between the Community and Canada this year was the progress made in implementing both the 1976 Framework Agreement for Commercial and Economic Cooperation¹ and the principles of the 1990 Transatlantic Declaration.² Against this backdrop, much fresh headway was made on cooperation activities and the settlement of a number of trade disputes.

714. Cooperation expanded into new areas following the signing in July of an agreement on Canadian participation in the Business Cooperation Network (BC-Net).³ Work on a science and technology cooperation agreement also pressed ahead, while preliminary discussions on the mutual recognition of conformity and certification trials boosted hopes of agreements in the near future. Work also continued on a customs agreement.

715. As regards timber, April saw a meeting between the Canadian Forestry Minister, Frank Oberle, and Mr Steichen, who discussed the application of Community plant health Directives, particularly those relating to forestry products. In June, John Crosbie, the Canadian Fisheries Minister, saw Mr Paleokrassas.⁴ Talks focused on the fisheries agreement being concluded between the Community and Canada⁵ and on stronger measures to conserve deep sea stocks, an area in which the two sides share similar aims. In November, the new Canadian Agriculture Minister, Ralph Goodale, held talks with Mr Steichen on farming issues of particular relevance to the GATT negotiations. In December, the Minister for International Trade, Roy Maclaren, met Sir Leon Brittan to discuss trade matters in the light of the Uruguay Round, which was nearing completion.

716. An attempt was also made to settle some differences. The Commission continued its efforts to ensure that Canada's provincial marketing boards Act was applied in accordance with the findings of the special GATT panel on the import, distribution and sale of alcoholic drinks. Although some progress was

¹ OJ L 260, 24.9.1976; Tenth General Report, point 541.

² Twenty-fourth General Report, point 712.

³ Point 168 of this Report.

⁴ Bull. EC 6-1993, point 1.2.213.

⁵ Point 576 of this Report.

made, no final settlement was reached. The Commission was also keen to resolve problems arising from two decisions by the Canadian International Trade Tribunal against Community iron and steel exports thought to pose a threat to Canada's own industry. The Commission and Portugal cooperated closely with the Canadian authorities on the inquiry into exports of synthetic baler twine from Portugal. Canada finally decided to close the inquiry since there was no evidence of dumping or of export subsidies.

Australia

717. Relations between the Community and Australia branched out further, with various ministerial meetings taking place during the year and progress made on certain sectoral agreements.

718. On 18 January, as part of the policy dialogue established in 1990,¹ the Minister for Foreign Affairs and Trade, Gareth Evans, met the President of the Council, Uffe Elleman-Jensen, in Copenhagen. He also had talks with Sir Leon Brittan and Mr Van den Broek, with whom he reviewed the international political and economic scene and the current and future state of EC-Australia relations. On 21 September, Mr Evans also met Sir Leon Brittan and Mr Steichen to discuss a number of current international issues.² On 22 February,³ the Minister for Trade and Overseas Development, John Kerin, held talks on the Uruguay Round negotiations with Sir Leon Brittan.⁴ The same subject topped the agenda in meetings on 1 June and again on 14 October⁵ in Brussels between the Trade Minister, Peter Cook, and Sir Leon, who was also joined by Mr Steichen and Mr Evans for a meeting on 23 September, and Mr Steichen met the Assistant Treasurer, George Gear, on 10 December.⁶ Mr Gear had earlier met Mr Van Miert on 29 April to discuss the general economic climate and the institutional changes under way in the Community.⁷

719. The Commission also negotiated an agreement between the Community and Australia on trade in wine⁸ and another on scientific and technical

¹ Twenty-fourth General Report, point 716.

² Bull. EC 9-1993, point 1.3.36.

³ Bull. EC 1/2-1993, point 1.3.35.

⁴ Point 843 *et seq.* of this Report.

⁵ Bull. EC 10-1993, point 1.3.36.

⁶ Bull. EC 12-1993.

⁷ Bull. EC 4-1993, point 1.3.33.

⁸ Point 528 of this Report.

cooperation, the first of its type to be reached with an industrialized country outside Europe.¹

720. The Community is still Australia's second biggest supplier after the United States and its second biggest customer after Japan. After showing little change for five years, Australian exports to Member States rose steeply in 1992, particularly in the fuel, processed goods and wine sectors. The Community is also Australia's main partner in the services sector, its number one outside investor and the second biggest target for Australian foreign investment.

New Zealand

721. The numerous political and technical contacts between the Commission and New Zealand over the year served to boost traditional cooperation and good relations. Talks focused on the Uruguay Round negotiations, cooperation on dairy produce under the GATT and bilateral issues such as access to the Community market for New Zealand butter and lamb.

722. The Uruguay Round negotiations again dominated the discussions between the Prime Minister, Jim Bolger, and Mr Steichen on 15 March.² Mr Steichen also met the Minister for Trade and Trade Negotiations, Philip Burdon, on 15 October and 10 December to discuss butter³ and lamb.⁴ As part of the policy dialogue, Don McKinnon, the Minister for External Relations and Trade, met Niels Helveg Petersen, President of the Council, on 1 March in Copenhagen. The Commission was also present.

South Africa

723. In the light of South Africa's progress towards democracy, the Council and Member State representatives adopted a declaration on 25 May stressing that the establishment of a transitional executive council should signal the start of closer relations with that country to be cemented by a Community aid programme based on Community development priorities and policies,⁵ reflecting progress towards democracy, the rule of law and respect for human

¹ Point 245 of this Report.

² Bull. EC 3-1993, point 1.3.33.

³ Point 534 of this Report.

⁴ Point 537 of this Report.

⁵ Bull. EC 5-1993, point 1.3.29.

rights. This position was reiterated by Sir Leon Brittan on his visit to South Africa in August¹ and again at his meeting with the South African Minister of Finance and Trade and Industry, Derek Keys, on 14 October.²

724. The multiparty negotiations, welcomed by Parliament on 15 July,³ led to a decision to create a transitional executive council (TEC). The Commission lost no time in adopting guidelines on a Community support policy for South Africa on 29 September.⁴ These included short-, medium- and long-term measures to be implemented in keeping with the pace at which the country moved towards democracy. On 8 October, when Nelson Mandela visited Brussels, Mr Delors and Mr Marin confirmed the Community's readiness to continue its financial and political backing for the electoral process.⁵ Similarly, at its meetings on 4 and 9 November, the Council confirmed that Member State sanctions still in force against South Africa would be lifted. This follows the lifting of Community sanctions in 1992.⁶ The setting-up of the TEC, which held its first meeting on 7 December, represents the opening of a dialogue paving the way — after a democratically elected government has been installed — for the negotiation of an agreement covering all aspects of bilateral relations between the Community and the new South Africa.

725. On the basis of the guidelines laid down by the Brussels European Council, the Council adopted a joint action on 6 December to support the transition to a multiracial democracy in South Africa.⁷ On 15 December, Parliament adopted a resolution on the outlook for development in South Africa itself and southern Africa in general.⁸

¹ Bull. EC 7/8-1993, point 1.3.44.

² Bull. EC 10-1993, point 1.3.35.

³ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.3.43.

⁴ COM(93) 460; Bull. EC 9-1993, point 1.3.35.

⁵ Bull. EC 10-1993, point 1.3.34.

⁶ Twenty-sixth General Report, point 826.

⁷ Point 922 of this Report.

⁸ OJ C 20, 24.1.1994; Bull. EC 12-1993.

*Section 6***Relations with Mediterranean and Middle East countries****Mediterranean countries**

726. Two key events dominated the year — the progress made in the Middle East peace process, notably the signing of the Israeli-Palestinian agreement on limited self-rule for the Palestinians, and the continued fighting in the former Yugoslavia. Implementation of the new Mediterranean policy, which entered into force in 1992, also went ahead.¹ As from 1 January the majority of agricultural exports from the Mediterranean non-member countries were granted exemption from customs duties. In addition to the financial protocols concluded with each country, various projects and other initiatives were financed under the new instrument for cooperation set up to cover all Mediterranean non-member countries.² ECU 52.6 million was committed for operations concerning the environment, research and decentralized cooperation programmes (MED-Urbs, MED-Media, MED-Campus), while the EIB granted loans totalling ECU 200 million, notably in the energy, telecommunications and environment sectors.³

Northern Mediterranean countries (Cyprus, Malta, Turkey, Slovenia, Croatia, Bosnia-Herzegovina, the former Yugoslav Republic of Macedonia, Serbia-Montenegro, Andorra and San Marino)

727. The key point in Community-Cypriot relations was the adoption by the Commission on 30 June of the opinion on Cyprus's application for membership.⁴ Mr Glavkos Klerides, the President of the Republic of Cyprus, had talks with Mr Delors on 15 July during which he discussed the follow-up to the application and the 'Cyprus question'.⁵ Prior to this visit, Mr Alekos Michaelides, Cyprus's Minister for Foreign Affairs, visited the Commission on 12 March.⁶ Parliament expressed concern on 21 January at the threat posed

¹ Twenty-fourth General Report, point 718.

² Twenty-sixth General Report, point 829.

³ Point 59 of this Report.

⁴ Point 643 of this Report.

⁵ Bull. EC 7/8-1993, point 1.3.3.

⁶ Bull. EC 3-1993, point 1.3.24.

to the region by the continuation of the stalemate in the Cypriot question and called on Turkey to comply with the United Nations Security Council resolutions.¹ On 28 October it advocated sending a Community observer to the talks being conducted under UN auspices.²

728. Following adoption on 30 June of the Commission's opinion on Malta's application for membership,³ the Prime Minister of Malta, Dr Edward Fenech-Adami, had talks with Mr Delors on 13 July concerning the future development of his country's relations with the Community in the light of its application. Professor Guido De Marco, the Maltese Deputy Prime Minister and Foreign Minister, had previously held discussions with Sir Leon Brittan on 26 April on the progress made towards bringing the structure of Malta's economy into line with the Community's.⁴

729. Following the renewed commitment to the completion of the EEC-Turkey customs union announced by the Turkish Government at the meeting of the Association Council on 9 November 1992,⁵ relations with Turkey were intensified considerably over the course of 1993 with a view to realizing this objective. The Copenhagen European Council⁶ asked the Council to ensure that the guidelines on intensified cooperation and the development of bilateral relations, as laid down by the Lisbon European Council in June 1992,⁷ were effectively implemented in line with the 1964 Association Agreement⁸ and the 1970 Protocol.⁹ This policy was taken further at the meeting of the Association Council on 8 November which adopted a resolution establishing a framework and a joint action programme to ensure that all the necessary measures for completing the customs union would be taken.¹⁰ Progress made in this direction was the subject of in-depth discussions, along with international issues, during the visit to the Commission by Turkey's Deputy Prime Minister, Mr Erdal İnönü, on 12 March,¹¹ and during visits by Mr Van den Broek and Mrs Scrivener to Turkey from 26 to 28 May and 11 to 13 September respectively.¹²

¹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.18.

² OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.3.26.

³ Point 644 of this Report.

⁴ Bull. EC 4-1993, point 1.3.21.

⁵ Twenty-sixth General Report, point 831.

⁶ Bull. EC 6-1993, point I.12.

⁷ Twenty-sixth General Report, point 831.

⁸ OJ L 217, 29.12.1964; Seventh General Report, point 279.

⁹ OJ L 293, 29.12.1972; Fourth General Report, point 359.

¹⁰ Bull. EC 11-1993, point 1.3.27.

¹¹ Bull. EC 3-1993, point 1.3.27.

¹² Bull. EC 9-1993, point 1.3.29.

730. On 22 April¹ Parliament welcomed the opening of dialogue between the Turkish Government and certain Kurdish leaders, but condemned the acts of violence committed by extremist factions. It reiterated its condemnation on 15 July in the wake of the campaign of terror by the PKK Kurdish separatists.² The Economic and Social Committee also examined the strengthening of links with Turkey in an information report adopted on 30 June, which reviewed the situation and pointed to the sectors which the Committee considered as priority areas for the future,³ and in an own-initiative opinion dated 21 December.⁴

731. This year also saw the formalization of relations between the Community and the Republic of Slovenia as a result of the entry into force, on 1 September of the Cooperation Agreement and Financial Protocol concluded by Council Decisions 93/407/EEC* and 93/408/EEC* and by Commission Decision 93/598/ECSC*, and of the Agreement on transport on 29 July.⁵ The two sides managed to develop a close working relationship, with a visit by Mr Lojze Peterle, the Slovenian Deputy Prime Minister and Foreign Minister, to Brussels on 29 June,⁶ and a visit by Mr Van den Broek to Ljubljana on 6 and 7 September.⁷

732. Mr Nikica Valentic, Prime Minister of Croatia, met Mr Delors, Sir Leon Brittan and Mr Van den Broek on 10 June for talks which mainly concerned the fighting in Bosnia-Herzegovina and the future of bilateral relations between the Community and Croatia, which was still eligible for the preferential trade arrangements granted to the former Yugoslavia. Meanwhile the Commission continued to provide humanitarian aid to refugees.⁸ Since the start of the Yugoslav crisis, Croatia has received ECU 136 million of such aid.

733. Despite the repeated efforts of the international community, and in particular those of Mr Cyrus Vance and Lord Owen, the chairmen of the international conference on the former Yugoslavia, the situation in Bosnia-Herzegovina and the fate of the region's 2 800 000 refugees continued to cause concern. The Community gave its backing to the Vance-Owen efforts to arrive at a peace agreement with all the parties in the conflict. The Commission took part in the monitoring mission (ECMM) set up in Zagreb with a role as mediator.

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.3.26.

² OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.3.29.

³ OJ C 249, 13.9.1993; Bull. EC 6-1993, point 1.3.30.

⁴ Bull. EC 12-1993.

⁵ Point 332 of this Report.

⁶ Bull. EC 6-1993, point 1.3.29.

⁷ Bull. EC 9-1993, point 1.3.28.

⁸ Point 837 of this Report.

734. The Commission also continued its effort in the field of humanitarian aid, granting a total of ECU 425 million.¹ In the context of the common foreign and security policy, the Council decided on 8 November on a course of joint action for the distribution of humanitarian aid based on guidelines laid down by the Brussels (I) European Council.²

735. Parliament expressed its concern on several occasions at the continuing fighting in Bosnia-Herzegovina and at the plight of the civilian population.³

736. In addition to the substantial sum of ECU 100 million in economic aid granted to the former Yugoslav Republic of Macedonia (FYROM) at the Edinburgh European Council in December 1992,¹ the Commission adopted a proposal for a Regulation* on 28 July which added FYROM to the list of countries eligible to receive assistance under the PHARE programme in the light of the consensus reached by the G24 to grant coordinated aid.⁴ The proposal was intended to show the Community's support for democratization in the region without prejudging the issue of recognition of the Republic by the Community. On 27 and 28 January Mr Kiro Gligorov, President of FYROM, met Mr Delors, Mr Van den Broek and Sir Leon Brittan. The main topics raised were trade between the Community and FYROM, the political situation in the region and implementation of Community aid.⁵

737. Pursuant to UN Security Council resolution 820 (1993), the Council and the representatives of the Member States meeting within the Council decided to strengthen the embargo against the Federal Republic of Yugoslavia (Serbia and Montenegro) by means of Regulation (EEC) No 990/93 and Decision 93/235/ECSC⁶. These measures replaced those previously adopted⁷ by extending the prohibition on transit to the Serbian-controlled areas in Bosnia-Herzegovina and to the areas of Croatia under UN protection. On 22 June the Commission further proposed the adoption of a Regulation* prohibiting the satisfying of claims with regard to contracts and transactions the performance of which was

¹ Point 837 of this Report.

² Point 922 of this Report.

³ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.25; OJ C 72, 15.2.1993; Bull. EC 1/2-1993, point 1.3.25; OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.3.28; OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.3.18; OJ C 194, 19.7.1993; Bull. EC 6-1993, points 1.3.22 and 1.3.23; OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.3.26; OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.3.29.

⁴ Point 657 of this Report.

⁵ Bull. EC 1/2-1993, point 1.3.27.

⁶ OJ L 102, 28.4.1993; Bull. EC 4-1993, point 1.3.27.

⁷ OJ L 7, 13.1.1993; Bull. EC 1/2-1993, point 1.3.23; OJ L 151, 3.6.1992; OJ L 358, 8.12.1992; OJ L 266, 12.9.1992; Twenty-sixth General Report, point 839.

affected by Security Council resolution 757 (1992), which imposed the first embargo measures. The proposal is framed on the same lines as Regulation (EEC) No 3541/92 concerning the embargo against Iraq.¹

738. On 21 January, following the adoption of Regulation (EEC) No 3953/92 and Decision 92/607/ECSC² concerning positive measures in favour of the Republics that cooperated in the peace process, the Council and the representatives of the Member States meeting the Council adopted Regulations (EEC) Nos 477/93 and 478/93 and Decision 93/129/ECSC establishing the tariff quotas, ceilings and surveillance measures applicable to the Republics of Bosnia-Herzegovina, Croatia and Slovenia and the former Yugoslav Republic of Macedonia.³ On 22 December they adopted Regulation (EC) No 3698/93 and Decision 93/732/ECSC extending the positive measures for 1994.⁴

Maghreb (Algeria, Morocco, Tunisia and Libya)

739. The main thrust of financial cooperation concerned implementation of the fourth financial protocols concluded with Algeria, Morocco and Tunisia.⁵ Financing decisions totalling ECU 598 million have already been adopted by the Commission, including sums of ECU 80 million, 70 million and 40 million, respectively, for structural adjustment and economic reform support measures in Morocco, Algeria and Tunisia.

740. In line with the communication from the Commission on the future of relations between the Community and the Maghreb,⁶ the Council authorized the Commission on 6 December to negotiate an agreement with Morocco*. The main components of this agreement would be political dialogue and financial, economic, social and cultural cooperation, and the progressive establishment of a free trade area. Following a visit by Mr Delors to Morocco on 28 February,⁷ the Commission, in a communication adopted on 24 September⁸ and endorsed by the Council on 20 December,⁹ proposed that support should

¹ OJ L 361, 10.12.1992; Twenty-sixth General Report, point 857.

² OJ L 406, 31.12.1992; Twenty-sixth General Report, point 840.

³ OJ L 51, 3.3.1993; Bull. EC 1/2-1993, point 1.3.24.

⁴ OJ L 344, 31.12.1993; Bull. EC 12-1993.

⁵ OJ L 18, 25.1.1992; Twenty-fifth General Report, point 896; OJ L 94, 8.4.1992; OJ L 352, 2.12.1992; Twenty-sixth General Report, point 847.

⁶ Twenty-sixth General Report, point 848.

⁷ Bull. EC 1/2-1993, point 1.3.20.

⁸ Bull. EC 9-1993, point 1.3.27.

⁹ Bull. EC 12-1993.

be provided for the Moroccan Government's two-pronged anti-drug campaign (action against trafficking and alternative development of the northern provinces) in the form of a variety of development measures in the drug-producing provinces.

741. Mr Delors and Mr Paleokrassas both visited Morocco and Mr Vanni d'Archirafi went to Tunisia. Mr Marín went to Morocco in December.¹ Algeria's Minister for Small Businesses, Mr Redha Hamiani, and the Minister for National Solidarity, Mrs Saida Benhabiles, visited the Commission.

742. On 26 May Parliament welcomed the recent developments in Euro-Maghreb cooperation and the new forms of partnership launched by the Commission as part of its development policy.² On 17 September³ and 28 October⁴ it expressed concern at the wave of terrorism sweeping Algeria.

743. On 20 December the Council authorized the Commission to negotiate an agreement* with Tunisia on the same lines as the one foreseen with Morocco. At its sixth meeting on 19 July,⁵ the EEC-Tunisia Cooperation Council called for the speedy conclusion of the agreement in the context of an upgraded partnership.

744. On 29 November the Council adopted Regulations (EC) Nos 3274/93 and 3275/93 implementing UN Resolution 883 (1993) extending the embargo against Libya.⁶ The Council adopted a common position on this point in the framework of the common foreign and security policy.⁷

Mashreq (Egypt, Israel, Jordan, Lebanon, Occupied Territories and Syria)

745. The Community followed the Middle East peace negotiations closely and welcomed the progress made, in particular at the meeting of the EEC-Israel Cooperation Council on 1 February,⁸ and on the occasion of the visit of the Community troika to Jordan, Israel, Lebanon and Syria from 30 March to

¹ Bull. EC 12-1993.

² OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.3.19.

³ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.3.25.

⁴ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.3.25.

⁵ Bull. EC 7/8-1993, point 1.3.28.

⁶ OJ L 295, 30.11.1993; Bull. EC 11-1993, point 1.3.24.

⁷ Point 923 of this Report.

⁸ Bull. EC 1/2-1993, point 1.3.19.

2 April.¹ It responded rapidly to the agreement reached between Israel and the PLO on the declaration of principles regarding limited Palestinian autonomy signed in Washington on 13 September.² It maintained close contact with both parties, notably during the visits to the Commission by Mr Shimon Peres, the Israeli Foreign Minister, on 2 September³ and 25 November,⁴ by Yasser Arafat, Chairman of the PLO, on 8 and 9 November,⁵ and by Mr Yitzhak Rabin, Prime Minister of Israel, on 1 December,⁶ and on the occasion of Mr Marín's visit to Israel and the Occupied Territories from 4 to 7 November.⁷ On 8 September the Commission adopted a communication on future relations and cooperation with the Middle East⁸ which set out the general framework for Community support for regional cooperation to consolidate the peace process. During an informal meeting at Alden Biesen, Norway, on 11 and 12 September, the Community foreign ministers approved the general outline of the Commission's plan. As a result, aid to the Palestinians in the Gaza Strip and the West Bank was increased by a further ECU 20 million.⁹ On 16 September¹⁰ Mr Matutes, Mr Marín and Mr Van den Broek met Mr Nabel Shaath, Chairman of the Political Committee of the Palestine National Council.

746. On 29 September¹¹ the Commission set out the terms of its support plan in a new communication on Community support for the Middle East peace process which earmarked ECU 500 million in grants and loans for the Palestinians covering the period 1994-98. On the same day the Commission also adopted a recommendation for a Council Decision with a view to opening negotiations for a new association agreement* with Israel to replace the agreement that has been in force since 1975.¹² The Council authorized the Commission to negotiate the new agreement on 20 December.

747. Meanwhile Parliament, which condemned terrorist acts by Palestinian extremists and reaffirmed its support for the peace negotiations on 15 July,¹³

¹ Bull. EC 4-1993, point 1.3.20.

² Bull. EC 9-1993, point 1.3.19.

³ Bull. EC 9-1993, point 1.3.17.

⁴ Bull. EC 11-1993, point 1.3.20.

⁵ Bull. EC 11-1993, point 1.3.24.

⁶ Bull. EC 12-1993.

⁷ Bull. EC 11-1993, point 1.3.19.

⁸ COM(93) 375; Bull. EC 9-1993, point 1.3.18.

⁹ Bull. EC 9-1993, point 1.3.20.

¹⁰ Bull. EC 9-1993, point 1.3.21.

¹¹ COM(93) 458; Bull. EC 9-1993, point 1.3.23.

¹² OJ L 136, 28.5.1975; Ninth General Report, point 461.

¹³ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.3.27.

welcomed the Israeli-Palestinian peace agreement and called on the Community to continue providing material support for the conclusion of the agreement.¹

748. Developments in the Middle East were also discussed in a series of bilateral talks between the Commission and the political leaders of the region. Mr Marín visited Jordan from 5 to 7 July, where he held discussions with King Hussein and several of his ministers,² while Mr Van den Broek received a visit from Mr Talal al-Hassan, the Jordanian Foreign Minister, on 15 July. A further meeting was held on 29 September in New York on the occasion of the new session of the United Nations General Assembly. Mr Marín also visited Egypt from 7 to 9 July for a series of talks with the President, Mr Hosni Mubarak, the Prime Minister, Dr Atif Sidqi, and several members of the Government, as well as with Dr Ahmad Esmat Abd al-Meguid, Secretary-General of the League of Arab States.³ Mr Farouk Ash-Shara', Syria's Foreign Minister, met Mr Van den Broek in Brussels on 26 February⁴ and in New York on 28 September. Mr Fadl Ali Shalak, Chairman of the Council for the Development and Reconstruction of Lebanon, visited the Commission on 14 July and Mr Samir Mokbel, Minister for the Environment, on 29 October. In an own-initiative opinion delivered on 29 January, the Economic and Social Committee expressed its interest in developing cooperation with the countries of the Near East and Middle East and in all initiatives aimed at stimulating regional dialogue.⁵

749. Further measures were taken to implement the third financial protocols.⁶ By 31 December only ECU 30 million remained uncommitted, most of which was accounted for by the Protocol with Syria concluded in 1992.⁷ Progress was also made on the implementation of the fourth financial protocols with Egypt, Lebanon, Jordan and Israel.⁸ By 31 December ECU 250 million had been committed. After examining the matter in great depth, Parliament gave its assent to the fourth financial protocol with Syria.

¹ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.3.22.

² Bull. EC 7/8-1993, point 1.3.22.

³ Bull. EC 7/8-1993, point 1.3.21.

⁴ Bull. EC 1/2-1993, point 1.3.22.

⁵ OJ C 73, 15.3.1993; Bull. EC 1/2-1993, point 1.3.29.

⁶ Twenty-second General Report, point 928.

⁷ OJ L 352, 2.12.1992; Twenty-sixth General Report, point 846.

⁸ OJ L 94, 8.4.1992; Twenty-sixth General Report, point 847.

Middle East countries

750. The fourth meeting of the Joint Council set up under the Cooperation Agreement between the Community and the Gulf Cooperation Council (GCC) countries took place in Brussels on 11 May¹ and provided an opportunity to have a close look at cooperation between the two sides and to discuss the progress achieved so far in the negotiations on the conclusion of a free trade agreement between the Community and the GCC countries.² The two sides also examined the full range of political and economic issues of mutual interest, in particular in the energy sector and the environment, on which they decided to continue their dialogue, and stressed the importance of increased cooperation in international affairs.

751. The Community and its Member States continued to apply the embargo against Iraq in accordance with UN Security Council resolutions. They also continued to supply a considerable quantity of humanitarian aid, amounting to ECU 21.5 million, to the Iraqi people, especially in the country's northern and southern areas. On 21 January Parliament strongly condemned Iraq's refusal to implement Security Council resolutions and its repeated acts of aggression against Kuwait and its own Shi'ite and Kurdish populations.³ On 15 July, following attacks on military and civilian personnel working for the United Nations and western NGOs, Parliament reiterated its condemnation, while at the same time deploring the US air raid on Baghdad.⁴

752. Following the Edinburgh European Council,⁵ which agreed that, in view of its regional importance, the Community ought to embark on a 'critical dialogue' with Iran, the Community troika met Iran's Deputy Foreign Minister, Mr Mahmud Vaezi, on 30 June. This dialogue reflects the concern raised by Iran's actions and is aimed at obtaining improvements on certain matters, in particular human rights, the death sentence on the writer Salman Rushdie and terrorism. A further meeting took place on 22 November. On 12 March Parliament expressed deep concern at Iran's rearmament and the danger of nuclear proliferation in the region.⁶

753. The fifth meeting of the Joint EC-Yemen Committee was held at San'a on 8 February and provided a forum for the two sides to discuss various trade, economic and development cooperation issues.

¹ Bull. EC 5-1993, point 1.3.22.

² Twenty-fifth General Report, point 907.

³ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.30.

⁴ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, points 1.3.34 to 1.3.36.

⁵ Bull. EC 12-1992, point 1.81.

⁶ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.30.

Section 7

Relations with the countries of Asia and Latin America

Asia

South Asia

754. In a resolution of 24 June Parliament expressed its concern at the scale and frequency of cyclone disasters in Bangladesh and called on the Community to take an active part in implementing the Flood Action Plan currently under examination, with the emphasis on a flexible, interdisciplinary approach and full involvement of local communities in project implementation.¹ This issue was also raised during talks between Mr Marín and members of the Bangladeshi Government from 23 to 25 July.² Mr Marín met Mustafizur Rahman, Bangladeshi Foreign Minister and current President of the South Asian Association for Regional Cooperation (SAARC), and Mr Shawkart Ali, Minister for Food, on 8 October for talks on the support the Community could give to SAARC.³

755. Negotiations on the conclusion of a cooperation agreement with India* continued⁴ and culminated in signature of the agreement on 20 December. On 15 June the Commission voted ECU 150 million towards the District primary education programme being run by the Indian Government in the primary education sector.

756. On 8 February the Council authorized the opening of negotiations for a new cooperation agreement with Sri Lanka*. Initialled on 8 December and intended to run for five years, it will supersede the present commercial cooperation agreement concluded in 1975⁵ and make respect for human rights and democratic principles — the basis for cooperation and an essential part of the agreement itself — a key factor in strengthening dialogue and partnership.

¹ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.3.37.

² Bull. EC 7/8-1993, point 1.3.46.

³ Bull. EC 10-1993, point 1.3.38.

⁴ Twenty-sixth General Report, point 864.

⁵ OJ L 247, 23.9.1975; Ninth General Report, point 488.

South-East Asia

757. The Community troika, accompanied by Mr Marín and Mr Van den Broek, took part in the ASEAN post-ministerial conference from 26 to 28 July, along with representatives from the United States, Canada, Australia, New Zealand, Japan, and Korea.¹ Issues of particular interest to ASEAN were examined, including the setting-up of a regional forum for discussion of security matters in the Asia-Pacific region, which will include ASEAN's main partners and China, Russia, Viet Nam, Laos and possibly Cambodia. The problems of nuclear proliferation in Asia, tensions in the South China Sea, and the situation in Myanmar, Cambodia and Bosnia-Herzegovina were also discussed. Bilateral talks on the State of Community-ASEAN relations were held at the same time.

758. On 13 September the Council authorized the Commission to negotiate an agreement with the member countries of ASEAN on the control of drug precursors*.

759. Bilateral relations between the Community and the ASEAN member countries also continued satisfactorily. On 29 April Rafidah Aziz, Malaysia's Minister for Foreign Trade, met Sir Leon Brittan for talks on trade relations between the Community and the ASEAN member countries.² On 27 July Mr Marín and Mr Willy Claes, President of the Council, inaugurated the EEC-Singapore Regional Institute of Environmental Technology and on 23 June Mr Alatas, Indonesia's Foreign Minister, met Mr Marín in Brussels for talks on bilateral economic relations and on environmental protection and respect for human rights.³ On 21 June Mr Romulo, Philippines Secretary of State for Foreign Affairs, met Mr Marín.⁴ Three financing agreements were signed for development projects. On 14 June Mr Marín saw Mr Prasong Soonsiri, Thailand's Minister for Foreign Affairs.⁵

760. On 1 and 2 July Mr Vo Van Kiet, Prime Minister of Viet Nam, met Mr Delors, Mr Marín and Sir Leon Brittan for talks on the current reform process in his country and relations between the Community and Viet Nam.⁶ On 4 October the Council adopted negotiating Directives for the conclusion of a trade and cooperation agreement* with Viet Nam, which were endorsed by

¹ Bull. EC 7/8-1993, point 1.3.45.

² Bull. EC 4-1993, point 1.3.37.

³ Bull. EC 6-1993, point 1.3.40.

⁴ Bull. EC 6-1993, point 1.3.41.

⁵ Bull. EC 6-1993, point 1.3.42.

⁶ Bull. EC 7/8-1993, point 1.3.48.

Parliament on 29 October.¹ This ‘third-generation’ agreement will be based on respect for human rights, a key element of the agreement, and will comprise three areas of cooperation: trade, economic and development cooperation. On 19 November Parliament expressed its satisfaction at the way in which relations with Viet Nam were progressing and at the Community’s active involvement in the international programme to resettle repatriated Vietnamese.²

China

761. The EEC-China Joint Committee met in Brussels on 28 and 29 April and was co-chaired by Wu Yi, Minister for Foreign Trade and Economic Cooperation, and Sir Leon Brittan.³ Discussions focused on the Community’s growing trade deficit, China’s accession to GATT, free access to the Chinese market and further reforms to the country’s economic system. The Joint Committee also decided to extend the scope of cooperation to areas such as the environment and business collaboration and to set up a working party to look at economic and trade issues and find solutions to any potential problems. As part of the high-level consultations, Sir Leon Brittan and Mr Van den Broek underlined the importance that the Community attached to human rights.

762. On 16 and 20 September Zou Jiahua, Chinese Vice-Premier, met Mr Delors and Sir Leon Brittan in Brussels with whom he discussed the outlook for furthering economic and trade cooperation between the Community and China.⁴ Mr Pinheiro and Quian-Quichen, Foreign Minister, and Liu Zhongde, Minister for Culture, covered all aspects of bilateral relations, particularly cultural relations, in their talks in Peking on 15 October.⁵

Republic of Korea

763. On 8 June, on the basis of a Commission communication of 10 May,⁶ the Council adopted conclusions on the future of bilateral relations with the Republic of Korea, in which it advocates a progressive liberalization of trade

¹ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.3.42.

² OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.3.38.

³ Bull. EC 4-1993, point 1.3.34.

⁴ Bull. EC 9-1993, point 1.3.38.

⁵ Bull. EC 10-1993, point 1.3.39.

⁶ Bull. EC 5-1993, point 1.3.30.

and investment and closer cooperation in areas such as science and technology, customs, industry, energy and the environment.

764. The high-level talks in June covered market access, liberalization of foreign investment and services and increased cooperation. A ministerial meeting was held in Seoul on 12 November during which Sir Leon Brittan, and the Korean Foreign Minister, Mr Han Sung-Joo, discussed the main issues of bilateral and multilateral concern.¹ Sir Leon Brittan stressed the contribution which Korea could make to the successful conclusion of the Uruguay Round. Both sides endorsed the provisions on the protection of intellectual property rights.

Other Asian countries

765. On 1 April Chris Patten, Governor of Hong Kong, met Sir Leon Brittan for talks on the main aspects of bilateral trade issues,² which were also covered in talks between Sir Leon Brittan and Mr Chan, Hong Kong Secretary for Trade and Industry, on 30 September.³

766. On 8 February the Council adopted Decision 93/101/EEC* on the conclusion of a trade and cooperation agreement with Mongolia, which came into force on 1 March. The Joint Committee met for the first time on 10 and 11 June in Ulan-Bator to discuss the first cooperation projects in the agricultural, rural development and environment sectors. In addition, under Regulation (EEC) No 443/92,⁴ Mongolia remained eligible for Community development aid until 31 December 1993, after which it would be entitled to technical assistance under the new TACIS Regulation.⁵

767. Following the entry into force of the agreement concluded in 1992 between the Community and Macao⁶ the Joint Committee held its first meeting in June to prepare the ground for future cooperation on training in the commercial field.

768. On 22 April Parliament strongly criticized the decision of the Democratic People's Republic of Korea to withdraw from the Non-Proliferation Treaty.⁷

¹ Bull. EC 11-1993, point 1.3.37.

² Bull. EC 4-1993, point 1.3.36.

³ Bull. EC 9-1993, point 1.3.39.

⁴ OJ L 35, 12.2.1992; Twenty-sixth General Report, point 893.

⁵ Point 675 *et seq.* of this Report.

⁶ OJ L 404, 31.12.1992; Twenty-sixth General report, point 877.

⁷ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.3.35.

It also followed closely the peace process in Cambodia, and on 12 March called on the United Nations Transitional Authority to enforce the Paris Agreements.¹

Latin America

Relations with regional bodies

769. As part of the political and economic dialogue institutionalized by the Rome Declaration of 20 December 1990,² a ministerial conference between the Community and the Rio Group³ was held in Copenhagen on 23 and 24 April,⁴ attended by Mr Marín. The Central American and Mercosur (Southern Cone Common Market) countries were also represented at ministerial level at the meeting, which concluded with the adoption of a joint political and economic communiqué reflecting the progress made in international relations. The ministers welcomed the improvement in the situation in Peru, which allowed that country to be reintegrated into the Rio Group. Mr Marín also spoke of the commitment made in the Uruguay Round negotiations with regard to maintaining an open world economy and the ministers pointed to the measures taken by the Latin American countries to create a climate for European investment in the region. They also expressed satisfaction with the progress made by Mercosur and the Andean Pact towards greater regional integration which would enhance cooperation between the Community and these regional bodies. The meeting also saw the signature of a new cooperation agreement* designed to strengthen and diversify links between the Community and the Andean Pact countries. It is based on respect for democratic principles and human rights and places particular emphasis on consolidating the regional integration system. On 28 April the Commission approved the signing of a protocol on trade and economic cooperation extending the provisions of the new agreement to the spheres covered by the ECSC Treaty.⁵

770. As part of the dialogue begun at San José, Costa Rica, in 1984,⁶ the ninth ministerial conference (San José IX) between the Community and its Member States and countries of Central America, with Colombia, Mexico and

¹ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.34.

² Twenty-fourth General Report, point 750.

³ Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Uruguay, Venezuela.

⁴ Bull. EC 4-1993, point 1.3.38.

⁵ Bull. EC 4-1993, point 1.3.40.

⁶ Eighteenth General Report, point 707.

Venezuela as cooperating countries, was held in San Salvador on 22 and 23 February. The conference closed with the adoption of a political and economic declaration.¹ On the political front the ministers noted the Community's approval of 40 new measures designed to promote human rights in Central America, while on the economic front they underlined the importance of stepping up cooperation on environmental issues to ensure the region's sustainable development and of the exceptional transitional trade preferences given to Central America by the Community.² They also signed a new framework cooperation agreement* between the Community and the countries party to the General Treaty on Central American economic integration, plus Panama.³

771. In an information report of 21 January, the Economic and Social Committee gave its opinion on future relations between the Community and Latin America.⁴ On 25 February it also endorsed a diversification and development programme for certain banana-producing countries.⁵

Bilateral relations

772. On 17 and 18 January,⁶ Mr Pacas Castro, Foreign Minister of El Salvador, met Mr Marín for talks on the San José IX ministerial conference, the new cooperation agreement signed by the Community and the countries of Central America, and the new common organization of the market in bananas.⁷

773. On an official visit aimed at strengthening relations between the Community and Latin America, Mr Delors went to Chile, Argentina and Mexico from 11 to 18 March. In Chile, he met Mr Patricio Aylwin, the country's President, with whom he discussed the need to establish a relationship based on partnership and to enhance cooperation between the Community and Chile.⁸ In Argentina, Mr Delors saw Mr Carlos Menem, the country's President, Mr Di Tella, Foreign Minister, and Mr Cavallo, Minister for Economic Affairs. Discussions focused on EC-Argentina cooperation and relations with Mercosur. In Mexico, Mr Delors saw Mr Carlos Salinas, the country's President,

¹ Bull. EC 1/2-1993, point 1.3.40.

² Twenty-fifth General Report, point 997.

³ Costa Rica, El Salvador, Guatemala, Honduras and Nicaragua.

⁴ OJ C 73, 15.3.1993; Bull. EC 1/2-1993, point 1.3.38.

⁵ OJ C 108, 18.4.1993; Bull. EC 1/2-1993, point 1.3.39.

⁶ Bull. EC 1/2-1993, point 1.3.42.

⁷ Point 529 of this Report.

⁸ Bull. EC 3-1993, point 1.3.38.

Mr Solana, Foreign Minister, and other members of the Government.¹ The main topics of discussion were the repercussions of the North American Free Trade Agreement (NAFTA) on trade with the Community and relations with the United States, Latin America and Cuba. These talks continued in Brussels on 23 September, when Mr Salinas and other ministers met Mr Delors, Mr Marín and Mr Van den Broek.²

774. On 8 and 9 March Mr Marín went to Uruguay, where he had talks with Mr Luis Lacalle, the country's President, and Mr Abreu, Foreign Minister, on bilateral cooperation and Uruguay's membership of Mercosur.³ This visit was followed by a meeting in Brussels on 28 April between Mr Lacalle and Mr Abreu, Mr Delors and Mr Marín.⁴

775. On 3 and 4 May Mr Marín visited Brazil. He saw Yeda Crusius, Minister of Planning, and Mr Cardoso, Foreign Minister, with whom he discussed the country's economic situation and the development of Mercosur.⁵

776. On 22 April Mr Ochoa Antich, Venezuela's Foreign Minister, met Mr Marín and Mr Van den Broek. He outlined his Government's programme to accept 10 000 technically skilled immigrants from Central and Eastern Europe.⁶ Mr Matutes visited Venezuela from 25 to 27 October where he had talks with the President, Mr Velasquez.⁷

Cooperation with the countries of Asia and Latin America

777. Financial and technical cooperation with Latin America, which is the main instrument of aid to the region, this year amounted to ECU 181.2 million. Economic cooperation activities worth some ECU 33.6 million were geared chiefly to trade promotion, training, regional integration and energy cooperation. A framework programme of industrial cooperation and investment promotion (AI-Invest) was also approved.⁸

¹ Bull. EC 3-1993, point 1.3.39.

² Bull. EC 9-1993, point 1.3.41.

³ Bull. EC 3-1993, point 1.3.40.

⁴ Bull. EC 4-1993, point 1.3.41.

⁵ Bull. EC 5-1993, point 1.3.31.

⁶ Bull. EC 4-1993, point 1.3.42.

⁷ Bull. EC 10-1993, point 1.3.43.

⁸ Bull. EC 5-1993, point 1.3.32.

778. Other cooperation activities concerned the development of democracy in the region (ECU 15 million), support for NGOs in Chile (ECU 4.85 million) and aid for refugees and displaced persons (ECU 20 million).

779. Financial and technical cooperation with Asia this year amounted to ECU 328.5 million and economic cooperation to ECU 44.4 million. Operations covered a wide range of sectors such as the management of forestry resources (Laos, Philippines, Malaysia), rural development (Cambodia, Philippines, Laos), improvements to infrastructure (Thailand and Laos), humanitarian aid (Viet Nam, Cambodia, Thailand) or promoting trade and financial cooperation (Indonesia).

Section 8

Relations with the African, Caribbean and Pacific countries and the overseas countries and territories

Implementation of the fourth Lomé Convention

780. The Commission has virtually completed the programming of Community aid under the first financial protocol of the fourth Lomé Convention: in addition to the seven regional indicative programmes signed last year, 64 of the initial 69 national indicative programmes have now been signed. The political situation in the remaining five ACP countries was such that the policy dialogue has not started or programming could not be completed.¹ The consultations undertaken as part of the programming exercise enabled the recipients to identify sectoral objectives and decide on accompanying measures. Rural development, social and economic infrastructure and the development of human resources remain a focus of Community aid, but new Lomé IV priorities such as the environment, the role of women, decentralized cooperation and promotion of the private sector have also been given prominence.

781. The link between human rights and development cooperation was also underscored on several occasions. On 25 May the Council and the Member States meeting within the Council adopted a declaration² reaffirming the principles set out in the Council resolutions of November 1991³ and November 1992⁴ and stressing the universal and indivisible nature of human rights, plus certain aspects of particular relevance to the developing countries, such as the promotion of economic, social and cultural rights, civil and political liberties and establishing representative governments. The Community and its Member States reserved the right to take measures which might even involve suspending aid if the democratization process was halted or if serious violations of human rights occurred.

¹ Twenty-sixth General Report, point 898.

² Bull. EC 5-1993, point 1.3.41.

³ Twenty-fifth General Report, point 1023.

⁴ Twenty-sixth General Report, point 961.

782. On 8 September the Commission asked the Council to approve negotiating Directives for a mid-term review* of certain provisions of Lomé IV when the five-year financial protocol came up for renewal. The aim of the proposed amendments, in the light of international developments and experience, is to insert, in addition to the existing provisions on human rights, a reference to democratic principles, constitutional legality and good governance, to overhaul the machinery for dialogue between the ACP countries and the Community, and to make cooperation instruments and procedures more consistent and efficient. The Economic and Social Committee delivered a favourable opinion on the proposed approach on 21 October.¹

783. With an eye to making structural adjustment aid more effective, Community institutions have also focused attention on aid for reconstruction and rehabilitation in the aftermath of war, civil strife, or natural disaster. On 12 May the Commission proposed to the Council a special rehabilitation support programme for developing countries to bridge the gap between humanitarian aid and development aid.² The aim of the programme is to get existing productive plant in operation again and repair basic infrastructure quickly. In their conclusions of 25 May the Council and Member States' representatives agreed to commit ECU 100 million to the implementation of such operations in sub-Saharan countries.³ On 2 December the Council was pleased to note that this objective had been achieved and laid down guidelines for further programmes of this type.⁴ Since 1992 a total of ECU 330 million has been allocated for such aid, the main ACP beneficiaries being Mozambique, Angola, Ethiopia, Somalia and Eritrea.

Trade cooperation

784. In addition to scheduled operations and programmes which went ahead as planned, a number of new studies, operations and programmes were identified and adopted, mainly to promote the diversification of exports and research into new markets. National trade development programmes included the 'Target Europe' programme for Jamaica and programmes for Zimbabwe and Zambia.

¹ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.3.46.

² Point 808 of this Report.

³ Bull. EC 5-1993, point 1.3.37.

⁴ Bull. EC 12-1993.

785. Activities in the field of tourism centred on the launch of the regional programme for the development of tourism in the Pacific and the introduction of a similar programme for the Indian Ocean region (IOC).

786. In the framework of the 1993 integrated regional programme for the development of trade and services, the Community, in addition to financing ACP participation in trade events and associated activities, devoted particular attention to the organization of supplementary activities designed to attract European business people to the ACP stands. In addition, the Community stepped up support for the Aproma and Coleacp professional organizations.

787. Furthermore, on 29 October and 25 November respectively, the Commission adopted two proposals for Regulations* amending Regulation (EEC) No 715/90 on the arrangements applicable to agricultural products originating in the ACP States,¹ in order to include certain fruits in the list of products exempt from customs duties and to add Eritrea to the list of countries covered by the Regulation.

Stabex

788. In its report of 4 June on the management of Stabex (the system for stabilizing ACP countries' export earnings), the Commission noted that 32 countries were entitled to receive 60 transfers totalling ECU 848 million in 1993 for application year 1992. Since the resources available fell short by some ECU 330 million, Article 194(2) of the Lomé Convention became applicable and the eligible transfers were reduced by ECU 84 million, which still left a shortfall of ECU 434 million. Pursuant to Article 194(4), the Commission sent a report on 7 July to the Committee of Ambassadors, empowered to act in this matter by the ACP-EEC Council of Ministers,² asking for a speedy signing of the transfer agreements for 1992.³ On 22 July it adopted a proposal for a decision to add to Stabex resources by drawing on the unexpended balances of the Lomé II Sysmin allocation.⁴ This raised coverage of transfer bases from 43.24% to 50.05%.

¹ OJ L 84, 30.3.1990; Twenty-fourth General Report, point 766.

² Point 799 of this Report.

³ Bull. EC 7/8-1993, point 1.3.52.

⁴ Bull. EC 7/8-1993, point 1.3.53.

Sysmin

789. In 1993 Namibia became eligible for assistance under the seventh EDF and a project costing ECU 40 million was approved. The Dominican Republic also became eligible and a project worth ECU 23 million was approved. Gabon, Guinea, Burkina Faso, Mauritania and New Caledonia lodged applications for Sysmin assistance; an advance of ECU 1 million was accorded in November for the Burkina Faso project.

Sugar Protocol

790. The agreements between the Community, the ACP States signatory to the Protocol and India on guaranteed prices for the 1992/93 delivery period were concluded on 26 April*. Negotiations on 1993/94 prices were conducted in parallel on the basis of Directives issued by the Council on 19 July.¹

Industrial cooperation

791. Programmes and projects to further the development of the private sector have been approved or are already up and running in a number of ACP countries, including Barbados, Burkina Faso, Burundi, Cameroon, Congo, Côte d'Ivoire, Dominican Republic, Gabon, Ghana, Guinea, Guyana, Mauritius, Namibia, Niger, Seychelles, Senegal, Tanzania, Togo, Trinidad and Tobago, and Zimbabwe.

792. A first meeting of the Advisory Council to the Committee on Industrial Cooperation took place at the initiative of the Commission and the ACP-EEC Joint Secretariat. The Council's 24 members from ACP countries and Member States are industrial cooperation experts or come from the world of business. They discussed progress in industrial cooperation and investment flows between the Community and the ACP countries. In November the Commission organized the fifth EEC-Central Africa industrial forum, which is a useful framework for inter-African or Euro-African cooperation on industrial promotion.

¹ Bull. EC 7/8-1993, point 1.3.54.

Financial and technical cooperation

793. In the wake of the good progress made in 1992,¹ this year saw fresh impetus in the take-up of EDF programmable aid (regional and national indicative programmes and structural adjustment support), as regards commitments at least. Almost all financing decisions and 70% of total payments concerned projects and programmes undertaken under the seventh EDF and are the fruit of the past two years' programming.

794. The rate at which the national indicative programmes are being implemented is very uneven. In a few countries the deteriorating political or security situation forced the Community to suspend its aid or postpone any new financing decisions. In others, the dialogue on policy and project preparation was interrupted on account of political instability or held up by the administrative changeovers resulting from democratization.

795. Forty-two ACP countries were deemed eligible for structural adjustment support, for which ECU 1 150 million has been earmarked for the period 1991-95. The Commission continued the approach it has taken since 1989, namely an emphasis on long-term objectives and consideration of the social and regional dimensions to adjustment.² Aware of the importance of stepping up coordination with other donors, it continued to support the special programme for highly-indebted low-income countries of sub-Saharan Africa (SPA), which is backed by all the major bilateral and multilateral donors.³ Between October 1991 and December this year 41 decisions were taken on structural adjustment aid for 30 ACP States, totalling some ECU 855.7 million, of which ECU 685.5 million came from the special structural adjustment facility and the rest from NIP resources. The breakdown by sector is set out in Table 14.

¹ Twenty-sixth General Report, point 913.

² Twenty-third General Report, point 857.

³ OJ C 348, 23.12.1987; Twenty-first General Report, point 857.

TABLE 14

Lomé I, II, III and IV financing decisions (EDF and EIB)
Situation at 31 December¹

(million ECU)

Sector	Amount of financing					
	1988	1989	1990	1991	1992	1993 ²
<i>Trade promotion</i>	24.418	21.717	37.489	18.270	40.833	81.802
<i>Cultural and social development</i>	213.492	167.654	57.358	29.693	209.535	334.341
• education and training	68.726	66.246	31.664	2.589	73.548	88.566
• water engineering, urban infrastructure, housing	84.072	50.865	18.217	21.190	54.351	129.155
• health	60.694	50.543	7.477	5.914	81.636	116.619
<i>Economic infrastructure</i>	183.362	224.202	145.997	254.741	310.105	165.624
• transport and communications	183.362	224.202	145.997	254.741	310.105	165.624
<i>Development of production</i>	1 440.384	572.727	274.622	213.433	811.651	816.919
• rural production	839.530	273.945	74.163	95.154	209.941	225.839
• industrialization	250.682	108.088	77.359	66.835	149.871	142.319
• campaigns on specific themes ³	350.172	190.694	123.100	51.444	451.839	448.760
<i>Exceptional aid, Stabex</i>	606.084	338.526	267.096	570.153	497.328	138.137
• rehabilitation	0.069	0.134	(0.797)	(1.516)	9.828	- 0.72
• disasters	35.782	33.126	39.109	43.945	58.858	110.103
• Stabex	551.007	273.283	216.090	515.819	397.027	2.465
• AIDS	—	—	—	4.000	0.30	—
• refugees and returnees	18.626	31.983	12.694	7.905	31.295	25.640
<i>Other⁴</i>	30.096	15.175	8.471	148.064	187.088	62.890
Total	2 497.836	1 340.001	791.033	1 234.354	2 056.540	1 599.715

¹ For EIB operations, see the Bank's annual report.² Provisional figures.³ Including desertification and drought, disasters, major endemic and epidemic diseases, hygiene and basic health, endemic cattle diseases, energy saving research, sectoral imports programme and long-term schemes.⁴ Including information and documentation, seminars, programmes and general technical cooperation, general studies, multisectoral programmes, delegations, administrative and financial costs, improvements to public buildings, project-linked multisectoral technical cooperation (all projects).

796. The Commission has taken a number of major initiatives to improve the quality of aid and the monitoring of its impact on the recipient population. Evaluations are under way in sectors where the Community has been particularly active (rural development and infrastructure). A new way of analysing and presenting projects, 'An integrated approach to project cycle management', has been adopted with the aim of defining more precisely objectives and indicators of achievement. In May¹ the ACP-EEC Council of Ministers adopted, on the basis of a study commissioned in 1990,² conclusions on the removal of bottlenecks and the speeding-up of project implementation.

Regional cooperation

797. Under the regional indicative programmes financial and technical support has been given to ambitious regional integration initiatives, such as the setting-up of an economic union of the countries of the West African Monetary Union (UMOA) and a customs union of the UDEAC (Central African) countries, and reforms designed to reduce barriers to trade, investment and intra-regional payments in East and southern Africa and the Indian Ocean.

798. The Commission took full advantage of its representation in international bodies to promote reflection on regional integration, proposing a programme of action to promote integration and regional cooperation in sub-Saharan Africa at a high-level meeting of the world coalition for Africa held in Cotonou in June.

Institutional relations

799. At its 18th annual meeting, held in Brussels on 17 and 18 May, the ACP-EEC Council of Ministers focused attention on ways of improving Lomé IV procedures, in particular those relating to financial and technical cooperation.³ It also discussed the situation in South Africa, trade cooperation in the light of the Uruguay Round negotiations, and trends in the trade of bananas and commodities (coffee and cocoa). Furthermore, on 22 October the Council of

¹ Point 799 of this Report.

² Twenty-fourth General Report, point 784.

³ Bull. EC 5-1993, point 1.3.34.

Ministers adopted Decision No 1/93 extending the Lomé IV Convention to Eritrea, which gained independence on 24 May 1993.¹

800. The ACP-EEC Joint Assembly held its two annual sessions in Boipuso-Gabarone (Botswana) from 29 March to 1 April,² and in Brussels from 4 to 7 October.³ The first session focused on democracy, human rights and development in the ACP States. The Assembly also reviewed the situation in southern Africa from the point of view of implementation of the Lomé Convention and political developments, particularly in South Africa. The Brussels session was chiefly devoted to an initial exchange of views on current and future cooperation between the Community and the ACP States in the light of the impending mid-term review of Lomé IV.⁴ The situation in South Africa and southern Africa in general was again discussed, the highlight of the debate being an address by Mr Nelson Mandela. In a resolution of 12 March Parliament stressed the importance of the Joint Assembly's meetings and the ongoing debate on the role of democracy in development.⁵

Bilateral relations

801. The Community continued its efforts to support and promote democracy, stressing on numerous occasions the close link between cooperation and respect for democratic institutions, notably during visits to the Commission by President Bongo of Gabon in February,⁶ Mr C. Veiga, Prime Minister of Cape Verde⁷ and Mr Musyoka, Foreign Minister of Kenya, in March,⁸ Mr Y. Ouedraogo, Prime Minister of Burkina Faso, in April,⁹ Mr C. Coreira, Prime Minister of Guinea-Bissau,¹⁰ Mr A. O. Konaré, President of Mali,¹¹ and Archbishop Kpodzro, President of Togo's High Council, in June,¹² and Mr Habyarimana, President of the Republic of Rwanda, in October.¹³

¹ OJ L 280, 13.11.1993; Bull. EC 10-1993, point 1.3.48.

² Bull. EC 4-1993, point 1.3.46.

³ Bull. EC 10-1993, point 1.3.49.

⁴ Point 782 of this Report.

⁵ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.44.

⁶ Bull. EC 1/2-1993, point 1.3.49.

⁷ Bull. EC 3-1993, point 1.3.45.

⁸ Bull. EC 3-1993, point 1.3.46.

⁹ Bull. EC 4-1993, point 1.3.47.

¹⁰ Bull. EC 6-1993, point 1.3.46.

¹¹ Bull. EC 6-1993, point 1.3.48.

¹² Bull. EC 6-1993, point 1.3.50.

¹³ Bull. EC 10-1993, point 1.3.56.

802. These issues were naturally of particular relevance in relations with Haiti and Angola. The Community unequivocally reaffirmed its support for Mr Jean-Bertrand Aristide, the democratically elected president of Haiti, when he visited Brussels on 8 September.¹ This support took the form of Council Resolution (EEC) No 1608/93 introducing an embargo on trade with Haiti in accordance with UN Security Council Resolution 841/93.² The embargo was temporarily lifted,³ and then reimposed in response to political developments in Haiti by Regulation (EEC) No 3028/93.⁴ In response to UN Security Council Resolution 864/93 on Angola, the Council adopted on 25 October Regulation (EEC) No 2967/93 banning the supply of certain goods to UNITA.⁵

803. Community aid was the focus of the discussions Mr Marín held with Mr Carlot Korman, Prime Minister of Vanuatu, in Brussels on 20 April,⁶ and with Mr B. Chidzero, Zimbabwean Finance Minister, in Harare, on 27 and 28 January.⁷

804. On 16 September and 28 October, Parliament expressed concern about the situation in Haiti.⁸ Other resolutions were adopted on the civil war in Angola,⁹ famine in Sudan¹⁰ and the Unosom mission in Somalia.¹¹

Overseas countries and territories

805. Programming of seventh EDF resources in accordance with Council Decision 91/482/EEC on the association of the overseas countries and territories with the EEC¹² was completed this year, having been implemented for the first time in partnership with the local authorities (Commission-Member State-OCT trilogue).¹³ The national indicative programmes for St Helena, Saint Pierre and Miquelon, the Netherlands Antilles, Aruba and the French Southern and Antarctic Territories were signed.

¹ Bull. EC 9-1993, point 1.3.47.

² OJ L 155, 22.6.1993; Bull. EC 6-1993, point 1.3.47.

³ OJ L 232, 15.9.1993; Bull. EC 9-1993, point 1.3.46.

⁴ OJ L 270, 30.10.1993; Bull. EC 10-1993, point 1.3.52.

⁵ OJ L 268, 29.10.1993; Bull. EC 10-1993, point 1.3.51.

⁶ Bull. EC 5-1993, point 1.3.35.

⁷ Bull. EC 1/2-1993, point 1.3.52.

⁸ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.3.48; OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.3.53.

⁹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.48.

¹⁰ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.3.51.

¹¹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.50; OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.3.49.

¹² Twenty-sixth General Report, point 921.

¹³ OJ L 263, 19.9.1991; Twenty-fifth General Report, point 984.

806. Following the implementation of the enhanced trade arrangements for the overseas countries and territories¹ under Council Decision 91/482/EEC, exports to the Community, from the Netherlands Antilles in particular, continued to rise. In view of the disruption caused on the Community market by new imports of levy-free rice, the Commission adopted safeguard measures on 25 February which, although relaxed on 13 April and repealed on 16 June, were appealed against by the Dutch Government and some traders.² On 25 November the Commission adopted a report on the implementation of the trade provisions of Decision 91/482/EEC on the association of the overseas countries and territories with the Community, together with a proposal for its amendment* intended primarily to prevent agricultural products originating in the OCTs from being sold within the internal market at prices lower than the regulated Community prices.³

¹ Twenty-sixth General Report, point 922.

² Cases C-265/93, C-271/93 and C-281/93.

³ COM(93) 555; Bull. EC 11-1993, point 1.3.44.

Section 9

General development cooperation

Overview

807. This year, looking ahead to the entry into force of the Treaty on European Union, which gives the Community an important role in coordinating the Community's and the Member States' development cooperation policies, the Commission continued its dialogue with the Member States on its May 1992 communication on development cooperation policy in the run-up to 2000.¹ It approved two further communications, one on identifying priority areas for the coordination of development cooperation policies (24 March)² and the other on procedures for coordinating the Community's and the Member States' policies and operations (10 May).³ In these two communications, which followed on from the declaration adopted by the Council and representatives of the Member States meeting within the Council in November 1992,¹ the Commission outlined how it intended to revitalize policy coordination by making more use of existing procedures and identifying common courses of action. The Council replied to the first of these communications with conclusions adopted on 25 May, in which it pinpointed a number of priority areas for coordination such as the campaign against poverty, health, food security, education and training.⁴ Parliament passed resolutions on these matters on 30 September⁵ and 28 October.⁶ In response to the Council's conclusions, the Commission adopted a communication on 16 November in which it set out proposals for a coordinated policy by the Community and the Member States on the campaign against poverty, a key issue in development cooperation under Article 130u of the Treaty on European Union.⁷ In a resolution of 2 December⁸ setting out the overall objectives and main thrust of the campaign against poverty the Council asked the Commission to frame clear proposals on Com-

¹ Twenty-sixth General Report, point 925.

² COM(93) 123; Bull. EC 3-1993, point 1.3.47.

³ COM(93) 195; Bull. EC 5-1993, point 1.3.38.

⁴ Bull. EC 5-1993, point 1.3.39.

⁵ OJ C 279, 18.10.1993; Bull. EC 9-1993, point 1.3.49.

⁶ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.3.57.

⁷ COM(93) 518; Bull. EC 11-1993, point 1.3.46.

⁸ Bull. EC 12-1993.

munity-Member State coordination in this area. In another resolution of 2 December, the Council supplemented its conclusions of 25 May and decided that policy coordination should be stepped up by making fuller use of existing mechanisms and coordination procedures.¹

808. On 12 May the Commission proposed that special rehabilitation support programmes be set up to bridge the gap between emergency aid and structural development aid in countries severely affected by armed conflict or natural disasters.² This initiative was well received by Parliament³ and by the Council, which decided as early as 25 May to allocate ECU 100 million to set up programmes of this kind in Africa.⁴

809. At the same time, the Council and the Member States' representatives issued a declaration on human rights, democracy and development,⁵ drafted for the forthcoming Vienna World Conference on Human Rights,⁶ restating the position set out in their resolution of November 1991⁷ and conclusions of November 1992.⁸ They reaffirmed the indivisibility and universality of human rights and their vital role in development; they confirmed their intention to step up aid to countries engaged in democratization and their readiness to take restrictive measures should the process be halted. In a resolution on 13 July, Parliament expressed its support for the principles enshrined in the declaration and set out criteria for putting them into practice.⁹ The same concern for human development led the Council to adopt conclusions on the key role of women in development.¹⁰

Cooperation through the United Nations

United Nations Conference on Trade and Development

810. The Trade and Development Board held its two annual meetings in March and September. They focused on the consequences for developing countries of the Uruguay Round negotiations, the debt problem, trade, the

¹ Bull. EC 12-1993.

² COM(93) 204; Bull. EC 5-1993, point 1.3.36.

³ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.3.45.

⁴ Point 783 of this Report.

⁵ Bull. EC 5-1993, point 1.3.41.

⁶ Point 992 of this Report.

⁷ Twenty-fifth General Report, point 1023.

⁸ Twenty-sixth General Report, point 961.

⁹ OJ C 255, 20.9.1993; Bull. EC 7/8-1993, point 1.3.56.

¹⁰ Bull. EC 5-1993, point 1.3.40.

environment and regional economic areas. Most of the Unctad bodies set up at the Cartagena conference became operational.

United Nations Industrial Development Organization

811. Following the Commission's communication of October 1992,¹ a new agreement in the form of an exchange of letters setting out arrangements for relations between the Community and UNIDO was signed in January; the year's activities were geared to implementing the agreement, which provides for improved coordination of UNIDO and Community operations to boost competitive industrial development in developing countries and in Central and Eastern Europe.

World Food Programme

812. The Community allocated ECU 150.16 million, including transport costs, to the WFP. This aid was used to assist refugees as part of the Protected Refugees Operation, to provide relief in Africa — mainly via the International Emergency Food Reserve — and to contribute to various WFP development projects.

United Nations Food and Agriculture Organization

813. The Community, which acceded to the FAO in 1991,² took an active part in a number of FAO meetings. Its contribution to fisheries negotiations enabled the XXVIIth FAO conference, held in November, to adopt the International Agreement to Promote Compliance with International Conservation and Management Measures by Fishing Vessels on the High Seas. The conference also set up an Indian Ocean Tuna Commission.³

814. As part of the collaboration between the Commission and the FAO on aid and technical assistance to developing countries set in motion in June 1991,⁴ an agreement in the form of an exchange of letters on the implementation of procedures for technical cooperation was signed on 27 January.

¹ Twenty-sixth General Report, point 929.

² Twenty-fifth General Report, point 994.

³ Twenty-sixth General Report, point 932.

⁴ Bull. EC 6-1991, point 1.3.63.

Generalized tariff preferences

815. On 26 April the Council adopted Regulation (EEC) No 1028/93¹ supplementing Regulation (EEC) No 3917/92² on generalized tariff preferences for 1993 by including Viet Nam among the beneficiaries of the scheme for textile products covered by the Multifibre Arrangement. On 17 May it adopted Regulation (EEC) No 1225/93 renewing supplementary generalized tariff preferences in respect of certain products sold at the Berlin Fair.³ On 20 December it adopted Regulation (EC) No 3667/93 including some of the Independent States of the former Soviet Union (Belarus, Ukraine, Moldova, Uzbekistan, Russia, Tadjikistan, Turkmenistan, Armenia and Azerbaijan) in the scheme of generalized tariff preferences for textile products covered by the Multifibre Arrangement with effect from 1 January 1993, after bilateral agreements on such products were initialled with the countries concerned.⁴

816. On 22 October the Commission proposed that Regulation (EEC) No 3917/92 be extended until 31 March 1994* pending the conclusion of the Uruguay Round negotiations. On 20 December the Council adopted Regulation (EC) No 3668/93 allowing a six-month extension to be tacitly renewed for the following six months if no 10-year agreement had been adopted by 15 June 1994.

817. On 20 December the Council adopted decision 93/727/ECSC⁵ amending Decision 92/584/ECSC on the scheme applicable in 1993.⁶

Commodities and world agreements

818. Following the failure in March of negotiations on a new coffee agreement, begun in April 1992,⁷ the Council, on 13 September, adopted Decision 93/505/EEC concerning notification of the Community's acceptance of the International Coffee Agreement of 1983 as extended to 30 September 1994.⁸

¹ OJ L 108, 1.5.1993; Bull. EC 4-1993, point 1.3.49.

² OJ L 396, 31.12.1992; Twenty-sixth General Report, point 935.

³ OJ L 124, 20.5.1993; Bull. EC 5-1993, point 1.3.42.

⁴ Point 889 of this Report.

⁵ OJ L 338, 31.12.1993; Bull. EC 12-1993.

⁶ OJ L 396, 31.12.1992; Twenty-sixth General Report, point 935.

⁷ Twenty-sixth General Report, point 936.

⁸ OJ L 237, 22.9.1993; Bull. EC 9-1993, point 1.3.51.

819. The conference mandated to negotiate a fifth International Cocoa Agreement, by contrast, reached a consensus based on the principle of close cooperation between consumer and producer countries, who undertook to set up and abide by an agreed discipline for supply, to foster demand and to abolish buffer stocks, which began to be phased out on 31 September when the 1986 International Agreement expired. Pending ratification of the new Agreement, the International Cocoa Council, meeting in London from 9 to 18 September, decided to introduce a five-month transitional period.¹ The Commission proposed on 26 October that the Council sign and implement the Agreement in the Community on a provisional basis*.

820. The process of negotiating a second International Tropical Timber Agreement continued.² On 17 May the Council adopted a Decision on Community participation in the negotiations,³ based on a Commission recommendation.⁴ Despite several preparatory meetings and three sessions of the negotiating conference set up by Unctad, consumer and producer countries failed to reach agreement as the negotiators had not changed their stance.⁵

821. The International Natural Rubber Council met in Kuala Lumpur from 24 to 28 May⁶ but failed to agree a compromise on renegotiating the 1987 agreement.⁷ The International Jute Council met in Dhaka from 20 to 23 April.⁸

EC Investment Partners

822. European Communities Investment Partners (ECIP), set up by the Commission in 1988 as part of its policy on economic cooperation with developing countries in Asia, Latin America and the Mediterranean, and extended by Regulation (EEC) No 319/92,⁹ received a budget of ECU 39 million in commitment appropriations for 1993 plus ECU 5 million in commitment appropriations carried over from 1992, all of which was allocated in the course of the year.

¹ Bull. EC 9-1993, point 1.3.50.

² Twenty-sixth General Report, point 938.

³ Bull. EC 5-1993, point 1.3.44.

⁴ Bull. EC 4-1993, point 1.3.50.

⁵ Bull. EC 5-1993, point 1.3.45.

⁶ Bull. EC 5-1993, point 1.3.46.

⁷ Twenty-first General Report, point 839.

⁸ Bull. EC 4-1993, point 1.3.51.

⁹ OJ L 35, 12.2.1992; Twenty-sixth General Report, point 941.

Protecting the environment

823. At the first meeting of the Sustainable Development Commission, held in New York in June, the Community gave an account of its activities in the year since the Rio Summit in June 1992,¹ with particular regard to energy, water, the urban environment and forests. On 25 May the Council approved for 1993, on a voluntary basis, an additional ECU 120 million in new funds for action on 'Agenda 21', on top of the ECU 600 million agreed in November 1992, to be committed in 1993.

824. In addition, the annual budget for the 'Environment in the developing countries' programme leapt to ECU 26 million from ECU 9 million in 1992. The allocations, shared between the ACP countries, Asia and Latin America and the Mediterranean, were spent on projects to maintain biodiversity and protected areas and on urban environment schemes — pollution, waste management, water resources, etc. The Commission also started up a number of environmental impact studies in preparation for development projects, under guidelines agreed in 1992,² and began introducing environmental profiles intended to pinpoint the most important environmental problems and help establish priorities. The profiles cover a number of ACP countries and will be extended to Asia and Latin America.

825. On 26 February the Commission adopted a proposal for a Regulation* setting out objectives and procedures for Community action to contribute to the preservation and sustainable management of tropical forests, in line with the principles enunciated at the Rio Earth Summit³ on the relationship between the environment and development. Over ECU 50 million was allocated for forests this year, of which one third went to ACP countries and the rest to Asia and Latin America. Action programmes were started in Venezuela, Brazil and the Philippines. In addition, the Community continued to support a number of local NGO-run projects in Latin America and Asia.

Drug abuse control

826. The Commission continued to participate in international action against drug abuse, developing a programme of North-South cooperation largely geared to supporting developing countries' efforts to curb drug production and

¹ Twenty-sixth General Report, point 596 *et seq.*

² Twenty-sixth General Report, point 942.

³ Twenty-sixth General Report, point 596 *et seq.*

demand. Technical and financial assistance was granted under this programme for government and NGO-run projects in those Asian, African, Latin American and Caribbean countries worst affected by the problem. The allocations were evenly distributed between sectors and regions, covering various aspects of the problem: combating drug abuse (epidemiology, prevention, treatment and rehabilitation), reducing production (promoting alternative crops and development, preventing migration to drug-producing areas) and training specialists. However, in view of the severity of the problem and, in particular, rising demand in developing countries themselves, the aid available falls far short of what these countries and regions need. The fourth Lomé Convention, the first to refer explicitly to the issue, created new opportunities for cooperation, particularly in the health sector and in regional cooperation, although the ACP partners have yet to take full advantage of them. The Commission launched a series of regional studies in certain key areas with a view to promoting in-depth dialogue between the ACP countries most seriously affected.

827. In addition to North-South cooperation, the campaign against drugs increasingly has an East-West dimension. Association agreements signed or negotiated with Central and East European countries contain specific clauses on drug trafficking and money laundering. A two-year cooperation programme part-financed by PHARE and started up this year was aimed at introducing an appropriate legal and organizational framework for combating drugs in the recipient countries. Other cooperation agreements and programmes are being prepared, especially with the new Independent States of the former Soviet Union. Negotiations have also begun with a view to concluding an agreement with the ASEAN member States on controlling precursors,¹ and exploratory talks have been held with several Latin American countries.

828. The Commission also played a full part in international efforts to coordinate financial and technical assistance, such as the Dublin Group on drug abuse and the United Nations International Drug Control Programme (UNIDCP), with which the Community signed a cooperation agreement.

AIDS

829. The Community programme to combat AIDS in developing countries, now in its sixth year,² received an initial ECU 35 million from regional funds, which enabled emergency programmes to be set up in a number of countries

¹ Point 758 of this Report.

² Twenty-first General Report, point 843.

and ensured their medium-term viability. A further ECU 4 million from the sixth EDF was fully committed. In 1992, the total budget for the latest five-year programme was set at ECU 50 million, with the emphasis on prevention, strengthening health systems and tackling the socioeconomic effects of AIDS in the countries concerned.¹ At the same time, the funds granted annually by the budgetary authority since 1988 enabled operations to be launched in around 30 other developing countries in Asia, Latin America and the Mediterranean, as well as financing training and research or action programmes.

Food aid²

830. Budget allocations for standard food aid to developing countries amounted to ECU 574 million, of which ECU 355.9 million went on food purchasing and substitution operations, and ECU 218.1 million on transport, distribution and other aid operations. Commission Decision 93/142/EEC set the overall quantities of food aid for 1993 and a list of products to be supplied as food aid.³ The amounts set for standard food aid were 1 356 700 tonnes of cereals, 50 000 tonnes of milk powder, 70 000 tonnes of vegetable oil, and smaller quantities of other products such as beans and sugar.

831. In accordance with Council Regulation (EEC) No 1930/90,⁴ the various aid allocation proposals were put to the Food Aid Committee for its opinion prior to their adoption by the Commission. Table 15 gives a breakdown of the allocations.

832. The food aid programme was supplemented by operations aimed at rehabilitating or expanding storage facilities in the recipient countries and developing or improving early-warning systems, at a cost of ECU 2.8 million.

833. The Commission also continued to cofinance food aid and food security operations proposed by NGOs and international organizations. The entire ECU 5 million set aside this year to finance such operations, mostly small projects decided more quickly and flexibly than large operations, was exhausted.

834. On 3 November the Commission adopted the annual reports on food aid policy and management for 1991 and 1992.

¹ Twenty-sixth General Report, point 948.

² Emergency humanitarian aid is covered in Chapter III, Section 10.

³ OJ L 56, 9.3.1993.

⁴ OJ L 174, 7.7.1990; Twenty-fourth General Report, point 810.

TABLE 15
Allocation of food aid, 1993

	Cereals	Milk powder	Butteroil	Vegetable oil	Sugar	Other products (million ECU)
	(tonnes)					
<i>Direct aid</i>						
Africa	165 780	927	105	4 900	466	2.615
Indian Ocean and Pacific	—	—	—	—	—	—
Caribbean	1 540	—	—	—	—	—
Mediterranean	110 000	3 000	—	8 000	—	1.000
Latin America	66 920	5 945	—	7 345	—	3.38
Asia	155 000	—	—	1 000	—	—
Total direct aid	499 240	9 872	105	21 245	466	6.995
<i>Indirect aid</i>						
UNHCR	13 220	3 808	—	104	—	5.278
NGOs (Euronaid)	370 780	16 692	—	22 075	3 661	12.0
ICRC	60 000	—	—	5 000	—	3.0
WFP	365 000	12 000	—	20 426	7 173	13.0
IFRC	18 000	990	—	1 925	300	—
UNRWA	18 000	3 400	—	2 109	3 400	6.2
Unicef	300	—	—	—	—	0.0779
Total indirect aid	845 300	36 890	105	51 639	14 534	39.55
Grand total	1 344 540	46 762	105	72 884	15 000	46.55

Cooperation through non-governmental organizations

835. The funds earmarked for development cooperation with the non-governmental organizations (NGOs), which devoted their 19th general assembly to European development policy,¹ amounted to ECU 135 million for the year. At 31 December ECU 135 million had been committed for 1 123 projects cofinanced in 120 African, Asian and Latin American countries, and ECU 14.9 million for public awareness campaigns in Europe. The number of block grants increased again this year to 160, totalling ECU 21.960 million. NGOs continued to benefit from a number of budget headings open to them for operations in specific countries such as Chile, South Africa, Viet Nam and Cambodia, and for specific issues such as the environment and drug abuse. Programmes for local authorities in Africa and Latin America, partnership programmes for Mediterranean institutions of various kinds and programmes to promote NGO operations were also set up under the decentralized cooperation scheme introduced in Lomé IV. ECU 2 million was allocated to the special budget heading introduced as an experiment in 1992² to finance pilot and contact projects in all the developing countries. It was used to finance programmes in Africa, the Caribbean, Latin America and Asia.

¹ Bull. EC 4-1993, point 1.3.52.

² Twenty-sixth General Report, point 960.

Section 10

Humanitarian aid

836. This year the Community was very active in providing humanitarian aid, the scope of which was broadened. Against the background of violent ethnic conflicts in Africa, the escalation of the war in former Yugoslavia, the renewed tension in the Caucasus and the consequences of the collapse of the Soviet Union, the European Community Humanitarian Office (ECHO) financed operations conducted by the non-governmental organizations (NGOs) and international agencies with which it works in partnership in many non-Community countries and extended its direct action in former Yugoslavia. The Commission took 210 decisions on the granting of humanitarian aid for a total of ECU 600 million to help people affected by fighting or natural disasters in non-Community countries; this total comprises a contribution of ECU 512 million from the budget and ECU 88 million from the European Development Fund.

837. As a result of the civil war in former Yugoslavia, which directly affected over 4 million people who depend entirely on international aid, the Commission approved this year approximately ECU 425 million in humanitarian aid, and this has enabled many operations to be financed throughout the republics. The largest proportion went to Bosnia-Herzegovina, which received over 50% of all the humanitarian aid. The aid was distributed through more than 30 channels: United Nations agencies, in particular the Office of the High Commissioner for Refugees (UNHCR), 48% of whose operations were financed by the European Community, the International Committee of the Red Cross and various NGOs. Through the European Community Task Force (ECTF) in Zagreb and a team based in Belgrade, ECHO also provided direct logistic support for its partners and implemented food programmes in Croatia, Serbia and Montenegro for the sum of almost ECU 200 million to help refugees and displaced persons. ECHO also took part in innovatory operations such as parachuting food into Bosnia-Herzegovina and providing support for the independent media and people who have suffered psychological damage.

838. EDF money was used mainly for the victims of fighting in Africa, particularly in the Horn of Africa, Somalia and Sudan. The Community granted ECU 12 million for Somalia, bringing the total Community contribution since the fighting started in 1991 to ECU 63 million. In Sudan the Community, which, after the United States, is the second largest donor, granted aid amounting to

ECU 11 million. Various operations representing some ECU 74 million were also financed in Liberia, Sierra Leone, Rwanda, Burundi, Zaire, the Caribbean, Haiti and the other ACP countries.

839. In the face of rising tension and fighting in the republics of the former Soviet Union, more especially in the region of the Caucasus (Georgia, Armenia, Azerbaijan) and Central Asia (Tadjikistan), the Community conducted humanitarian emergency operations comprising food aid, medical aid and the supply of various products for the winter. A total of ECU 51 million was used to help three million displaced persons. The Community, which remains the main source of aid in Iraq, continued its aid by granting ECU 22 million for the largely Kurdish population in the north of the country. In other regions of the world mainly hit by epidemics or natural disasters, particularly in Asia (Afghanistan, Cambodia, India, Mongolia, Nepal and Pakistan) and in Latin America (Bolivia, Brazil, Cuba, Ecuador, Nicaragua, Peru and Venezuela), the Community granted aid amounting to ECU 35 million. A humanitarian aid operation amounting to ECU 7.85 million, of which ECU 3.5 million in emergency food aid, was conducted in Cuba to combat the optic neuritis epidemic. Exceptional humanitarian aid has been granted to Lebanon, the Occupied Territories and Algeria. For the first time this year, the Community sent humanitarian aid experts on short duty visits to certain countries.

840. Outside the strictly operational scope of humanitarian aid, ECHO continued, in accordance with its role, to carry out operations to prevent natural disasters, coordinating the Commission's activities and supporting the activities of national and international organizations.¹ It provided assistance and financial support for a meeting of the European Community national committees for the International Decade of Natural Disaster Reduction (IDNDR) held in preparation for the Yokohama world conference on natural disasters scheduled for May 1994.

841. In order to formalize and rationalize ECHO's relations with its partners (NGOs or international agencies), the Commission approved on 5 May a framework partnership contract aimed at speeding up procedures and increasing the effectiveness of humanitarian operations financed by the Community.² This contract has already been signed by 85 NGOs. In its conclusions of 25 May the Council stressed the importance of developing coordination at

¹ Twenty-fifth General Report, point 1017.

² Bull. EC 5-1993, point 1.3.50.

Community and international level between private- and public-sector international and national operators, and approved the framework partnership contracts.¹

842. On 17 December an agreement was signed between the Community and UNRWA providing for a contribution, over the period 1993-95, of ECU 93 million towards UNRWA education and health programmes and for humanitarian aid, determined on an annual basis, for Palestinian refugees in Middle East countries.

¹ Bull. EC 5-1993, point 1.3.51.

*Section 11***Multilateral trade negotiations — Uruguay Round**

843. The objective assigned to the negotiations by the Punta del Este Declaration, which launched the Uruguay Round on 20 September 1986,¹ was particularly ambitious in scope. In addition to the issues traditionally covered by trade talks, previously generally confined to tariff and, since the Tokyo Round, non-tariff questions, the new round of negotiations was to encompass the revision of GATT rules and disciplines, plus the adoption of disciplines for 'new' areas not previously covered by the multilateral trade system, namely the trade-related aspects of intellectual property rights, trade-related investment measures and international trade in services. Also on the agenda were the sensitive issues of agriculture and textiles, areas in which trade was subject to special rules; the participants were to devise an agreement for their gradual incorporation into the GATT framework. However, although the Punta del Este Declaration was justifiably considered a great success, in that the developing countries agreed to the inclusion of 'new' areas in the GATT system, the Uruguay Round was quickly confronted by major difficulties.

After two of the scheduled four years of negotiations, the mid-term review undertaken at ministerial level in Montreal in December 1988 failed to produce an agreement.² In spite of the fact that the developing countries had, for the first time in GATT history, been persuaded to enter into commitments in the field of tropical products, following the example of the industrialized countries, the participants were unable to agree on an agenda for the continuation of the negotiations on agriculture, textiles, safeguards and intellectual property. After work had ground to a halt even in the other 11 negotiating groups, an agreement on the agenda for the four contentious areas was eventually reached in April 1989 in Geneva.³

The Uruguay Round was due to be concluded at the ministerial conference held in Brussels, but the conference closed on 7 December 1990 acknowledging a continued lack of agreement, amid calls for further negotiations.⁴ As a result of the unresolved differences on agriculture between the Community on the

¹ Twentieth General Report, point 974.

² Twenty-second General Report, points 871 and 872.

³ Twenty-third General Report, point 900.

⁴ Twenty-fourth General Report, points 817 to 822.

one hand, and the United States and the agricultural exporters of the Cairns group on the other, the Latin American countries withdrew from the conference.

844. On 20 December 1991, after a further year of talks covering nearly all areas, Arthur Dunkel, then Director-General of GATT, submitted a proposal for a final act incorporating draft agreements on all issues covered by the Uruguay Round.¹ This document generally reflected the consensus among the participants, but nevertheless included a number of rulings, particularly on politically sensitive questions, that were unacceptable as they stood. The draft agreement on agriculture in particular was opposed by several participants, including the Community.

The multilateral process was to all intents and purposes put on the back burner pending an accord between the United States and the Community on agriculture, which materialized in the form of the Blair House Agreement of 20 November 1992.² Prior to the Tokyo G7 Summit in July 1993,³ the United States, Japan, Canada and the Community agreed an ambitious framework of tariff reductions, injecting fresh impetus into the drive to improve market access for goods. Spurred on by this breakthrough, the Trade Negotiations Committee was able to announce the conclusion of the Uruguay Round when it met in Geneva on 15 December.

Unprecedented in scope, the Uruguay Round's main achievement will be to improve market access to a significant degree. Thus, the Community has lowered its customs duties by an average of about 37%, while the main developing countries have agreed to major tariff reductions, many of them bound in GATT.

On a more modest scale, dictated by the United States' restrictive position on financial services and shipping, the commitments initially entered into for the liberalization of trade in services are nevertheless significant, and are certainly consistent with the philosophy of gradual liberalization which is the main objective of the new General Agreement on Trade in Services (GATS).

845. Major breakthroughs were made in the field of rules and disciplines. Improved provisions on safeguards, subsidies, anti-dumping, balance of payments, the standards and public works contracts codes and dispute settlement have genuinely strengthened trade protection mechanisms, levelling the playing

¹ Twenty-fifth General Report, point 1024.

² Twenty-sixth General Report, point 967.

³ Point 693 of this Report.

field of international competition and significantly enhancing traders' legal security. The scope of the multilateral trading system, including the principle of liberalization as embodied by the most favoured nation clause, was further extended by the decision to make the intellectual property and services sectors subject to GATT dispute settlement and trade sanctions constraints. The system was also given a major boost by the creation of a World Trade Organization, which will require its members to bring their trade legislation into line with multilateral rules.

Viable transitional arrangements were agreed for agriculture and textiles, both sensitive areas for the Community. The restrictions imposed by the Community on imports of textiles and garments from developing countries under the Multifibre Agreement will be gradually dismantled over a period of 10 years, while the countries concerned will at the same time open up their markets in a competitive environment improved by the strengthening of the relevant rules and disciplines. In the field of agriculture, Sir Leon Brittan and Mr Steichen, armed with the Council Directives of 20 September,¹ obtained improvements on the Blair House terms, thus consolidating the compatibility of internationally agreed disciplines with the changes deriving from the common agricultural policy reforms adopted in May 1992.²

846. After 2 643 days of negotiations involving 117 countries from all over the world and covering a huge range of subjects, the Community emerged having achieved its main objectives. The Uruguay Round can therefore be qualified as an unprecedented success both for the Community and for the cause of multilateralism.

¹ Bull. EC 9-1993, point 1.3.79.

² Twenty-sixth General Report, points 506 to 512.

Section 12

Commercial policy

General matters

Operation of the customs union and customs cooperation

General legislation

847. The implementing provisions for the Community customs code¹ comprise 900 articles and 110 annexes and replace some 75 regulations adopted since 1968 and amended several times; they make Community customs union legislation much clearer. Their implementing Regulation — (EEC) No 2454/93² — has already been adopted, together with a first amendment contained in Commission Regulation (EEC) No 3665/93.

Harmonization of customs rules on trade with non-member countries

848. On 8 February the Council adopted Regulation (EEC) No 339/93³ on checks for conformity with the rules on product safety in the case of products imported from third countries which enables the authorities to suspend customs clearance temporarily and make sure that products comply with European safety rules.

849. With a view to strengthening the protection of intellectual property rights at the Community's external frontier, the Commission, on 13 July, adopted a proposal for a Regulation* laying down new measures to prohibit the release for free circulation, export or transit of counterfeit and pirated goods. The proposal followed in the wake of the 1991 Commission report⁴ on the operation of the system of safeguards set up under Regulation (EEC) No 3842/86.⁵

¹ OJ L 302, 19.11.1992; Twenty-sixth General Report, point 88.

² OJ L 253, 11.10.1993.

³ OJ L 40, 10.2.1993; Bull. EC 1/2-1993, point 1.3.59.

⁴ Twenty-fifth General Report, point 110.

⁵ OJ L 357, 18.12.1986; Twentieth General Report, point 178.

Common Customs Tariff, Combined Nomenclature and TARIC

850. In the interests of structural consistency and to facilitate the computerization of customs procedures, the Council adopted, on 19 July and 5 November respectively, Regulations (EEC) No 1969/93¹ and No 3080/93² amending Regulation (EEC) No 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff (CCT).³ The Commission also adopted Regulation (EEC) No 2551/93 on the Combined Nomenclature (CN) applicable in 1994⁴ and several regulations classifying a considerable number of products in the CN.

851. The multilingual TARIC (integrated Community tariff) database, which provides national administrations with information on all Community measures relating to internal and external trade, has been updated to reflect the many changes in Community legislation.⁵ The published TARIC was based on these data.⁶

Economic tariff matters

852. Some 450 tariff quotas or ceilings, whether required under agreements or introduced unilaterally, were maintained this year. During the same period Common Customs Tariff (CCT) duties were temporarily suspended on some 1 800 products, mainly chemicals and products of the electronics industry. These measures were taken to satisfy a Community industry's need for a specific product or to promote trade between the Community and countries with which it had signed trade agreements. On 20 December, the Council agreed to extend the system of generalized tariff preferences by six months.⁷

Customs procedures with economic impact

853. On 15 March the Council adopted Decision 93/329/EEC* concluding the Convention on Temporary Admission signed in Istanbul in June 1990.⁸ On 25 February it decided that the Community would take part in negotiations to be

¹ OJ L 180, 23.7.1993; Bull. EC 7/8-1993, point 1.3.65.

² OJ L 277, 10.11.1993; Bull. EC 11-1993, point 1.3.54.

³ OJ L 256, 7.9.1987; Twenty-first General Report, point 157.

⁴ OJ L 241, 22.9.1993.

⁵ OJ C 143, 24.5.1993.

⁶ OJ C 143, 24.5.1993.

⁷ Point 816 of this Report.

⁸ Twenty-fourth General Report, point 86.

held within the framework of the Economic Commission for Europe with a view to the signing of a Convention on an international customs transit procedure for goods carried by rail*. On 16 December it also adopted two Decisions concluding the conventions on the temporary importation of private and commercial road vehicles drawn up under the aegis of the United Nations*.

854. On 22 November¹ the Council adopted Decisions amending the EEC-EFTA conventions on a common transit procedure² and the simplification of administrative procedures³ with a view to introducing provisions enabling other countries, and the Visegrad countries in particular, to become contracting parties.

855. On 13 July the Commission adopted a proposal for a Regulation* amending Regulation (EEC) No 636/82⁴ establishing economic outward processing arrangements for textile and clothing products. The proposal set out to harmonize the conditions under which outward processing operations are carried out throughout the Community and to remove the distortions hindering the operation of the internal market. It also gave effect to the decision of the European Council, at its Copenhagen meeting of 22 and 23 June, to grant the countries of Central and Eastern Europe new trade concessions in the sector.⁵

Customs cooperation

856. The Commission opened talks with a view to signing customs cooperation agreements with South Korea, Canada and Hong Kong on the basis of the negotiating Directives adopted by the Council on 5 April for agreements with some of the Community's major trading partners*.

Origin of goods

857. With a view to resolving the problems caused by Switzerland's decision not to join the EEA, the Commission, on 21 December, proposed a number of amendments to Protocol 3 to the free trade agreement between the Community

¹ Bull. EC 11-1993, point 1.3.58.

² OJ L 226, 13.8.1987; Twenty-first General Report, point 177.

³ OJ L 134, 22.5.1987; Twenty-first General Report, point 177.

⁴ OJ L 76, 20.3.1982; Sixteenth General Report, point 642.

⁵ Point 651 of this Report.

and EFTA and Protocol 4 to the Agreement on the European Economic Area (EEA) concerning rules of origin.

858. The ACP-EC Customs Cooperation Committee adopted four decisions derogating from the definition of the concept of 'originating products' to take account of the special situation of Lesotho, Mauritius, Senegal and Seychelles.¹

Commercial policy instruments

859. The Community maintained the embargo against Iraq.² It likewise strengthened the measures adopted against the Federal Republic of Yugoslavia (Serbia and Montenegro)³ and Libya,⁴ and was obliged to adopt economic and trade sanctions against Haiti and UNITA (in Angola).⁵

860. The examination procedure concerning illicit commercial practices in connection with Japan's Harbour Management Fund, which had been suspended since March 1992,⁶ was terminated in June.⁷

861. On 28 October the Commission adopted its 11th annual report on the Community's anti-dumping and anti-subsidy activities.⁸

862. On 4 November* the Commission put before the Council a proposal for an amendment to Regulations (EEC) Nos 2423/88⁹ and 288/82¹⁰ with a view to speeding up investigations and making them more open. The proposal was approved by the Council on 15 December.

863. On 22 December the Council adopted Regulation (EC) No 5/94 on the suspension of the anti-dumping measures against EFTA countries on account of the entry into force of the Agreement on the European Economic Area.¹¹

¹ OJ L 123, 19.5.1993, OJ L 242, 28.9.1993, OJ L 12, 15.1.1994.

² Twenty-sixth General Report, point 857.

³ Point 737 of this Report.

⁴ Point 744 of this Report.

⁵ Point 802 of this Report.

⁶ Twenty-sixth General Report, point 977.

⁷ OJ L 166, 8.7.1993; Bull. EC 6-1993, point 1.3.57.

⁸ COM(93) 156; Bull. EC 10-1993, point 1.3.70.

⁹ OJ L 209, 2.8.1988; Twenty-second General Report, point 844.

¹⁰ OJ L 35, 9.2.1982; Sixteenth General Report, point 624.

¹¹ OJ L 3, 5.1.1994; Bull. EC 12-1993.

864. In the course of the year definitive anti-dumping duties were imposed on the following imports: synthetic fibres of polyesters originating in India and South Korea;¹ the outer rings of tapered roller bearings originating in Japan;² certain imports of electronic microcircuits known as DRAMs (dynamic random access memories) originating in South Korea;³ certain electronic weighing scales originating in Japan;⁴ certain seamless pipes and tubes, of iron or non-alloy steel, originating in the Republic of Croatia, Hungary and Poland;⁵ magnesium oxide,⁶ bicycles⁷ and woven polyolefin sacks⁸ originating in the People's Republic of China; artificial corundum originating in the People's Republic of China, the Russian Federation and Ukraine;⁹ low carbon ferro-chrome originating in Kazakhstan, Russia and Ukraine;¹⁰ magnetic disks originating in the People's Republic of China, Japan and Taiwan;¹¹ electronic weighing scales originating in Singapore and South Korea;¹² electronic microcircuits known as Eproms originating in Japan;¹³ sintered magnesite originating in the People's Republic of China;¹⁴ photo albums originating in the People's Republic of China.¹⁵

865. The Commission accepted some exporters' undertakings, notably regarding the following imports: certain types of electronic microcircuits known as DRAMs originating in South Korea;¹⁶ certain seamless pipes and tubes, of iron or non-alloy steel, originating in the Republic of Croatia, Hungary and Poland;¹⁷ artificial corundum originating in the People's Republic of China, the Russian Federation and Ukraine;¹⁸ monosodium glutamate originating in Indonesia, South Korea, Taiwan and Thailand;¹⁹ binder and baler twine originating in Brazil;²⁰ electronic microcircuits known as Eproms originating in Japan.²¹

¹ OJ L 9, 15.1.1993; Bull. EC 1/2-1993, point 1.3.66.
² OJ L 9, 15.1.1993; Bull. EC 1/2-1993, point 1.3.67.
³ OJ L 66, 18.3.1993; Bull. EC 3-1993, point 1.3.58.
⁴ OJ L 104, 29.4.1993; Bull. EC 4-1993, point 1.3.65.
⁵ OJ L 120, 15.5.1993; Bull. EC 5-1993, point 1.3.57.
⁶ OJ L 145, 17.6.1993; Bull. EC 6-1993, point 1.3.60.
⁷ OJ L 228, 9.9.1993; Bull. EC 9-1993, point 1.3.63.
⁸ OJ L 215, 25.8.1993; Bull. EC 7/8-1993, point 1.3.74.
⁹ OJ L 235, 18.9.1993; Bull. EC 9-1993, point 1.3.62.
¹⁰ OJ L 246, 2.10.1993; Bull. EC 9-1993, point 1.3.61.
¹¹ OJ L 262, 21.10.1993; Bull. EC 10-1993, point 1.3.71.
¹² OJ L 263, 22.10.1993; Bull. EC 10-1993, point 1.3.72.
¹³ OJ L 262, 21.10.1993; Bull. EC 10-1993, point 1.3.73.
¹⁴ OJ L 306, 11.12.1993; Bull. EC 11-1993, point 1.3.64.
¹⁵ OJ L 333, 31.12.1993; Bull. EC 12-1993.
¹⁶ OJ L 80, 2.4.1993; Bull. EC 3-1993, point 1.3.64.
¹⁷ OJ L 120, 15.5.1993; Bull. EC 5-1993, point 1.3.60.
¹⁸ OJ L 235, 18.9.1993.
¹⁹ OJ L 225, 4.9.1993; Bull. EC 7/8-1993, point 1.3.87.
²⁰ OJ L 251, 8.10.1993; Bull. EC 9-1993, point 1.3.75.
²¹ OJ L 262, 21.10.1993; Bull. EC 10-1993, point 1.3.78.

866. In other cases, it was not considered necessary to introduce protective measures and the investigations concerning the following imports were terminated: manganese steel wearparts originating in the Republic of South Africa;¹ paint, distemper, varnish and similar brushes originating in the People's Republic of China;² electronic typewriters originating in Japan;³ gas-fuelled, non-refillable pocket flint lighters originating in the People's Republic of China;⁴ certain ball bearings originating in Singapore;⁵ certain compact disc players originating in Japan and South Korea;⁶ compact disc players originating in Taiwan, Singapore and Malaysia;⁷ bicycles originating in Taiwan;⁸ unwrought manganese originating in China;⁹ seamless pipes and tubes, of iron or non-alloy steel originating in the Czech Republic and the Slovak Republic;¹⁰ polyester yarn originating in Turkey;¹¹ outboard motors originating in Japan.¹²

867. A number of anti-dumping measures expired, notably those concerning imports of herbicide originating in Romania;¹³ roller chains for cycles originating in the People's Republic of China;¹⁴ inner tubes and new tyre cases for bicycles originating in South Korea and Taiwan;¹⁵ oxalic acid originating in South Korea and Taiwan;¹⁶ electronic typewriters originating in Japan;¹⁷ certain iron or steel sections originating in Turkey and the former Yugoslavia;¹⁸ serial-impact dot-matrix printers originating in Japan;¹⁹ light sodium carbonate originating in Bulgaria, Poland and Romania.²⁰

868. Under its anti-subsidy policy, the Council imposed a definitive countervailing duty on imports of ball bearings with a greatest external diameter not exceeding 30 mm, originating in Thailand but exported to the Community

¹ OJ L 122, 18.5.1993; Bull. EC 5-1993, point 1.3.66.

² OJ L 127, 25.5.1993; Bull. EC 5-1993, point 1.3.67.

³ OJ L 157, 29.6.1993; Bull. EC 6-1993, point 1.3.65.

⁴ OJ L 158, 30.6.1993; Bull. EC 6-1993, point 1.3.66.

⁵ OJ L 235, 18.9.1993.

⁶ OJ L 215, 25.8.1993; Bull. EC 7/8-1993, point 1.3.79.

⁷ OJ L 185, 28.7.1993; Bull. EC 7/8-1993, point 1.3.94.

⁸ OJ L 227, 8.9.1993; Bull. EC 9-1993, point 1.3.76.

⁹ OJ L 244, 30.9.1993; Bull. EC 9-1993, point 1.3.77.

¹⁰ OJ L 252, 9.10.1993; Bull. EC 10-1993, point 1.3.79.

¹¹ OJ L 261, 20.10.1993; Bull. EC 10-1993, point 1.3.80.

¹² OJ L 310, 14.12.1993; Bull. EC 12-1993.

¹³ OJ C 22, 26.1.1993; Bull. EC 1/2-1993, point 1.3.70.

¹⁴ OJ C 113, 23.4.1993; Bull. EC 4-1993, point 1.3.69.

¹⁵ OJ C 144, 25.5.1993; Bull. EC 5-1993, point 1.3.64.

¹⁶ OJ C 186, 8.7.1993; Bull. EC 7/8-1993, point 1.3.92.

¹⁷ OJ C 191, 15.7.1993; Bull. EC 7/8-1993, point 1.3.93.

¹⁸ OJ C 303, 10.11.1993; Bull. EC 11-1993, point 1.3.68.

¹⁹ OJ C 311, 17.11.1993; Bull. EC 11-1993, point 1.3.69; OJ C 344, 22.12.1993; Bull. EC 12-1993.

²⁰ OJ C 310, 16.11.1993; Bull. EC 11-1993, point 1.3.67.

from another country;¹ the Commission accepted an undertaking given by the Thai Government in connection with that proceeding, though only in relation to ball bearings exported directly to the Community.²

869. The Community and Japan reached an agreement on the terms of reference for the work of the GATT panel set up to examine the anti-dumping duties imposed by the Community on audio-cassettes imported from Japan.³ Following the decisions by the US authorities to impose countervailing and anti-dumping duties on various European steel products, the Community asked that a GATT panel be set up to examine the validity of such decisions.⁴

870. Israel and Venezuela imposed countervailing duties, and Mexico and Peru initiated anti-subsidy investigations on imports of certain processed agricultural products from the Community. The Commission is monitoring the progress of these investigations closely. In July Canada opened an anti-subsidy investigation on imports of synthetic baler twine from Portugal, but closed the case in October without further action. Lastly, a panel was set up in connection with the countervailing duties imposed by Brazil on imports of milk powder originating in the Community; bilateral consultations are already under way.

*Import and export arrangements with third countries,
State-trading countries and the People's Republic of China*

871. On 6 December the Council adopted Regulation (EC) No 3448/93* setting out the trade arrangements applicable to certain goods obtained from the processing of agricultural products, but not covered by Annex II to the EC Treaty.

872. By Regulation (EEC) No 1013/93,⁵ the Council also amended the autonomous import arrangements for products originating in Bulgaria and Romania, removing them from the scope of Regulations (EEC) Nos 3420/83⁶ and 1765/82.⁷ Under the common rules for imports originating in third countries, the Commission limited, albeit temporarily, the import into the Community of

¹ OJ L 163, 6.7.1993; Bull. EC 6-1993, point 1.3.67.

² OJ L 163, 6.7.1993; Bull. EC 7/8-1993, point 1.3.95.

³ Twenty-sixth General Report, point 975.

⁴ Point 699 of this Report.

⁵ OJ L 105, 30.4.1993; Bull. EC 4-1993, point 1.3.64.

⁶ OJ L 346, 8.12.1983; Seventeenth General Report, point 625.

⁷ OJ L 195, 5.7.1982; Sixteenth General Report, point 631.

unwrought aluminium originating in the Independent States of the former Soviet Union and the Baltic States.¹

873. The Commission rejected an application from the Italian Government, invoking Article 115 of the EEC Treaty, for authorization to exclude from Community treatment fresh bananas originating in certain non-ACP countries and entered for free circulation in another Member State. It also dismissed a similar appeal from the French Government concerning potassium salts and chlorides originating in the Russian Federation, Belarus or Ukraine.

Treaties, trade agreements and mutual recognition agreements

874. Pursuant to Decision 69/494/EEC,² the Council authorized on 6 December the automatic renewal or maintenance in force of certain friendship, trade and navigation treaties and similar agreements between Member States and non-member countries.³

Export credits

Agreement on officially supported export credits

875. The Council having, in December 1992,⁴ extended indefinitely the application in the Community of the guidelines on officially supported export credits, as amended by the 1991 arrangement,⁵ negotiations continued this year on those issues where agreement had still to be reached. Substantial progress on the formula for calculating the differentiated discount rate (DDR) should mean that long-term market rates are reflected more accurately and that interest rates based on special drawing rights (SDR), which bear no relation to the rates for the various currencies, need no longer be used. In November the OECD also launched a study on export credit insurance premiums. With regard to tied or partly untied aid, it was decided to monitor closely the work undertaken by the OECD's Development Assistance Committee (DAC). Negotiations regarding the agricultural and steel sectors remained deadlocked pending the outcome

¹ Point 894 of this Report.

² OJ L 326, 29.12.1969.

³ OJ L 317, 18.12.1993; Bull. EC 12-1993.

⁴ OJ L 44, 22.2.1993; Twenty-sixth General Report, point 985.

⁵ Twenty-fifth General Report, point 1034.

of the Uruguay Round. On 23 April the European Parliament passed a resolution on these matters.¹

Export credit insurance

876. The Commission continued its study of national credit insurance arrangements for short-term export finance, which must be comparable in their working to those of private sector insurers in order to avoid distortion of competition. As there is no commercial market in long-term export finance, the Commission is seeking to harmonize the various methods used by public sector insurers with a view to guaranteeing equal treatment for European clients (exporters or commercial banks).

Export promotion

877. This year's export promotion programme again focused on the expanding Asian markets, with a special emphasis on the ASEAN countries, and in particular Thailand, Malaysia and Singapore. Events were organized for the first time in southern China (in the construction sector) and India (to coincide with a large biennial industrial exhibition). They were well attended by European industrialists. The programme was successfully expanded to cover the Gulf countries, which provide ready outlets for an extensive range of products and are close enough to Europe to attract small and medium-sized businesses from many Member States. Mexico too saw its first event, in the shape of a trade forum on energy organized in conjunction with an existing technical cooperation programme. In all, some 800 Community undertakings, many of them first-time exporters, took part in the 14 events organized under this year's export promotion programme.

Individual sectors

Steel

Relations with the United States

878. Following the suspension of the GATT negotiations on the multilateral steel arrangement² and pressure from the US industry, provisional anti-dumping and countervailing duties had, in December 1992, been imposed on imports

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.3.71.

² Twenty-sixth General Report, point 992.

of certain steel products. The duties, which ranged from 5 to 142%, were confirmed in June, closing outright about 70% of the US market to Community exports of flat steel products. The Commission reacted by challenging the anti-dumping and countervailing proceedings in the GATT. The Council several times voiced its support for the Commission's initiatives, most notably in its declaration of 1 February,¹ pressing for a rapid solution to the conflict in the GATT. At the G7 meeting in Tokyo² the Community made the inclusion of steel in the zero-zero market access package dependent on the successful conclusion of a multilateral steel arrangement, which was itself contingent on the outcome of the US complaints. On 27 July the US International Trade Commission (ITC) ruled that the domestic industry had not been injured by imports of flat products in 19 of the 34 cases involving Member States. This decision resulted in one million tonnes of steel — some 54% of the volume of trade in these products from the Community — being exempted from duty. Despite this positive decision, a sizeable share of Community exports remains subject to customs duty. The Community is pursuing the actions brought before GATT likewise to investigate the duties imposed on other products (lead and bismuth bars and stainless wire rods).

Relations with the countries of Central and Eastern Europe and the Independent States of the former Soviet Union

879. Decisions 1/93(C) and 1/93(S) adopted by the EC-Czech Republic and Slovak Joint Committee on 28 May³ introduced a system of tariff quotas for the period 1 June 1993 to 31 December 1995, subject to annual review, covering imports of certain steel products into the Community. Arrangements for these quotas in the Community were subsequently laid down by Commission Decision 1970/93/ECSC and Council Regulation (EEC) No 1968/93.⁴

880. Following the Member States' decision of December 1992⁵ to pool national quotas for the Independent States of the former Soviet Union, imports of long products and flat-rolled products were limited to 102 000 tonnes and 219 000 tonnes respectively, with no restrictions on pig iron, cast iron and semi-manufactures. On 25 February⁶ the Council confirmed the principle of limiting

¹ Bull. EC 1/2-1993, point 1.3.72.

² Point 693 of this Report.

³ OJ L 157, 29.6.1993; Bull. EC 5-1993, point 1.3.69.

⁴ OJ L 180, 23.7.1993; Bull. EC 7/8-1993, points 1.3.98 and 1.3.99.

⁵ OJ L 396, 31.12.1992.

⁶ Bull. EC 1/2-1993, point 1.2.82.

steel imports originating in those countries until the end of 1995 as one of the external measures to support the restructuring of the Community steel industry.¹

881. The partnership agreements, with Russia, Ukraine and Kazakhstan are still under way. These agreements will be accompanied by specific bilateral ECSC protocols or agreements so as to fix the level of imports and replace autonomous quotas. On 10 December the Commission presented the Council with a recommendation for a decision* to that effect. As in previous years, small quantities of products not manufactured in the Community — wire rods and special electrical sheets — were admitted duty-free.

Autonomous ECSC arrangements

882. As the cooperation agreements with Romania and Bulgaria did not have ECSC protocols, the two countries had, until 1 January, remained subject to national quotas,² which were then replaced by a Community quota for 1993 covering a range of sensitive products, set at 276 000 tonnes for Romania and 185 000 tonnes for Bulgaria.³ The Community quotas for Romania and Bulgaria were abolished when the interim agreements with these countries came into force on 1 May 1993 and 1 January 1994 respectively.

Shipbuilding

883. Negotiations in the OECD for an international agreement on adherence to normal and fair conditions of competition in the shipbuilding sector were formally resumed in September,⁴ with a view to reaching political agreement by the end of the year. Considerable progress was made, particularly on the issue of unfair pricing. Among the problems still to be resolved are systems of indirect subsidies, and in particular Japan's, which the country is not yet committed to dismantling.

¹ Point 186 of this Report.

² Twenty-sixth General Report, points 991 and 993.

³ OJ L 396, 31.12.1992.

⁴ Twenty-sixth General Report, point 995.

Textiles

Consequences of the internal market

884. With the completion of the internal market for textiles on 1 January, quantitative restrictions previously negotiated on a bilateral basis are now set exclusively at Community level. The national restrictions imposed in bilateral agreements were either abolished or, in a limited number of cases, transformed into Community quotas.

885. Completion of the internal market for textiles has also meant major changes in the procedures for the administration of bilateral agreements. On 12 October the Council adopted Regulation (EEC) No 3030/93¹ updating the rules governing imports of textiles under the Multifibre Arrangement or preferential arrangements. The administrative procedures associated with the previous system of national quotas were abolished in favour of centralized quota administration, made possible by the coming on stream of an integrated licensing system which provides computerized control of import licences issued by the Member States. The new Regulation also confirmed the role of the Textile Committee set up in 1978 to help the Commission administer Community quotas.²

886. In order to implement the internal market, the Commission, on 13 July, put before the Council a proposal for a Regulation amending Regulation No 636/82 on economic outward processing arrangements in the textile sector.³

887. At the initiative of the European Parliament, budget resources were earmarked for the purpose of curbing, at Community level, fraud in imports of textile products, enabling the textiles anti-fraud initiative (TAFI) to be launched.

Bilateral Agreements with non-member countries

888. Pending the conclusion of the Uruguay Round negotiations, the 1986 protocol extending the Multifibre Arrangement, which was due to expire on 31 December 1993, was again extended for 12 months. At the same time all the

¹ OJ L 275, 8.11.1993; Bull. EC 10-1993, point 1.3.82.

² OJ L 365, 27.12.1978.

³ Point 855 of this Report.

bilateral agreements* negotiated under the MFA at the end of 1992 were concluded by the Council this year (Argentina, Bangladesh, Brazil, China, Colombia, Guatemala, Hong Kong, India, Indonesia, Macao, Malaysia, Mexico, Pakistan, Peru, Philippines, Singapore, South Korea, Sri Lanka, Thailand, and Uruguay), as well as the agreement with Viet Nam and the textile protocols to the Europe Agreements with Poland and Hungary.

889. New agreements were negotiated this year with the 12 Independent States of the former Soviet Union (Belarus*, Ukraine*, Moldova*, Uzbekistan*, Russia*, Tadjikistan*, Armenia*, Azerbaijan*, Kyrgyzstan*, Turkmenistan*, Georgia* and Kazakhstan*), and with Latvia*, Lithuania*, Albania*, Mongolia* and Slovenia*.

890. Unless the outcome of the Uruguay Round is given effect at an earlier date, the bilateral agreements negotiated in 1992 and 1993 will remain in force until the end of 1994, with the option of automatic renewal for a further year.

891. In the context of the Europe Agreements, the Commission, on 21 and 30 April respectively, signed new protocols on trade in textiles with Bulgaria and Romania. The protocols provide for the abolition of quantitative restrictions by 1 January 1999 and immediate and significant improvements in the areas of customs duties and the volume of exports to the Community (in addition to the tariff concessions granted by the Europe Agreements). Also in the context of the Europe Agreements, additional protocols were initialled on 17 September acknowledging the separation between the Czech Republic* and the Slovak Republic*. On 20 December the Council rounded off the measures on interim application adopted in 1992 with a decision to apply provisionally all the agreements and protocols negotiated in 1993.¹

Preferential agreements with certain countries

892. The consultations opened with Turkey in 1992² culminated in June with an agreement³ to renew for two years the arrangement governing the export of Turkish clothing products. The Commission also opened negotiations with Morocco, Tunisia and Egypt on exports to the Community of textile and clothing products, and with Turkey on textile products, with a view to renewing

¹ OJ L 410, 31.12.1992; Twenty-sixth General Report, point 997.

² Twenty-sixth General Report, point 1003.

³ Bull. EC 11-1993, point 1.3.71.

for two years the agreements concluded. Two-year arrangements were negotiated with Morocco, Tunisia and Egypt; negotiations with Turkey will resume in 1994.

Automobiles

893. Having found that the aid granted by the Austrian Government to a number of car manufacturers was incompatible with the provisions of the EEC-Austria free trade agreement,¹ on 20 December, the Council decided to withdraw certain tariff concessions granted to Austria under the agreement.²

Other products

894. After investigating the considerable increase in low-price imports of unwrought aluminium from the Independent States of the former Soviet Union and the Baltic States, the Commission adopted Regulation (EEC) No 2227/93 limiting until 30 November the volume of such imports into the Community to 60 000 tonnes, allocated on the basis of traditional trade flows.³ The measure was extended until 28 February 1994 by Regulation (EC) No 3257/93 covering a further 45 000 tonnes.⁴ It will cease to apply as soon as voluntary restraint agreements are reached with the countries in question, and Russia in particular. On 8 November the Council adopted negotiating Directives for such arrangements* with Azerbaijan, Russia, Ukraine and Tadjikistan.

895. The Commission also proposed that an agreement on space launch services be concluded with Russia*.

¹ OJ L 300, 31.12.1972.

² Point 688 of this Report.

³ OJ L 198, 7.8.1993; Bull. EC 7/8-1993, point 1.3.96.

⁴ OJ L 293, 27.11.1993; Bull. EC 11-1993, point 1.3.72.

Section 13

International organizations and conferences

United Nations

General Assembly

896. The opening of the 48th session of the General Assembly saw six new members admitted to the United Nations: the Czech Republic, the Slovak Republic, Eritrea, the principality of Monaco, the Former Yugoslav Republic of Macedonia and the Republic of Andorra. Mr Van den Broek attended the first week's proceedings and also took part in a series of separate meetings between the Community and a considerable number of States and regional groupings. Following the entry into force of the Treaty on European Union on 1 November, Mr Claes, President of the Council, made a number of declarations in relation to items on the agenda on behalf of the European Union. The main themes addressed were the Middle East peace process, the situation in former Yugoslavia, South Africa, the establishment of the post of High Commissioner for Human Rights, the refugee problem and the reform of the Security Council. The European Union was an active participant in these debates. The Commission was also invited to take part in high-level talks on the drug problem during which Mr Flynn made history as the first ever Member of the Commission to deliver a speech at a plenary session of the United Nations General Assembly.

Economic and Social Council/Sustainable Development Commission

897. During its organizational session in February, the Economic and Social Council (Ecosoc) was presented with a proposal on the arrangements for the Community's full participation in the Sustainable Development Commission in areas falling within the scope of its powers. Negotiations on this matter with Ecosoc's partners took place throughout the year. An official decision is expected sometime in 1994.

898. Ecosoc's annual session was held in Geneva from 28 June to 30 July. It opened with a high-level debate devoted in part to preparation for the world

summit on social development to be held in Copenhagen in March 1995 and to which the Community attaches great importance. The Community was also actively involved in the coordination of humanitarian assistance, an area in which it plays a leading role.¹

899. The 48th annual session of the United Nations Economic Commission for Europe was held in Geneva from 19 to 27 April. Despite the transitional nature of this session, the implementation of stage one of the procedural changes agreed in 1992² engendered a significant improvement in the quality of the debates which, building upon progress attained in previous years, focused primarily on the need to concentrate efforts and scarce resources on the priority sectors of ECE activity (transport, environment, trade, statistics and economic analysis) as well as the role and methods of the ECE in supporting the process of economic transition in the Central and East European countries and the newly-Independent States of the former Soviet Union.

Convention on the Law of the Sea

900. The 1982 United Nations Convention on the Law of the Sea has to date been ratified by 55 developing countries, plus Iceland. The results of negotiations to improve Part XI of the Convention (Exploitation of the sea-bed), conducted by the industrialized countries since 1982, give every indication that a favourable outcome will shortly be attained.

United Nations Environment Programme

901. The Commission took part in the 17th session of UNEP's governing council, which was held in Nairobi from 10 to 21 May. During this meeting, the governing council adopted fresh guidelines and priorities for activities in an effort to facilitate the tasks assigned to it by the United Nations Conference on Environment and Development (UNCED).³

¹ Point 836 of this Report.

² Twenty-sixth General Report, point 1011.

³ Twenty-sixth General Report, point 596.

International Monetary Fund (IMF) and the World Bank (IBRD)

902. The International Monetary Fund and the World Bank held a number of meetings in conjunction with their annual meetings, which took place in Washington from 25 to 29 September.¹ The Community was represented by Mr Maystadt, President of the Council, and Mr Christophersen. Commission representatives also took part in the discussions of the Group of Ten, the Interim Committee and the Development Committee.

General Agreement on Tariffs and Trade (GATT)

903. Owing to the Uruguay Round negotiations, the 49th session of the GATT Contracting Parties was postponed until early 1994.

904. During the year the GATT Council examined a large number of issues falling within its field of competence, notably trade disputes, questions involved in cases of State succession, new accessions, regional agreements and the review of trade policies. Much of its attention was devoted to examining the Community's import arrangements for bananas.² On 17 and 18 May, it verified for the second time the compatibility of Community trade policy with the procedures established in Montreal in 1989. Following this review, the President of the GATT Council stressed the benefits of the internal market, both to the Community and its trading partners, confirming the Community's strict adherence to the rules of multilateral trade, which is unimpaired by the conclusion of preferential agreements with the countries of Central and Eastern Europe and EFTA.

905. The Committee on Trade and Development devoted most of its attention this year to the implementation of Part IV of the Agreement. A number of more specific issues were tackled, such as recent moves towards greater regional integration in the developing countries (Mercosur, ASEAN),³ the functioning of the generalized system of preferences, technical assistance to the developing countries and the revitalization of the subcommittee on protective measures. The Committee also decided to include environmental issues in future work programmes.

¹ Point 38 of this Report.

² Point 529 of this Report.

³ Point 761 of this Report.

906. The working party set up to consider the proposal for accession to GATT of 'Chinese Taipei' as a separate customs territory held a number of meetings,¹ as did the group set up to examine the status of the People's Republic of China.²

907. The committees on the codes on non-tariff measures (subsidies, dumping, technical standards, government procurement, trade in civil aircraft and import licensing) held regular meetings on the administration of the agreements.

908. In addition to the above activities, the Uruguay Round of multilateral trade negotiations also continued throughout the year.³

Organization for Economic Cooperation and Development (OECD)

909. This year the OECD's chief priority was to establish the reasons for the lack of progress in the fight against unemployment and to advise on appropriate remedial action. The Commission, which is actively involved in the work of the OECD, where it represents the European Community, made its contribution to the deliberations in the form of its own analysis of unemployment in Europe.⁴ An interim report containing an overview of its findings was presented to the ministers of the OECD member countries in June.

910. In the field of trade, activities relating to the new dimensions of trade policy in the 1990s were stepped up.⁵ The Commission played a major role in seeking multilateral solutions as regards the interaction between trade and environment policies, adopting a set of procedural guidelines for governments. It also undertook to support and encourage activities in the field of trade and competition.

911. The OECD carried on its dialogue with non-member States and continued to provide help and advice to the countries of Central and Eastern Europe and the Independent States of the former Soviet Union, as advocated by Sir Leon Brittan, speaking in the name of the Commission at the OECD annual minis-

¹ Twenty-sixth General Report, point 1017.

² Twenty-first General Report, point 892.

³ Point 843 of this Report.

⁴ Point 432 of this Report.

⁵ Twenty-sixth General Report, point 1020.

terial meeting held on 2 and 3 June.¹ At this meeting, ministers undertook to launch new initiatives intended to improve macroeconomic and structural policies and to extend international cooperation, made possible chiefly thanks to the consolidation of the open multilateral trading system. Finally, they invited the OECD to examine with Mexico the conditions for that country's accession to the organization.

Conference on Security and Cooperation in Europe (CSCE)

912. This year CSCE activities focused primarily on the implementation and consolidation of the results of its Helsinki and Stockholm meetings held in 1992² which represented a major step forward in the development of the CSCE as a comprehensive organization for conflict prevention and crisis management, with particular capacity for preventive diplomacy. Keeping a close eye on the development of current crises and their effect on regional stability, the OECD continued its work in former Yugoslavia through its missions in the territories of Kosovo, Sandjak, Vojvodina and Skopje. It also followed the process of negotiations on Nagorno-Karabakh through the Minsk Group and monitored developments in Moldova (self-proclaimed Republic of Transdniestra) and Georgia (South Ossetia). It set up preventive diplomacy missions in Estonia and Latvia to help the authorities deal with tensions arising from the presence of large Russian-speaking communities. Furthermore, the CSCE Chairman in office, the Swedish Minister for Foreign Affairs, Baroness Margaretha af Ugglas, made visits to Central Asia and the Caucasus as part of a tour of the capitals of new CSCE participating States. Her personal representatives observed closely the development of crises in Nagorno-Karabakh, Georgia, Tadjikistan and Latvia.

913. The Committee of Senior Officials (CSO) met in Prague on five occasions, in February, April, June, September and November. Furthermore, as agreed in Helsinki the previous year, it met in Prague from 16 to 18 March as the Economic Forum. In addition to CSCE participating States, 10 international organizations were invited to take part in this forum, which provided the opportunity to consolidate and stimulate the transition process towards a market economy currently under way in Central and Eastern Europe and in the Independent States of the former Soviet Union. The discussions focused

¹ Bull. EC 6-1993, point 1.3.72.

² Twenty-sixth General Report, points 1025 and 1029.

primarily on the key elements of a favourable business climate, social and environmental factors and the factors of economic integration.

914. A Mediterranean seminar was held in Valetta from 17 to 21 May to examine environmental issues and migration and also the possibilities for developing cooperation between the CSCE and non-participating Mediterranean States. Six such States were represented alongside the CSCE, namely Egypt, Israel, Morocco, Tunisia, Lebanon and Libya (Algeria and Syria did not participate), together with a number of international organizations. A number of meetings on the human dimension were organized in Warsaw under the aegis of the Office of Democratic Institutions and Human Rights (ODIHR). The Seminar on migration which took place from 20 to 30 April provided the opportunity to highlight the need to tackle the root causes of migration flows and to develop further CSCE mechanisms for the protection of migrants. The seminar on regional minorities which took place from 24 to 28 May underlined the important role to be played by the CSCE in defining and implementing rules for the protection of minorities. The CSCE human dimension implementation meeting which took place from 27 September to 15 October culminated in the adoption of recommendations to the CSO reaffirming human rights as an integral part of European security. The Seminar on free media held from 2 to 5 November provided an opportunity to foster discussion and the establishment of contacts between government representatives and media practitioners with the aim of initiating action to promote democracy in this field.

915. The Commission played a particularly active role in the preparation of the fourth meeting of the CSCE Council of Ministers, which took place in Rome from 30 November to 1 December,¹ particularly in the areas of the economic dimension, relations between the CSCE and the non-participating Mediterranean States, the Pact on stability in Europe, the legal status of the CSCE and its attendant privileges and immunities. Mr Van den Broek went on to address the Council on action undertaken by the Union and the Commission in support of the implementation of CSCE principles and objectives. At the end of the meeting, the Ministers adopted a political communiqué entitled 'CSCE and the New Europe — Our security is indivisible' and took a number of decisions on issues in the areas of security, preventive diplomacy, peacekeeping, the human dimension, relations with other international organizations, the economic dimension and its structures and the legal status of the CSCE. The Ministers asked the CSO to examine the question of the presence of an impartial

¹ Bull. EC 12-1993.

third party military force in conflict areas. Former Yugoslavia was the main focus of discussion and the Ministers welcomed the EU action plan which had been discussed in Geneva on 29 November. No decision was reached, however, in respect of Nagorno-Karabakh owing to the major political differences between Armenia and Azerbaijan.

Council of Europe

916. During the course of the year, steps were taken to enlarge the Council of Europe and cooperation with the countries of Central and Eastern Europe was stepped up. Membership increased to 32 with the accession of Estonia, Lithuania and Slovenia at the 92nd meeting of the Committee of Ministers held on 14 May¹ and the accession of Romania on 7 October. This year also saw the introduction of new cooperation and assistance programmes to help applicants for admission, in particular Albania and Russia.

917. Against an auspicious backdrop, the Community sought to extend cooperation with the Council of Europe in all areas, notably those which particularly lend themselves to complementary action. In the context of the new institutional arrangements agreed on 16 June 1987,² the Commission was involved in the major political events which punctuated the activities of the Council of Europe during the course of the year; having made an active contribution to the preparatory work, it took part in the first summit of Heads of State or Government held in Vienna on 8 and 9 October;³ it also participated in the 92nd and 93rd meetings of the Committee of Ministers held on 14 May and 4 November, and in the conference of ministers for youth on 14 and 15 April. Due to time constraints, it was not possible to hold the usual annual quadripartite meetings but the Secretary-General of the Commission participated in the annual exchange of views with the ministers' deputies on 21 April. On 15 December, Parliament called for a strengthening of relations between the Union and the Council of Europe.⁴

918. Meetings between the Commission and the Council of Europe were held on such topics as culture, education, environment, heritage, youth, audiovisual techniques and legal matters.

¹ Bull. EC 5-1993, point 1.3.78.

² OJ L 273, 26.9.1987; Twenty-first General Report, point 902.

³ Bull. EC 10-1993, point 1.3.87.

⁴ Bull. EC 12-1993.

919. Cooperation with the Central and East European countries was consolidated with the signature in July of the joint programme for the reinforcement of laws and respect for human rights in Albania. Other joint action programmes have also been launched, particularly in respect of the Baltic States. The Council of Europe and the Commission also organized jointly the conference on the coordination of assistance for the establishment of democratic institutions in the countries of Central and Eastern Europe, held in Strasbourg on 6 and 7 December.

European Bank for Reconstruction and Development (EBRD)

920. Details of the activities of the European Bank for Reconstruction and Development are contained in Section 1, 'Economic and monetary policy' in Chapter II.¹

¹ Points 47 and 48 of this Report.

Chapter IV

The common foreign and security policy of the European Union

Section 1

Implementation

921. It was stressed at the Brussels European Council in October that the entry into force of the Treaty on European Union on 1 November marked the beginning of a new stage in the process of giving Europe a stronger identity in matters of common foreign and security policy.¹ The political ambition contained in Title V (Articles J.1 to J.11) of the Treaty is to establish an active common foreign and security policy which must enable the Union, speaking with a single voice, to fulfil the hopes which were created by the end of the cold war and to face the new challenges presented by the upheavals in the international arena. The European Council approved the Council's report on the legal and practical procedures for implementing the Treaty.

The external activities of the European Union form a coordinated whole which embraces foreign policy, including all aspects of security, and also economic policy, development policy and cooperation in the fields of justice and home affairs. This comprehensive approach has a single institutional framework, with the Council and the Commission both taking responsibility for coordination.

The new Treaty calls for closer collaboration between the diplomatic and consular missions of the Member States and the Commission Delegations in non-Community countries and greater coordination between the Member States with a seat on the United Nations Security Council. The effectiveness of the decision-making process will be increased by applying the Council's working methods to the common foreign and security policy and by allowing a qualified

¹ Bull. EC 10-1993, point I.4.

majority for joint actions; in the case of common foreign and security policy decisions requiring unanimity, the Member States will, as far as possible, avoid standing in the way of a unanimous decision where there is a qualified majority in favour of that decision.

The objectives of the security policy were clearly defined at the Brussels European Council in October: it must be aimed in particular at reducing risks and uncertainties which could impair the territorial integrity and political independence of the Union and of its Member States, their democratic nature, their economic stability and the stability of the neighbouring regions. In this context, the European Council requested the Western European Union (WEU), which forms an integral part of the development of the Union, to implement all the provisions contained in Article J.4 of the new Treaty and in the Declaration concerning the WEU. Relations between the Union and the WEU will evolve and will have to be reviewed in the light of the report to be presented at the 1996 intergovernmental conference. Ultimately, the common defence policy could lead to the setting in place of a common defence, shaped by the Union to take account of its common security interests.

The common foreign and security policy is to be implemented on two different levels. First, there are the common positions: the Member States must ensure that their national positions tie in with these. Second, there are joint actions, which 'commit the Member States in the positions they adopt and in the conduct of their activity' and are adopted in areas in which the Member States have important interests in common. This new instrument represents a sea change in that greater discipline is required of the Member States and all the resources necessary for attaining the objectives of the Union are to be pooled.

922. On the basis of the guidelines laid down by the European Council in October,¹ the Council adopted the first two joint actions on 8 November for immediate implementation, one concerning the convoying of humanitarian aid in Bosnia and Hercegovina,² with increased funds made available to the UNHCR and the designation of priority routes, which was finalized by a Council Decision of 20 December,³ and the second concerning the dispatch of a team of observers for the parliamentary elections in the Russian Federation.⁴ On 6 December the Council adopted a new joint action concerning support for the process of democratic and multiracial transition in South Africa, with the

¹ Bull. EC 10-1993, point I.4.

² OJ L 286, 20.11.1993; Bull. EC 11-1993, point 1.4.1.

³ OJ L 339, 31.12.1993; Bull. EC 12-1993.

⁴ OJ L 286, 20.11.1993; Bull. EC 11-1993, point 1.4.2.

setting-up of a framework of cooperation to help consolidate the economic and social bases for transition in accordance with Resolution 883 (1993) of the United Nations Security Council.¹ On 17 December, using its prerogative under Article J.7 of the Treaty on European Union, Parliament adopted two recommendations, one on Bosnia-Herzegovina and the other on South Africa.²

923. On 22 November the Council adopted a common position based on Article J.2 of the Treaty on European Union with regard to the reduction of economic relations with Libya.³ It also adopted an embargo against Libya.⁴

924. Pursuant to guidelines laid down by the European Council in October, the December European Council meeting decided on the creation of a European stability pact.⁵ On 20 December the Council accordingly adopted a joint action along these lines.⁶ The initiative is intended to prevent tension and conflict in Central and Eastern Europe, promote neighbourly relations and settle problems of frontiers and national minorities in the region.

925. At its December meeting the European Council also reiterated its intention to support the Middle East peace process in the form of a common position, and identified areas lending themselves to initiatives of this kind, including support for the Palestinian provisional self-governing authority and for elections in the autonomous Palestinian territories.

¹ OJ L 316, 17.12.1993; Bull. EC 12-1993.

² OJ C 20, 24.1.1994; Bull. EC 12-1993.

³ OJ L 295, 30.11.1993; Bull. EC 11-1993, point 1.4.12.

⁴ Point 744 of this Report.

⁵ OJ L 339, 31.12.1993; Bull. EC 12-1993.

⁶ Bull. EC 12-1993.

Section 2

European political cooperation

926. The following is a summary of the positions taken by the Community and its Member States and, following the entry into force of the Union Treaty, by the European Union, in statements adopted in the course of the year on international political issues.¹ The statements referred to events in Europe, notably in the new Independent States of the former Soviet Union and the former Yugoslavia, and also in the Mediterranean, the Middle East, Africa, Latin America and Asia.

Former Soviet Union

927. The Community and its Member States welcomed the outcome of the referendum of 25 April, in which the Russian people indicated its support for President Boris Yeltsin and for the reforms he had initiated in order to start the country along the road to democracy and a market economy.² The Community and its Member States reiterated their willingness to continue and increase their support for the process under way, and also their desire to see a speedy conclusion to the negotiations on the cooperation and partnership agreement between the Community and Russia. They also considered that the withdrawal of Russian troops stationed in Lithuania represented a substantial contribution to maintaining stability and security in Europe. They called on the Russian Government to continue the talks on withdrawing its troops from Estonia and Latvia. The events in Moscow in October were followed with concern by the Community and its Member States, which saw in these events an attempt at destabilization by forces hostile to the democratization process in Russia. At the same time they renewed their expression of support for President Yeltsin and urged the need for free elections to be held to launch the country along the way to democracy and pluralism.

928. The situation in Nagorno-Karabakh³ was a matter of concern to the Community and its Member States, which expressed their support for the

¹ All statements adopted by the Community and its Member States in the European political cooperation context are published in full in the *Bulletin of the European Communities*.

² Bull. EC 4-1993, point 1.4.12; Bull. EC 9-1993, point 1.4.11; Bull. EC 10-1993, point 1.4.2.

³ Bull. EC 3-1993, point 1.4.5; Bull. EC 4-1993, point 1.4.6; Bull. EC 6-1993, point 1.4.10; Bull. EC 9-1993, point 1.4.5.

Minsk peace process begun under the auspices of the Conference on Security and Cooperation in Europe (CSCE) and called on the Governments of Armenia and Azerbaijan to comply with the principles of the CSCE — which they had recently joined — and in particular those relating to respect for territorial integrity and rejection of the use of force. In a series of statements the Community and its Member States called for an immediate cease-fire and deplored the mounting loss of human life. They therefore welcomed the cessation of fighting on 24 June and appealed to the Armenian and Azeri Governments to ensure that their troops in the field complied with the terms of the cease-fire, so that CSCE observers could be deployed in Nagorno-Karabakh. The resumption of fighting prompted the Community and its Member States to condemn strongly the attacks by Armenian troops and to urge the Armenian Government to comply with Security Council Resolutions 822 and 853 and the proposals by the Minsk group, by refraining from supplying its own forces involved in the fighting with the material assistance that would enable them to launch fresh attacks.

929. Tadjikistan¹ had also recently been admitted to the CSCE, like Armenia and Azerbaijan, and was therefore under the obligation, as the Community and its Member States pointed out in a statement on 29 June, to adhere to certain basic principles, including the election of a democratic government and political pluralism. The Government's recent decision to ban the four main opposition parties was therefore deplored by the Community and its Member States. Outbreaks of violence, resulting in the death of numerous civilians as well as military personnel, led the Community and its Member States to reiterate also their strong support for Tadjikistan's territorial integrity and sovereignty and to call on the opposing forces to enter into negotiations, as the only means of reaching a lasting settlement to the conflict, in cooperation with the United Nations and with the support of the CSCE.

930. The European Union welcomed the opening of negotiations under the auspices of the United Nations on the situation in Georgia,² with particular reference to the Abkhaz region, on 30 November. It called on the parties concerned to find a political solution to the conflict within the framework of existing borders, and reaffirmed the importance it attached to respect for the sovereignty and territorial integrity of Georgia. The Union also expressed serious concern for Abkhaz refugees, and urged the parties to the conflict not to impede humanitarian assistance to them.

¹ Bull. EC 6-1993, point 1.4.14; Bull. EC 7/8-1993, point 1.4.11.

² Bull. EC 11-1993, point 1.4.10.

Former Yugoslavia

931. The common position of the Community and its Member States on the fighting in the former Yugoslavia¹ was centred around a number of guidelines. First, the Community and its Member States supported unreservedly the Vance-Owen peace plan and United Nations activity on the spot, and appealed constantly for strict implementation of Security Council resolutions 781 and 798 by all parties to the conflict. Secondly, they kept up the pressure on the parties to reach a negotiated settlement and, with this in view, they were concerned that practical measures should be adopted. Accordingly, they welcomed on 5 April the decision adopted by the extraordinary Council of Ministers of the Western European Union relating to measures to strengthen enforcement of the UN embargo on the Danube. In addition, they expressed the view on 13 January that an international criminal court should be set up and declared themselves ready to support such a project in the United Nations.

A further constant concern of the Community and its Member States was to step up humanitarian aid and condemn all atrocities committed in the course of the fighting. The Warburton mission drew up a full report on the situation and produced evidence of numerous abuses, notably against the Muslim population. The Community and its Member States reacted by demanding that these odious practices should cease. They also intervened to secure the release from detention in Belgrade of the opposition leader Vuk Draskovic and his wife.

932. At the European Council meeting in Copenhagen on 21 and 22 June the Community and its Member States reaffirmed their support for the Vance-Owen plan and their belief that any negotiated settlement must be based on adherence to certain principles, foremost among them being the independence, sovereignty and territorial integrity of Bosnia-Herzegovina, protection of human rights and the rights of minorities, the importance of humanitarian aid and the prosecution of perpetrators of war crimes. They also referred to the need for speedy implementation of United Nations resolutions on safe areas, stating that the sanctions in force against Serbia would be maintained and tightened so long as the conditions set for their removal by the Community and the United Nations remained unfulfilled.

933. At its meeting in December, the European Council urged the parties to the conflict to make a success of the Action Plan proposed by the European

¹ Bull. EC 1/2-1993, points 1.4.5, 1.4.9, 1.4.10 and 1.4.12; Bull. EC 3-1993, point 1.4.9; Bull. EC 4-1993, point 1.4.3; Bull. EC 5-1993, point 1.4.6; Bull. EC 6-1993, points 1.4.5 and 1.4.13; Bull. EC 9-1993, point 1.4.6.

Union, which formed the basis for negotiations on ending the conflict. It reminded the Serbs that only real territorial concessions by them in Bosnia-Herzegovina and acceptance of the *modus vivendi* in Croatia would induce the Union to work for the lifting of sanctions.

Mediterranean

934. The successive seizure of British and French nationals as hostages in Turkey¹ by the PKK was forcefully condemned by the Community and its Member States, which called on 30 July for their release and subsequently for the release of the Italian, Swiss, German and New Zealand nationals who had been kidnapped shortly after the first hostages were freed. They pointed out that they regarded all hostage-taking as a repulsive and criminal practice which could not be justified by any political motive or objective.

935. In a statement on 27 October, the Community and its Member States expressed their deep concern at the increase in violence in Algeria² and condemned the kidnapping of three French employees, urging their immediate release. The Community and its Member States called upon the Algerian authorities to take every possible measure to restore order and said that they would continue to follow developments in Algeria very closely.

Middle East

936. In the context of the Middle East peace process, the Community and its Member States paid tribute to the Israeli and Palestinian leaders who had made possible the conclusion of a historic peace agreement that would be decisive for stability in the region.³ They declared their readiness, on 13 September, to give their political support to further international arrangements and stated that they would be continuing their financial support for the Occupied Territories. Aid of ECU 20 million was granted immediately, pending discussions with the Palestinian institutions — once these were set up — on the provision of subsequent aid. As chairman of the working party on regional economic development, the Community also stated that it was ready to help with all

¹ Bull. EC 7/8-1993, points 1.4.7, 1.4.14 and 1.4.17.

² Bull. EC 10-1993, point 1.4.6.

³ Bull. EC 7/8-1993, point 1.4.19; Bull. EC 9-1993, point 1.4.9.

forms of regional economic cooperation, as a means of furthering the economic development of the Middle East.

937. The fate of two United Kingdom nationals, imprisoned for seven and 10 years respectively for illegal entry into Iraq,¹ aroused the concern of the Community and its Member States; they warned that the sanctions in force would be maintained so long as Iraq failed to comply with the cease-fire agreement, and pointed out that no member of the United Nations was authorized to ignore UN resolutions relating to sanctions.

938. A further point of concern was the situation in Lebanon,² and more especially the upsurge of violence on the Israel-Lebanon border; the Community and its Member States adopted a statement on 27 July deploring the loss of human life and the displacement of several thousand people. They called on all the parties involved to take an active part in the negotiations under way and to cooperate with the United Nations forces stationed in the area. They considered it essential that the sovereignty, territorial integrity and independence of Lebanon should be fully respected, so that the country could begin to make solid progress towards peace and democracy.

939. The Community and its Member States welcomed the first multi-party elections in Yemen,³ which they saw as a first step towards the establishment of a democratic form of government with representative institutions.

Africa

940. While strongly condemning acts of terrorism and violence in South Africa⁴ (notably the murder of Chris Hani in April), the Community and its Member States continued to express their commitment to the conclusion of a negotiated settlement, as the sole means of achieving lasting civil peace and the establishment of a democratic system in South Africa. They also welcomed, on 25 September, the progressive lifting of the economic sanctions that had been adopted against the Pretoria regime. Earlier, on 8 June, they had announced that they would be willing to adjust their policy towards South Africa in line with developments in the situation and progress towards democracy.

¹ Bull. EC 1/2-1993, point 1.4.3; Bull. EC 3-1993, point 1.4.11.

² Bull. EC 7/8-1993, point 1.4.13.

³ Bull. EC 5-1993, point 1.4.2.

⁴ Bull. EC 3-1993, point 1.4.10; Bull. EC 4-1993, point 1.4.7; Bull. EC 9-1993, point 1.4.12.

941. The Community and its Member States followed closely the development of the political situation in Togo,¹ making it clear that there could be no question of organizing elections until the country was calm again. They therefore welcomed the signing of the agreement reached on 11 July between the parties present.

942. On 29 September the Community and its Member States welcomed the signing of the Cotonou agreement, making it possible to establish in Liberia provisional institutions to be responsible for running the country pending the holding of elections.² They also welcomed the inclusion of humanitarian aid as part of the process of restoring peaceful conditions, and stated their readiness to consider at the appropriate time the possibility of providing assistance for the democratic process under way.

943. The worsening political situation in Congo³ caused concern for the European Union, which on 18 November called on the parties concerned to uphold the Libreville agreement and reaffirmed the support for the agreement which it had expressed in a statement published on 24 August. The Union pointed out that the political situation could only be stabilized if all interested parties supported the international arbitration board designated to settle electoral disputes, so that the elections could be held in an open and fair manner.

944. The attempted coup in Burundi⁴ was strongly condemned by the Community and its Member States on 22 October; they urged all parties to work to restore peace and constitutional order to the country.

945. On 1 February the Community and its Member States recorded their shock at the murder of the French Ambassador in Zaire⁵ and expressed their acute concern with regard to the fate of their nationals, as a fresh outbreak of violence jeopardized the process of transition towards democracy. The appointment in April of a new prime minister, in disregard of the decisions reached by the Sovereign National Conference, prompted the Community to suspend cooperation with the Zaire Government and to approve both a ban on arms sales and the adoption of a restrictive policy on visas towards Zaire.

¹ Bull. EC 1/2-1993, point 1.4.15; Bull. EC 4-1993, point 1.4.14; Bull. EC 5-1993, point 1.4.5; Bull. EC 7/8-1993, point 1.4.10.

² Bull. EC 9-1993, point 1.4.13.

³ Bull. EC 7/8-1993, point 1.4.16; Bull. EC 11-1993, point 1.4.5.

⁴ Bull. EC 10-1993, point 1.4.5.

⁵ Bull. EC 1/2-1993, point 1.4.11; Bull. EC 4-1993, point 1.4.5.

946. Having earlier commented favourably on the satisfactory conduct of the parliamentary and presidential elections in Nigeria,¹ the Community and its Member States were greatly concerned at the decision by the military government to cancel the results, particularly as the elections represented the first stage in the process of establishing a democratic and pluralist government. In response to the deterioration of the political climate and the uncertainty of future developments, the Community and its Member States adopted sanctions against Nigeria by suspending further cooperation aid and placing restrictions on the issue of visas to members of the military or the security forces and their families. A review of sanctions was ordered after the military coup, which the European Union strongly condemned on 19 November, calling for democratic institutions to be restored immediately.

947. In Malawi² the organization of the referendum on the single party system was followed with close attention. The Community and its Member States considered that it was important to sustain the process of transition towards democracy in Malawi and they maintained accordingly their assistance with the arrangements for the referendum, while emphasizing explicitly that observance of human rights remained a fundamental prerequisite for restoring cooperation.

948. The conflict in Angola³ between government forces and UNITA was also followed with attention. The Community and its Member States expressed their acute concern at the fierce fighting which jeopardized the peace process initiated by the Bicesse Agreements in May 1991. They confirmed their support for the efforts being made by the United Nations, pursuant to Resolutions 804 and 811, to bring the parties to the negotiating table. They also expressed grave concern at the humanitarian situation and declared their readiness to keep up their assistance to the Angolan people.

949. The course of events in Rwanda⁴ had been followed by the Community and its Member States; they welcomed the signing on 4 August of the Arusha agreements as representing an important step towards establishing peace in Rwanda.

950. On 8 June the Community and its Member States reaffirmed their support for the United Nations in the peace-keeping operation in Somalia.⁵

¹ Bull. EC 6-1993, point 1.4.11; Bull. EC 7/8-1993, point 1.4.6; Bull. EC 11-1993, point 1.4.7.

² Bull. EC 3-1993, point 1.4.7; Bull. EC 4-1993, point 1.4.8; Bull. EC 6-1993, point 1.4.3.

³ Bull. EC 1/2-1993, points 1.4.8 and 1.4.16; Bull. EC 4-1993, point 1.4.11.

⁴ Bull. EC 1/2-1993, points 1.4.6 and 1.4.14; Bull. EC 7/8-1993, points 1.4.8 and 1.4.15.

⁵ Bull. EC 6-1993, point 1.4.6.

They deplored the killing of the Pakistani military personnel serving with the United Nations and renewed their appeal for a cease-fire and for all forces to cooperate with Unosom II, so that it could carry out its humanitarian mission.

Latin America

951. Guatemala's confirmation of its recognition of Belize¹ led the Community and its Member States to issue a statement on 12 July welcoming the strengthening of relations between the two countries, which was seen as a major contribution to stability in the region.

952. Following the terrorist attacks in February and March in Colombia,² the Community and its Member States issued on 2 March a forceful condemnation of narco-terrorism and violence, reaffirming their support for the Colombian Government in its struggle to preserve democracy and the rule of law.

953. The restoration of constitutional order and the appointment of a new president in Guatemala³ were welcomed in a statement issued on 7 June. The Community and its Member States expressed their support for the process of transition towards democracy and observance of human rights.

954. On 6 July the Community and its Member States welcomed the signing of the agreement reached in Haiti⁴ between President Jean-Bertrand Aristide and the army commander-in-chief. They decided on 1 September to suspend the sanctions adopted against Haiti under Resolution 841, but in the light of a deteriorating situation (the killing of Aristide supporters and the Justice Minister, Mr Malary), they expressed their deep-felt indignation in joint statements on 20 September and 15 October, renewing their support for the implementation of the Governor's Island agreement.

955. On 26 August the Community and its Member States issued an appeal for national reconciliation in Nicaragua,⁵ as the only means of enabling the country to advance towards democracy and economic development. In a

¹ Bull. EC 7/8-1993, point 1.4.5.

² Bull. EC 3-1993, point 1.4.2.

³ Bull. EC 5-1993, point 1.4.7; Bull. EC 6-1993, point 1.4.4.

⁴ Bull. EC 1/2-1993, point 1.4.7; Bull. EC 7/8-1993, point 1.4.2; Bull. EC 9-1993, points 1.4.3 and 1.4.10.

⁵ Bull. EC 7/8-1993, point 1.4.18; Bull. EC 9-1993, point 1.4.7.

statement on 6 September they reaffirmed their support for the Government of President Violeta Chamorro.

956. The parliamentary and local elections held in Peru¹ drew the close attention of the Community and its Member States. In a statement adopted on 18 February they referred to the elections as an initial step towards establishing peace and a democratic form of government under which human rights would be fully respected.

957. The Community and its Member States were concerned at the outbreak of fresh violence in El Salvador,² and on 28 October urged all parties, and President Alfredo Cristiani in particular, to keep the peace process going and see that free and fair elections were held in March 1994.

958. In response to the political unrest in Suriname,³ the Community and its Member States reiterated on 5 April their full support for the President, Dr Ronald Venetiaan.

Rio Group countries

959. At a meeting of foreign ministers held in Copenhagen on 23 and 24 April between the Community and its Member States and the member countries of the Rio Group (Central and South American countries), agreement was expressed on international political issues, with particular reference to support for United Nations action in the former Yugoslavia and concern regarding the situation in Haiti and Cuba. The participants expressed satisfaction at the favourable results of cooperation between the Community and the Andean Pact countries and the countries of Central America.

Asia

960. The human rights situation in Burma⁴ was a matter of concern for the Community and its Member States, which reminded the Burmese Government of the undertakings into which it had entered in this field when acceding to

¹ Bull. EC 1/2-1993, point 1.4.17.

² Bull. EC 10-1993, point 1.4.7.

³ Bull. EC 4-1993, point 1.4.2.

⁴ Bull. EC 3-1993, point 1.4.3; Bull. EC 7/8-1993, point 1.4.9.

United Nations instruments relating to human rights. Encouraged by the broad consensus which had emerged in the United Nations in March when the resolution on the human rights situation in Burma was passed, the Community and its Member States, in statements adopted on 12 March and 20 July respectively, called for the release of the Nobel peace prize winner, Mrs Aung San Suu Ryi, and of other political prisoners. They also reiterated their wish to see the country embark on a process of democratization through the convening of the parliament elected in May 1990 and the restoration of full respect for human rights and fundamental freedoms.

961. The Community and its Member States paid close attention to the elections held in Cambodia.¹ They expressed their support for United Nations activity on the spot and welcomed the satisfactory implementation of the Paris Agreements, particularly with regard to the drawing-up of electoral lists and the return of refugees. On 30 September, the Community and its Member States welcomed the adoption of a new constitution and congratulated Prince Norodom Sihanouk on his appointment as constitutional monarch. They reaffirmed their support for the rebuilding of Cambodia in line with the Paris Agreements, and urged the Party of Democratic Kampuchea to participate in the peace process in order to ensure the neutrality, unity and integrity of Cambodian territory.

962. The Community and its Member States reacted with concern to the decision in June by the Democratic People's Republic of Korea (North Korea)² to withdraw from the Treaty on the non-proliferation of nuclear weapons (NPT). They urged the country to reverse its decision and welcomed the joint statement by North Korea and the United States expressing their shared willingness to find a solution to the nuclear issue, and also the unilateral decision by North Korea to suspend its withdrawal from the NPT.

963. Political instability in Pakistan³ prompted the Community and its Member States to express disquiet on 23 April, but on 20 October they were able to congratulate the caretaker government on the conduct of the elections, which they welcomed as an important contribution to strengthening democracy. They also congratulated Mrs Benazir Bhutto on her election as Prime Minister of Pakistan.

¹ Bull. EC 4-1993, point 1.4.4; Bull. EC 6-1993, point 1.4.7; Bull. EC 9-1993, point 1.4.14.

² Bull. EC 3-1993, point 1.4.6; Bull. EC 6-1993, point 1.4.8.

³ Bull. EC 4-1993, point 1.4.10; Bull. EC 10-1993, point 1.4.4.

964. On 30 November the European Union warmly welcomed the resumption of political dialogue between India and Pakistan, and particularly the inclusion in the agenda of the question of Kashmir, as an important step towards re-establishing relations between the two countries.¹

965. The Community and its Member States were deeply concerned at reports of the arrest of Tibetans by the Chinese authorities, and on 1 June expressed their disquiet at the human rights situation of the Tibetan people.² They urged the Chinese authorities to ensure that human rights were fully respected and reaffirmed their desire to see dialogue between the Chinese authorities and the representatives of the Tibetan people, including their spiritual leader the Dalai Lama.

966. The Community and its Member States were dismayed to learn on 6 May of the assassination of the Sri Lankan President, Mr Ranasinghe Premadasa.³ They expressed the hope that the efforts to achieve national reconciliation, improvement of the human rights situation and economic progress would continue; they called on all the parties concerned to persevere with dialogue and expressed their support for the Acting President, Mr Dingiri Banda Wijetunga.

¹ Bull. EC 11-1993, point 1.4.11.

² Bull. EC 6-1993, point 1.4.2.

³ Bull. EC 5-1993, point 1.4.3.

Chapter V

Cooperation in the fields of justice and home affairs

Priority activities and objectives

967. *The entry into force of the Treaty on European Union, and more particularly Title VI, provides a framework and a boost for various forms of intergovernmental cooperation which have so far lacked any real coordination; only some of them were covered by the six-monthly meetings of ministers in the Trevi Group or ministers responsible for immigration.*

Immigration and asylum and judicial customs and police cooperation have now been brought into a single institutional framework — the Union — and incorporated into a clear decision-making process leading up to the Council and allocating a specific role to both Parliament and the Commission.

The importance of this step forward was immediately highlighted by the European Council. At its 29 October meeting it stated that the objective of increased cooperation in these areas was to afford citizens a better guarantee of security in their everyday lives;¹ and at its 10-11 December meeting it agreed the action plan² drawn up at its request by justice and home affairs ministers at their Council meeting on 29 and 30 November — the first they had held since the Union Treaty came into force.

The Commission, wishing to derive maximum benefit from this new machinery, quickly made use of the right of initiative it now had in a number of areas and adopted a report on the application of Article K.9 of the Union Treaty concerning asylum policy and a proposal for a decision establishing a convention on controls on persons crossing external frontiers.

¹ Bull. EC 10-1993, point 1.1.1.

² Bull. EC 12-1993.

These major developments helped pave the way for a new Union policy on justice and home affairs; greater consistency between cooperation by Member States and the implementation of Community instruments should ensure that the policy is generally effective.

Asylum, external frontiers, immigration

968. The main items in the action plan and priority programme drawn up by the Council on 29 and 30 November¹ and approved by the European Council of 10-11 December² are the establishment of a common list of non-member countries whose nationals require visas,³ exploitation of the possibilities offered by better coordination with the common foreign and security policy as regards readmission of illegal immigrants by non-member countries, and common action on asylum (closely bound up with the need for close cooperation based on mutual confidence between Member States).

969. The Ministers responsible for immigration, meeting in Copenhagen in June for their last six-monthly meeting before the Union Treaty entered into force,⁴ followed up their 1992 London meeting⁵ by approving conclusions and resolutions relating to the admission of groups of persons originating from the former Yugoslavia, the reunion of families, transit in cases of deportation, and nationals of non-Community countries who were illegal residents or workers in a Member State.

970. On 4 November, the Commission adopted a report to the Council on the possibility of applying Article K.9 of the Union Treaty to asylum policy.⁶ In response to the second paragraph of the declaration on asylum annexed to the Final Act of the Treaty, which requires the Council to consider this question by the end of the year on the basis of a report, the Commission concluded that the time was not yet right to propose the application of Article K.9 so soon after the entry into force of the Treaty, but recommended that the question should be examined again in the light of experience before the end of 1995.

971. The Commission also approved in November and formally adopted in December a proposal for a decision based on Article K.3 of the Union Treaty

¹ Bull. EC 11-1993, point 1.5.1.

² Bull. EC 12-1993.

³ Point 100 of this Report.

⁴ Bull. EC 6-1993, point 1.4.18.

⁵ Twenty-sixth General Report, point 1070.

⁶ Bull. EC 11-1993, point 1.5.5.

to establish a convention on controls on persons crossing external frontiers of the Member States.¹ This proposal is closely linked to the proposal for a Regulation determining the third countries whose nationals must be in possession of a visa when crossing the external frontiers (based on Article 100C of the EC Treaty),² and it virtually reproduces the text produced in the negotiations by ministers responsible for immigration which were interrupted in June 1991³ when it proved impossible to find a solution to the one outstanding issue — the territory to which the Convention would apply. The changes made to the earlier version were kept to the minimum needed to take account of developments within the Community concerning free movement of goods, the consequences of the conclusion of the Agreement establishing the European Economic Area⁴ and the consequences of the entry into force of Title VI of the Union Treaty and the conferring of powers in the matter of visas on the Community.

Drugs

972. The anti-drugs strategy approved by the European Council of 10-11 December,⁵ which had been drawn up at the Council meeting on 29-30 November,⁶ confirms the importance of comprehensive and multidisciplinary action. In particular, it states that it is important for all Member States to ratify the United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances⁷ and the 1990 Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and points to the need to avoid duplication and seek appropriate cooperation between the various agencies concerned. This is particularly true of the relations to be established between the European Drugs Monitoring Centre⁸ and the Europol Drugs Unit (EDU) and, at a later stage, Europol,⁹ taking account of the specific tasks conferred upon them, implementation of Directive 91/308/EEC of 10 June 1991 on prevention of the use of the financial system for the purpose of money laundering¹⁰ and cooperation between the Member States in

¹ OJ C 11, 15.1.1994; COM(93) 545; Bull. EC 11-1993, point 1.5.4; Bull. EC 12-1993.

² Point 100 of this Report.

³ Twenty-fifth General Report, point 1133

⁴ Twenty-sixth General Report, point 789.

⁵ Bull. EC 12-1993.

⁶ Bull. EC 11-1993, point 1.5.1.

⁷ Twenty-second General Report, point 986.

⁸ Point 598 of this Report.

⁹ Point 976 of this Report.

¹⁰ OJ L 166, 28.6.1991; Twenty-fourth General Report, point 159.

this field, in particular as regards the coordination and exchange of information and the activities of the Union and of the Dublin Group.

973. As part of the preparations for the new Drugs Monitoring Centre, the Commission organized a scientific seminar in December on strategies and policies to combat drugs. This seminar was an occasion for examining the global drugs phenomenon and determining the state of the art in these matters, which is a prerequisite for any new initiatives by the Union in this field.

Judicial, customs and police cooperation

974. The plan of action drawn up by the Council on 29 and 30 November¹ and approved at December's European Council² stresses the importance of stepping up judicial cooperation, particularly on extradition and action against international organized crime. It also contains a section on improving certainty as to the law in civil matters. As regards extradition in particular, the Council also adopted, again in November,³ a statement asking that possible improvements in both basic requirements and procedures be examined.

975. Most of the customs cooperation activities covered by Title VI of the Union Treaty, i.e. in areas which have not been harmonized, centred on the drafting of a convention on the use of computers in the customs sector that would set up a database to help combat illicit traffic (the customs information system (CIS)), the introduction of a customs strategy at external frontiers to make checks on the Union's frontiers more uniform, and operational activities.

976. As regards police cooperation, after Trevi Group ministers had met in Copenhagen in June⁴ and signed the agreement establishing the EDU,⁵ the Heads of State or Government decided at the European Council meeting in Brussels on 29 October to locate this agency and Europol itself in The Hague.⁶ This, together with the Council's approval on 22 December of recommendations for setting up the EDU, made it possible for the EDU to start operations before the end of the year. The European Council also pressed for work on the draft

¹ Bull. EC 11-1993, point 1.5.1.

² Bull. EC 12-1993.

³ Bull. EC 11-1993, point 1.5.9.

⁴ Bull. EC 6-1993, point 1.4.19.

⁵ Twenty-sixth General Report, points 1068 and 1071.

⁶ Bull. EC 10-1993, point 1.12.

convention establishing a European Police Office (Europol) to be completed before October 1994.¹

977. At its meeting of 29 and 30 November the Council endorsed what had been accomplished in various intergovernmental bodies before the Union Treaty had entered into force.² Giving effect to their work forms the basis of the priority programme of new police cooperation structures. This includes an action programme against international organized crime, which also has implications for judicial cooperation, environmental crime, racism and xenophobia, and trade in human beings for the purpose of prostitution; the last two matters will, however, have to be dealt with in a broader framework involving other forms of administrative cooperation too.

¹ Bull. EC 10-1993, point 1.5; Bull. 12-93.

² Bull. EC 11-1993, points 1.5.1. to 1.5.9.

Chapter VI

Human rights and fundamental freedoms

978. *Increasing emphasis has been placed in recent years on respect for human rights and the democratic process in Community policies and a number of initiatives have been launched, both by the Community and its Member States and by the Community institutions. This development enabled the Community and the Member States to make an important contribution to the concluding document of the World Conference on Human Rights and to participate actively at the first summit meeting of the Heads of State or Government of the Member States of the Council of Europe.*

Section 1

Inside the Community

979. At its March part-session, Parliament held its first major debate on human rights in the European Community in the civil and political as well as the economic, social and cultural spheres. At the end of the debate, it adopted a resolution¹ calling on the Community to enter without delay into negotiations with the Council of Europe with a view to accession to the European Convention for the Protection of Human Rights and Fundamental Freedoms. It also drew the attention of the Community institutions and the Member States to the need to combat racism, xenophobia and all forms of discrimination, and to issues ranging from abolition of the death penalty to emergency criminal laws, conditions of detention, problems associated with conscientious objection, the fight against organized crime, legal guarantees for foreigners and the acquisition and/or retention of nationality. At its meeting on 29 and 30 November, the Council decided to seek the Court of Justice's views on the implications, in terms

¹ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.2.155.

of the EC Treaty, of the Community's accession to the European Convention for the Protection of Human Rights and Fundamental Freedoms.¹

980. At its June meeting in Copenhagen, the European Council strongly condemned the attacks on immigrants and refugees in the Member States. It reiterated its strong resolve to fight by all available means intolerance and racism in all their forms, as phenomena which are totally unacceptable in our society.² Following a decision by the ministers responsible for home affairs and justice to conduct a study of racism and xenophobia,³ the Council adopted, on the basis of the information obtained, a series of practical measures to combat the problem.⁴

981. In a resolution adopted on 21 April,⁵ Parliament condemned any form of incitement to extremist violence, racism, anti-Semitism or religious intolerance and proposed that 1995 be declared 'European Year of Harmony among Peoples'.

982. In December, in the context of implementation of Article 8b(2) of the Treaty on European Union, the Council adopted the Directive laying down detailed arrangements for the exercise of the right to vote and to stand as a candidate in elections to the European Parliament by citizens of the Union residing in a Member State of which they are not nationals.⁶

983. On 29 November, the Council also reached agreement on five recommendations aimed at stepping up the campaign against those living off immoral earnings and dismantling the structures of organized prostitution.⁷

984. The advisory body on the ethics of biotechnology, set up by the Commission in 1991,⁸ dealt in particular during the year with the protection of human dignity in the context of medical research, animal welfare, the limits of intellectual property rights, the environmental impact of genetically modified organisms, the health and safety of workers dealing with biological substances and the safety of biotechnological products.

¹ Twenty-fourth General Report, point 899.

² Bull. EC 6-1993, point 1.24.

³ Bull. EC 5-1993, point 1.4.9.

⁴ Bull. EC 11-1993, point 1.2.198.

⁵ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.2.139.

⁶ Point 590 of this Report.

⁷ Bull. EC 11-1993, point 1.5.3.

⁸ Twenty-fifth General Report, point 1135.

*Section 2***Outside the Community**

985. The Community and its Member States continued throughout the year their policy of promoting universal respect for human rights, parliamentary democracy and the rule of law. To mark the 45th anniversary of the Universal Declaration of Human Rights, the European Union adopted a declaration on 10 December which formally underlined the importance that it attached to human rights.¹

986. In a resolution adopted on 12 March,² Parliament noted that the Community's human rights policy was in the process of being substantially adapted and reshaped in an effort to reinforce the effectiveness of action, both in development and other sectors.

987. In a declaration adopted on 25 May³ and included in the discussions at the Vienna Conference,⁴ the Council and the Member States' representatives meeting in the Council, while stressing the universality and indivisibility of human rights and the obligation placed on States to observe them, and also their importance in development assistance, concluded that the problems of hunger and outright poverty and also the right to adequate shelter, education and health care needed to be addressed with great urgency. They also reaffirmed their willingness to supply increased aid to countries in which significant progress had been made towards better observance of human rights and democracy.

988. Furthermore, in accordance with the Declaration on Human Rights adopted by the European Council in June 1991⁵ and the resolution adopted by the Council and the Member States' representatives on 'Human Rights, democracy and development' in November 1991,⁶ respect for democratic principles and human rights became an 'essential part' of the association and

¹ Bull. EC 12-1993.

² OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.3.74.

³ Bull. EC 5-1993, point 1.3.41.

⁴ Point 992 of this Report.

⁵ Twenty-fifth General Report, point 1136.

⁶ Twenty-fifth General Report, points 1023 and 1137.

economic cooperation agreements signed between the Community and non-member countries in 1993.

989. The Commission used the financial instruments at its disposal to promote human rights, supporting the reinforcement of the rule of law, the democratization process and civil society in the developing countries and the countries of Central and Eastern Europe. In line with the recommendations of the Warburton Report,¹ it also supported a number of measures to assist Bosnian women victims of atrocities.

990. The corollary of an active policy in this field is the ability to take appropriate action to deal with human rights abuses. The persistence of flagrant violations of human rights in numerous countries led the Community and its Member States to make more than 70 behind-the-scenes representations, to issue some 90 statements and, in certain cases, to modify the content of cooperation programmes, withhold the signatures necessary for the implementation of programmes, or even suspend cooperation, while taking care to avoid penalizing the population of the country concerned, especially the poorest sections of society.

991. The importance attributed by the Community and its Member States to respect human rights was also reflected in their contributions to the work of international organizations and institutions, notably the United Nations General Assembly and the UN Commission on Human Rights, the conference on the human dimension of the Conference on Security and Cooperation in Europe and the Council of Europe.

992. The World Conference on Human Rights held in Vienna in June under the aegis of the United Nations² culminated in the adoption of a concluding document entitled the 'Vienna Declaration and Plan of Action'. In line with one of the chief objectives of the Community and its Member States, it reaffirmed the universality and indivisibility of human rights, stressing that the promotion and protection of these rights was a legitimate concern of the international community and, while underlining the interdependence of democracy, human rights and development, reaffirmed that the right to development was universal and inalienable. In a resolution adopted on 27 May,³ Parliament

¹ Bull. EC 1/2-1993, point 1.4.12.

² Bull. EC 6-1993, point 1.3.79.

³ OJ C 176, 28.6.1993; Bull. EC 5-1993, point 1.3.82.

put a number of suggestions to the Conference on how to enhance the effectiveness of human rights activities.

993. At their first summit meeting, held in Vienna on 8 and 9 October,¹ the Heads of State or Government of the member countries of the Council of Europe decided to make political and legal commitments to protect minorities in Europe and pursue a policy against racism, xenophobia, anti-Semitism and intolerance.

994. On 14 December, the Sakharov Prize for freedom of thought was presented by Mr Egon Klepsch, President of the European Parliament, to the Sarajevo daily paper *Oslobodenje* as a sign of the Parliament's commitment to the freedoms of opinion and the press that are fundamental to any democracy.

¹ Point 917 of this Report.

Chapter VII

Community institutions and financing

Section 1

Institutions and other bodies

Relations between the institutions

Commission programme

995. The institutions and other bodies pursued their efforts to increase the visibility of Community action.¹ With reference to its work programme for 1993-94, adopted on 29 January,² the Commission drew up a legislative programme for 1993 on 3 February and one for 1994 on 24 November.³ The method it used links the legislative proposals in preparation to a plan based on objectives drawn from the instruments setting up the Union, thus providing an overall view of the dynamics of the legislation planned each year in the Community.

996. In a resolution passed on 10 March,⁴ then in the joint declaration on the legislative programme for 1993 which was agreed on 21 April with the Commission, in the presence of the President of the Council, Parliament hoped that in future the institutions would all work together to introduce more democracy into the Community process. During both the Danish and the Belgian Presidencies, the Council accorded considerable importance to the priorities and forecasts contained in the legislative programme for 1993. The

¹ Twenty-sixth General Report, point 1085.

² OJ C 125, 6.5.1993; Bull. EC 1/2-1993, point 1.6.15; Supplement 1/93 — Bull. EC.

³ COM(93) 588; Bull. EC 11-1993, point 1.7.22.

⁴ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.6.11.

Copenhagen European Council noted in particular the decline in the volume of legislation included in the programme as a result of the increasingly enlightened application of the subsidiarity principle.¹

997. Publication of the legislative programme for 1993² in the *Official Journal of the European Communities* lent greater openness to the Community decision-making process. In similar vein, for the first time in 1993, the Commission applied its 1992 decision to adopt and publish its annual legislative programme in the year prior to the year concerned. In this way the plans contained in the instrument were made available to the Community institutions, the Member States, the economic operators and the public. The Commission also initiated the practice of prompting wider prior discussion of certain proposals in the programme, with the publication of special notices in the *Official Journal* presenting the content of the measures in question.

Voting in the Council

998. Although there has been no significant development in the decision-making process in the Council during 1993, the entry into force of the Treaty on European Union on 1 November could bring about certain changes. The new Treaty extends qualified majority voting to all the new fields of competence, with the exception of culture and, to some extent, environment policy.

999. In addition, in accordance with the conclusions of the Edinburgh European Council regarding transparency, on 6 December the Council adopted an amendment to its Rules of Procedure providing in particular for rules concerning publication of the result of a vote and explanations of votes, and on the same day agreed to a code of conduct on the application of the rules concerned by that amendment.³

Inclusion of Parliament in the decision-making process

1000. On 25 October, an interinstitutional conference adopted an interinstitutional declaration on democracy, transparency and subsidiarity, which was signed at the meeting of the European Council in Brussels on 29 October, and

¹ Bull. EC 6-1993, point I.22.

² OJ C 125, 6.5.1993.

³ Bull. EC 12-1993.

Interinstitutional Agreements on procedures for implementing the principle of subsidiarity,¹ on the Ombudsman's duties and on the conciliation procedure. While the European Council was meeting, Parliament, the Council and the Commission also signed an Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure.²

1001. On the legislative front, the cooperation procedure continues to operate satisfactorily. Since the Single Act came into force, 332 instruments have been adopted in this framework. Of the amendments requested by Parliament at first reading, over 54.5% were accepted by the Commission and over 43% by the Council. On second reading, 44.2% were accepted by the Commission and 23.5% by the Council. A positive approach was adopted for the first instances of application of the new co-decision procedure. At its December part-session, Parliament agreed that the votes already taken on the majority of proposals now covered by the co-decision procedure and on the list prepared by the Commission would count as the first readings for the purposes of that procedure.³

1002. The entry into force of the Treaty on European Union reinforces the powers of the European Parliament appreciably through the establishment of closer links with citizens (right of petition, Ombudsman), the extension of its powers of control (submission of reports by the institutions and the European Council, committees of inquiry, budgetary control, and investiture of the Commission and Commission's term of office coinciding with that of Parliament), the recognition of its right, on the same terms as the Council, to request the Commission to submit a proposal, and the strengthening of its legislative powers by extension of the scope of the cooperation and assent procedures, and particularly by the introduction of the co-decision procedure, which gives Parliament the power to adopt Community instruments jointly with the Council. Detailed arrangements for the proceedings of the Conciliation Committee under the cooperation procedure were also approved on 25 October at the interinstitutional conference in Luxembourg.³

Implementing powers conferred on the Commission

1003. The Council gave further evidence of its tendency to confine the implementing powers conferred on the Commission within tight limits.⁴ Although the intergovernmental conference that prepared the Single European

¹ Points 12 and 13 of this Report.

² Points 1078, 1079 and 1080 of this Report.

³ Point 14 of this Report.

⁴ Twenty-sixth General Report, point 1092.

Act specifically asked the Council to give pride of place to the advisory committee procedure in the exercise of implementing powers conferred on the Commission by instruments implementing Article 100a of the EEC Treaty,¹ the Council adopted this procedure only 5 times whereas the Commission had proposed it 16 times. In all the internal market proposals, the Council has used the procedure only 6 times out of the proposed 23 by the Commission. In a resolution passed on 16 December² Parliament called for the immediate opening of negotiations to establish a line of conduct for drawing up implementing legislation in areas covered by the co-decision procedure and asked the Commission to put forward a proposal for revision of the 1987 Council Decision laying down procedures for the exercise of implementing powers conferred on the Commission.

Composition and functioning of the institutions

Parliament

1004. At 31 December the seats in Parliament were distributed as follows:

Party of European Socialists	198
European People's Party	162
Liberal, Democratic and Reformist Group	44
Greens	28
European Democratic Alliance	20
Rainbow Group	16
Technical Group of the European Right	14
Left Unity Group	13
Non-affiliated	23

1005. As regards the constitution of the groups, the decision taken by 20 members of the European Unitarian Left, most of them from the Italian Democratic Left (PDS), to cross over to the Socialist Group took effect on 12 January, bringing the number of members of this group to 198.³ The Socialist

¹ Twentieth General Report, point 4.

² OJ C 20, 24.1.1994; Bull. EC 12-1993.

³ Twenty-sixth General Report, point 1094.

Group decided on 21 April to change its name to the Group of the Party of European Socialists.

1006. The year began with the debate on the investiture of the new Commission on 10 February, when Parliament passed a vote of confidence on the new Commission,¹ and for the first time at the March part-session, Parliament debated the annual legislative programme. In addition to the resolution endorsing the programme passed in March,² the legislative programme was the subject in April of a joint declaration³ by Parliament and the Commission confirming in particular the importance of better programming and coordination between the institutions.

With a view to implementing the Treaty on European Union, in September Parliament undertook a radical reform of its Rules of Procedure,⁴ which came into force at the same time as the Treaty. In particular, it abolished the enlarged Bureau and replaced it by the Conference of Presidents with competence for all matters concerning the organization of meetings and relations with the other Community bodies and organizations.

1007. Following the conclusions of the Edinburgh Summit in December 1992,⁵ this year Parliament held its first additional sittings in Brussels in September,⁶ October⁷ and December.⁸

1008. With respect to the uniform electoral procedure, on 10 March Parliament decided in favour of the principle of proportional representation while providing for special arrangements to take account of the specific voting system in the United Kingdom.⁹ The Council has not yet followed up this resolution (Article 138 of the EEC Treaty as amended by the Treaty on European Union). However, in January, it adopted Decision 93/81/Euratom, ECSC, EEC changing the number and allocation of seats;¹⁰ in December it adopted the Directive on the right to vote and stand for election to the European Parliament.¹¹

¹ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.6.17.

² OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.6.11.

³ OJ C 125, 6.5.1993; Bull. EC 4-1993, point 1.6.1.

⁴ OJ C 268, 4.10.1993; Bull. EC 9-1993, point 1.6.2.

⁵ Twenty-sixth General Report, point 1102.

⁶ OJ C 279, 18.10.1993; Bull. EC 9-1993, point 1.6.4.

⁷ OJ C 296, 1.11.1993; Bull. EC 10-1993, point 1.6.6.

⁸ OJ C 342, 20.12.1993; Bull. EC 12-1993.

⁹ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.6.2.

¹⁰ OJ L 33, 9.2.1993; Bull. EC 1/2-1993, point 1.6.2.

¹¹ Point 590 of this Report.

1009. Along the same lines, several resolutions were adopted on the declaration and Interinstitutional Agreements concerning democracy, transparency and subsidiarity, the performance of the Ombudsman's duties and the Conciliation Committee.¹ Work on the committees of inquiry is still pending and an Interinstitutional Agreement on the financial perspective was concluded in October.²

1010. In addition to a series of resolutions on changes to legal bases resulting from the entry into force of the Treaty on European Union,³ Parliament also adopted resolutions on the cooperation procedure,⁴ the role of national experts and the Commission's right of initiative,⁵ the committee procedure problems connected with the entry into force of the Treaty on European Union⁶ and the diminution of the Community's powers in the fields of commercial policy and development cooperation policy.⁵

1011. The main subjects of debate in the House were enlargement, freedom of movement of persons and immigration, negotiations in the framework of GATT, reform of the Structural Funds, the monetary crisis, the Community reaction to the Yugoslav crisis, peace agreements in the Middle East, relations with Central and East European countries and the White Paper on competitiveness, growth and employment.

The reform of the Structural Funds was debated in June⁷ and adopted in July⁸ in the shape of an *ad hoc* agreement between all the institutions. Five regulations were examined, two under the cooperation procedure and three under the consultation procedure. Parliament did not, however, adopt a position on the latter regulations until it had completed the second reading of the first two. It came out in favour of extending partnership to include representatives of the two sides of industry, NGOs and local and regional authorities, and was also in favour of their practical involvement in the formulation, implementation and monitoring of the Structural Funds.

1012. The White Paper on competitiveness, growth and employment was the subject of a debate at the additional October part-session in Brussels,⁹ but the

¹ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.6.1; OJ C 279, 18.10.1993; Bull. EC 9-1993, points 1.1.1 and 1.6.1; OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.7.4.

² Point 1078 of this Report.

³ Point 5 of this Report.

⁴ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.6.1.

⁵ OJ C 20, 24.1.1994; Bull. EC 12-1993.

⁶ Point 1003 of this Report.

⁷ Bull. EC 6-1993, point 1.6.2.

⁸ OJ C 255, 20.9.1993, points 1.2.116 to 1.2.120.

⁹ Bull. EC 10-1993, point 1.6.6.

differences in the views of the political groups made it impossible to adopt a text.

In external relations, among the high points of the year was the address on the Middle East peace process by Mr Arafat and Mr Rabin at the additional December plenary sessions,¹ the debates on the situation in Russia, and assent to the cooperation agreements with Bulgaria, Romania, the Czech Republic and Slovakia in October.² At the last December part-session, Parliament finally gave its assent to the fourth financial protocol with Syria.³

1013. The debate on the monetary crisis gave Parliament an opportunity to invite the Council and the Commission to support and promote measures to usher in the EMU in accordance with the Treaty on European Union.⁴

1014. Parliament held 14 part-sessions, 11 in Strasbourg and 3 in Brussels, during which it adopted 727 resolutions and decisions, including 249 embodying its opinion, of which 50 were under the cooperation procedure (first reading). On second reading, Parliament approved the Council's common position without amendment in 22 cases and made amendments in 24 cases. Under the co-decision procedure which came into force on 1 November, Parliament adopted 5 resolutions embodying its opinion.

The assent procedure (Articles 237 and 238 of the EEC Treaty as amended by the Single European Act) was applied in 8 cases. Parliament adopted 345 own-initiative resolutions — 120 on the basis of reports, 146 by urgent procedure and 79 following an early vote to conclude debates on Commission or Council statements or on oral questions — and 25 resolutions and decisions on budgetary matters. It took 13 miscellaneous decisions concerning changes in the Rules of Procedure, requests to waive Members' immunity, etc.

1015. A breakdown of Parliament's work in 1993 is shown in Table 16. A total of 4 111 written questions were tabled — 3 588 to the Commission, 354 to the Council and 169 to the Conference of Ministers for Foreign Affairs (political cooperation). These written questions include 36 priority questions (33 to the Commission and 3 to the Council) tabled after 1 November. Oral questions (question time) numbered 1 325 — 850 to the Commission, 316 to the Council and 159 to the Conference of Ministers for Foreign Affairs. There were also 279 oral questions with or without debate — 170 to the Commission, 87 to the Council and 22 to the Conference of Ministers for Foreign Affairs.

¹ Bull. EC 12-1993.

² OJ C 315, 22.11.1993; Bull. EC 10-1993, points 1.3.12, 1.2.14 and 1.3.16.

³ OJ C 20, 24.1.1994; Bull. EC 12-1993.

⁴ OJ C 268, 4.9.1993; Bull. EC 9-1993, point 1.2.24.

TABLE 16
The year in Parliament

(Part) Session	Normal consultations (single reading)	Cooperation procedure (Single Act)		Assent ³	Co-decision procedure ³ (first readings)	Other opinions and recommen- dations — EP Rules 92 and 94	Budget questions	Own-initiative reports and resolutions		Miscellaneous decisions and resolutions
		First reading ²	Second reading ²					EP Rules 45 and 145 ¹ (reports)	EP Rules 37, 40 and 47 (resolutions)	
January	6	7	3	—	—	4	1	23	17	1
February	13	4	6	—	—	3	1	8	24	4
March	19	5	2	1	—	3	3	14	13	—
April	51	1	11	—	—	4	6	10	24	—
May	14	7	4	—	—	2	1	5	16	1
June	14	7	1	1	—	1	1	7	20	2
July	17	4	5	—	—	4	—	12	18	—
September (I)	4	—	—	—	—	—	—	7	27	1
September (II)	—	—	—	—	—	—	—	1	2	—
October (I)	—	—	—	—	—	—	—	—	1	—
October (II)	18	7	12	4	—	2	8	6	22	1
November	23	4	—	—	1	4	1	11	19	1
December (I)	1	—	2	1	—	2	—	1	1	—
December (II)	19	4	—	1	4	7	3	15	21	2
Total	199	50	46	8 ⁴	5	36 ⁵	25	120	225 ⁶	137

NB: Parliament also adopted six resolutions under Rule 61(4) (Follow-up to Parliament's opinion) and one resolution challenging the legal basis of the Commission's proposal.

1 Including 119 cases where Parliament proposed amendments and one case where it rejected the Commission's proposal.

2 Including 45 cases where Parliament proposed amendments to Commission proposals.

3 Including 24 cases where Parliament proposed amendments to the Council's common positions.

4 In one case Parliament did not give its assent.

5 Opinions on Commission reports or communications (32 cases) and recommendations in the fields of common foreign and security policy and justice and home affairs (4 cases).

6 After topical debates 146 resolutions passed and 79 to conclude debates on statements by the Commission or the Council or debates on oral questions.

7 Mainly decisions on the waiving of Parliamentary immunity or amendments to Parliament's Rules of Procedure.

1016. At 31 December, the establishment plan of Parliament's Secretariat comprised 3 243 permanent posts and 547 temporary posts.

Council

1017. Denmark was in the chair for the first half of the year and Belgium for the second half. The European Council met three times during the year — once in Copenhagen in June and twice in Brussels, in October and December.

1018. The meeting in Copenhagen on 21 and 22 June focused on economic problems and the consequences of the recession for employment in Europe.¹ After hearing the review of the situation by Mr Delors, the European Council requested the Commission to prepare a White Paper on a long-term strategy to promote growth, competitiveness and employment in readiness for its meeting in December. Short-term measures were also examined. The EIB in particular was requested to increase by ECU 3 billion the temporary loan mechanism adopted in Edinburgh and to extend its validity beyond 1994. The European Council also came out in favour of setting up an ECU 5 billion bridging facility to finance investment projects approved under the Community Structural Funds. In addition, it emphasized the need to prepare the way for a lowering of interest rates. On the external front the European Council reiterated that Austria, Finland, Sweden and Norway should become members with effect from 1 January 1995. It welcomed the adoption by the Commission of opinions on the accession applications from Cyprus and Malta. It reaffirmed that membership of the European Union would be open to the associated countries of Central, Eastern and Western Europe who so wished as soon as they fulfilled the requisite economic and political conditions. The European Council also examined the progress of cooperation with Turkey, the Maghreb countries, Africa, the Middle East and Cambodia and the situation in former Yugoslavia.

1019. At its meeting in Brussels on 29 October the European Council welcomed the entry into force on 1 November of the Treaty on European Union and laid down the guidelines for implementing the Treaty.² In particular it confirmed that the second stage of economic and monetary union would begin on 1 January 1994 and decided that Mr Lamfalussy should be President of the European Monetary Institute and that it should be located in Frankfurt. In the field of common foreign and security policy, the European Council defined the

¹ Bull. EC 6-1993, points I.1 to I.42.

² Bull. EC 10-1993, points I.1 to I.13.

principle of common action concerning Central and Eastern Europe, the Middle East, South Africa, former Yugoslavia and Russia. In the field of justice and internal affairs, in readiness for the meeting in December, the European Council called for an action plan with particular focus on the early establishment of Europol, the fight against drugs, the right of asylum, policy on visas and cooperation in the field of justice. It also hoped to see the provisions on the social dimension in the new Treaty rapidly implemented and called for greater democracy and transparency. Pending the issue of the Commission White Paper on growth, competitiveness and employment, the European Council agreed to step up the growth initiative approved in Edinburgh by including transport, energy production and urban renewal in the range of projects to be financed.

In external affairs, the European Council decided that negotiations with the applicant countries should be speeded up with a view to completion by 1 March 1994, and agreed to discuss in December any institutional adjustments required by their accession. The European Council adopted a decision on the location of various Community agencies.¹

1020. Acting for the first time under Article D of the Treaty on European Union, which states that the European Council should provide the Union with the necessary impetus for its development and define the general political guidelines, the Heads of State or Government meeting in December in Brussels demonstrated their determination to make full and immediate use of the new possibilities opened up by the Treaty.² Besides adopting the short and medium-term action plan for growth, competitiveness and employment,³ the action plan for justice and internal affairs⁴ and giving an undertaking on a forthcoming stability pact in Europe,⁵ the European Council determined the Union's position regarding the place of the applicant countries in the institutions.⁶ It expressed satisfaction at the Commission's observance of the undertakings regarding subsidiarity, and stressed the importance of this exercise in pruning and simplifying procedures for economic operators, especially small businesses.

1021. Continuing the practice introduced in 1981, Mr Rasmussen⁷ and Mr Dehaene,⁸ accompanied by Mr Delors and Mr Christophersen, reported to Parliament on the conclusions of the European Council meetings.

¹ OJ C 323, 30.11.1993.

² Bull. EC 12-1993.

³ Point 16 of this Report.

⁴ Point 967 of this Report.

⁵ Point 924 of this Report.

⁶ Point 640 of this Report.

⁷ Bull. EC 6-1993, point 1.6.2.

⁸ Bull. EC 12-1993.

1022. At its 95 meetings in 1993, the Council adopted 63 directives, 319 regulations and 164 decisions. In December it decided to amend its Rules of Procedure to take account of the entry into force of the Treaty on European Union and the undertakings regarding transparency.¹

1023. There were 2 170 permanent posts on the Council's establishment plan at the end of the year.

Commission

1024. In accordance with the decision adopted on 21 December 1992² by the Representatives of the Governments of the Member States appointing the Members of the Commission and Mr Delors as President, the new Commission took office on 6 January for a period to expire on 5 January 1995. Following the debate, on 10 February Parliament passed a vote of confidence in the new Commission,³ which was sworn in on 16 February.⁴ On 30 June, the Representatives of the Governments appointed the Vice-Presidents for a period to expire on 1 November, the date of entry into force of the new Treaty.⁵ Following its entry into force and in accordance with the new Article 161, the Commission appointed Mr Marín and Mr Christophersen Vice-Presidents on 21 December.⁶

1025. The Commission held 49 meetings in the course of the year. It adopted 7 335 instruments (3 396 regulations, 3 618 decisions, 54 directives, 21 recommendations and 239 opinions) and sent the Council 619 proposals, recommendations or draft instruments (54 proposals for directives, 343 proposals for regulations and 214 proposals for decisions), and 343 communications, memoranda and reports.

1026. The Commission's establishment plan for 1993 comprised 13 797 permanent posts (including 1 614 LA posts for the Language Service) and 743 temporary posts (including 30 LA) paid out of administrative appropriations; 1 159 permanent posts and 191 temporary posts paid out of research appropriations; 463 permanent posts in the Office for Official Publications;

¹ Bull. EC 12-1993.

² OJ L 2, 6.1.1993; Bull. EC 12-1992, point 1.7.14.

³ OJ C 72, 15.3.1993; Bull. EC 1/2-1993, point 1.6.17.

⁴ Bull. EC 1/2-1993, point 1.6.18.

⁵ Bull. EC 6-1993, point 1.6.15.

⁶ Bull. EC 12-1993.

76 permanent posts at the European Centre for the Development of Vocational Training and 67 at the European Foundation for the Improvement of Living and Working Conditions.

1027. Under the secondment and exchange arrangements between the Commission and Member States' government departments, 41 Commission officials were seconded to national civil services, and the number of national experts coming to work for the Commission departments was equivalent to 625 man/years, paid from the administrative budget.

Court of Justice and Court of First Instance

1028. Under the Treaty on European Union, the Court may now impose penalties on the Member States. The Court's powers to review the legality of instruments adopted by Parliament and any failure to act by Parliament are enshrined in the Treaty on the basis of the Court's decisions in this field.

1029. On 8 June, the Council adopted Decision 93/350/Euratom, ECSC, EEC* amending the Decision of 24 October 1988 establishing a Court of First Instance of the European Communities¹ extending its jurisdiction. The decision transfers to it the competence to hear all actions brought by natural or legal persons with the exception of cases relating to the protection of trade.²

1030. The composition of the Chambers of the Court of Justice was determined as follows for a period of one year from 7 October:

First Chamber: President: Mr Edward; Judges: Mr Joliet and Mr Rodríguez Iglesias;

Second Chamber: President: Mr Mancini; Judges: Mr Schockweiler and Mr Murray;

Third Chamber: President: Mr Moitinho de Almeida; Judges: Mr Grévisse and Mr Zuleeg;

Fourth Chamber: President: Mr Díez de Velasco; Judges: Mr Kakouris and Mr Kapteyn;

Fifth Chamber: President: Mr Moitinho de Almeida; Judges: Mr Edward, Mr Joliet, Mr Rodríguez Iglesias, Mr Grévisse and Mr Zuleeg;

¹ Twenty-second General Report, point 28.

² OJ L 144, 16.6.1993; Bull. EC 6-1993, point 1.6.19.

Sixth Chamber: President: Mr Mancini; Judges: Mr Díez de Velasco, Mr Kakouris, Mr Schockweiler, Mr Kapteyn and Mr Murray.

1031. The composition of the Chambers of the Court of First Instance was determined as follows for a period of one year from 1 September:

First Chamber: President: Mr Schintgen; Judges: Mr García-Valdecasas, Mr Kirschner, Mr Vesterdorf, Mr Lenaerts and Mr Bellamy;

Second Chamber: President: Mr Cruz Vilaça; Judges: Mr Briët, Mr Kalogeropoulos, Mr Barrington, Mr Saggio and Mr Biancarelli;

Third Chamber: President: Mr García-Valdecasas; Mr Vesterdorf and Mr Biancarelli;

Fourth Chamber: President: Mr Briët; Judges: Mr Saggio, Mr Kirschner and Mr Bellamy;

Fifth Chamber: President: Mr Kalogeropoulos; Judges: Mr Schintgen, Mr Barrington and Mr Lenaerts.

1032. In 1993, 486 cases were brought (203 references for preliminary rulings, 17 staff cases and 266 others). Of the 272 judgments given by the Court of Justice, 163 were preliminary rulings, 7 were in staff cases and 102 were other cases.¹ The Court of First Instance dealt with 589 cases and delivered 76 judgments.

1033. There were 691 permanent posts and 81 temporary posts on the establishment plan of the Court of Justice at 31 December. The corresponding figures for the Court of First Instance were 41 and 12.

Court of Auditors

1034. Following the entry into force of the Treaty on European Union, the Court of Auditors has become an institution in its own right; the importance of its role in relation to the other institutions is affirmed in a declaration annexed to the Treaty.

1035. The Annual Report for 1992 was adopted on 4 November.² The Court had previously drawn up and transmitted on 15 July a number of observations to the Commission and the other institutions concerned.³

¹ The Court's judgments are discussed in Chapter VIII: Community law.

² OJ C 309, 26.11.1993; Bull. EC 11-1993, point 1.7.27.

³ Bull. EC 7/8-1993, point 1.6.15.

1036. This year the Court of Auditors adopted specific annual reports on the accounts of the Euratom Supply Agency for 1992¹ and on the financial statements of the JET joint undertaking.² It also adopted the report on the ECSC financial statements at 31 December 1992,³ a report⁴ containing additional information on the financial statements of the ECSC for 1991,⁵ and a specific annual report on the ECSC's accounting and financial management.⁶ It also adopted specific annual reports on the accounts and management in 1992 of the European Foundation for the Improvement of Living and Working Conditions, the European Centre for the Development of Vocational Training and the European Schools.⁷

1037. The Court gave opinions on various proposals concerning the own resources system⁸ and the Financial Regulation.⁹

1038. The Court adopted six special reports on the financing of transport infrastructures,¹⁰ on the Community customs territory,¹¹ Community fishing fleets,¹² milk quotas,¹³ enterprise and innovation centres and the Esprit programme.¹⁴

1039. There were 335 permanent posts and 67 temporary posts on the Court's establishment plan at 31 December.

Economic and Social Committee

1040. The Committee held 10 plenary sessions this year and adopted 131 opinions and additional opinions on Commission proposals, 23 own-initiative (additional) opinions and 2 information reports. The Committee's opinion was requested on 53 occasions where this was compulsory under the Treaty and on 78 occasions where consultation was optional.

¹ Bull. EC 4-1933, point 1.6.15.

² Bull. EC 7/8-1993, point 1.6.14.

³ OJ C 220, 14.8.1993; Bull. EC 7/8-1933, point 1.6.16.

⁴ Bull. EC 1/2-1993, point 1.6.23.

⁵ OJ C 215, 21.8.1992; Twenty-sixth General Report, point 1113.

⁶ Bull. EC 10-1993, point 1.6.22.

⁷ Bull. EC 11-1993, point 1.7.28.

⁸ Bull. EC 4-1933, points 1.6.16 and 1.6.17; OJ C 227, 23.8.1993; Bull. EC 7/8-1993, point 1.6.13.

⁹ Bull. EC 11-1993, point 1.7.30.

¹⁰ OJ C 69, 11.3.1993; Bull. EC 1/2-1993, point 1.6.22.

¹¹ OJ C 2, 4.1.1994; Bull. EC 4-1993, point 1.6.13.

¹² Bull. EC 4-1993, point 1.6.14.

¹³ OJ C 12, 15.1.1994; Bull. EC 5-1993, point 1.6.12.

¹⁴ OJ C 13, 17.1.1994; Bull. EC 11-1993, point 1.7.29.

1041. The Committee's opinions were almost all in support of the Commission's proposals although approval in principle was often accompanied by suggestions or reservations, even criticism of the means deployed.

1042. The most significant of the opinions on matters referred to the Committee were on the following topics: Annual Economic Report,¹ Cohesion Fund,² time-sharing,³ packaging,⁴ third report on the Structural Funds,⁵ their reform,⁶ strategic programme for the internal market,⁷ the future of Community initiatives,⁸ the 22nd Competition Report,⁹ safety at sea,¹⁰ the fourth framework programme for research and development,¹¹ the ban on counterfeit goods,¹² agricultural prices¹³ and adaptation of production structures.¹⁴

1043. Some opinions were more critical of Commission proposals, especially as regards the liberalization of the internal market in gas and electricity,¹⁵ tax on carbon dioxide emissions,¹⁶ a control system applicable to the common fisheries policy,¹⁷ and policy for small businesses.¹⁸

1044. Among the own-initiative opinions, special attention should be called to the opinion on growth, competitiveness and employment.¹⁹ Other opinions concerned the second stage of EMU,²⁰ monitoring the internal market,²¹ the public sector in Europe,²² employment in Europe,²³ health training, safety at

¹ OJ C 108, 19.4.1993; Bull. EC 1/2-1993, point 1.2.38.

² OJ C 108, 19.4.1993; Bull. EC 1/2-1993, points 1.2.123 and 1.2.124.

³ OJ C 108, 19.4.1993; Bull. EC 1/2-1993, point 1.2.119.

⁴ OJ C 129, 10.5.1993; Bull. EC 3-1993, point 1.2.98.

⁵ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.91.

⁶ OJ C 201, 26.7.1993; Bull. EC 5-1993, point 1.2.83.

⁷ OJ C 304, 10.11.1993; Bull. EC 9-1993, point 1.2.1.

⁸ OJ C 304, 10.11.1993; Bull. EC 9-1993, point 1.2.85.

⁹ OJ C 34, 2.2.1994; Bull. EC 11-1993, point 1.2.43.

¹⁰ OJ C 34, 2.2.1994; Bull. EC 11-1993, point 1.2.94.

¹¹ OJ C 34, 2.2.1994; Bull. EC 11-1993, point 1.2.76.

¹² Bull. EC 12-1993.

¹³ OJ C 129, 10.5.1993; Bull. EC 3-1993, point 1.2.116.

¹⁴ Bull. EC 12-1993.

¹⁵ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.98.

¹⁶ OJ C 108, 19.4.1993; Bull. EC 1/2-1993, point 1.2.162.

¹⁷ OJ C 108, 19.4.1993; Bull. EC 1/2-1993, point 1.2.195.

¹⁸ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.63.

¹⁹ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.2.29.

²⁰ OJ C 34, 2.2.1994; Bull. EC 11-1993, point 1.2.28.

²¹ OJ C 201, 26.7.1993; Bull. EC 5-1993, point 1.2.1.

²² OJ C 304, 10.11.1993; Bull. EC 9-1993, point 1.2.98.

²³ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.103.

the workplace,¹ public information,² social exclusion,³ older persons,⁴ the Lomé IV Convention,⁵ EC relations with the Middle East,⁶ the Baltic States,⁷ Japan,⁸ Latin America,⁹ Turkey,¹⁰ extra-urban and/or rural areas,¹¹ nuclear safety,¹² consumer/supplier dialogue,¹³ bananas originating in third countries.¹⁴

1045. Two information reports were drawn up on the Community and Latin America⁹ and Turkey.¹⁵

1046. The Committee's role was discussed on several occasions: by President Delors in his address at the April plenary session¹⁶ and by Mr Flynn at the February plenary session.¹⁷ The Committee itself considered the question in its opinion on the follow-up to the Sutherland report, and in particular supported Parliament's proposal for the Committee to serve as a forum for the internal market. On 27 and 28 September, the Committee organized a conference on the subject of 'The Citizens' Europe', at which a dialogue was initiated between the Community institutions, citizens' 'witnesses' and groups, with the possibility of continuing under the auspices of the Economic and Social Committee.

1047. At the October plenary session the Committee undertook to do everything in its power to assist the establishment of the Committee of the Regions, in particular by requesting the Council to approve the resources required to make the new advisory body operational.

1048. Other Members of the Commission also spoke at plenary sessions (Mr Christophersen, Mr Paleokrassas and Mr Vanni d'Archirafi) or at section meetings (Mr Schmidhuber, Mr Steichen, Mr Millan, Mr Matutes, Mr Van Miert, Mrs Scrivener and Sir Leon Brittan). Mrs Andersen presented her

¹ OJ C 249, 13.9.1993; Bull. EC 6-1993, point 1.2.151.
² OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.1.5.
³ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.2.116.
⁴ OJ C 34, 2.2.1994; Bull. EC 11-1993, point 1.2.104.
⁵ OJ C 352, 30.12.1993; Bull. EC 10-1993, point 1.3.46.
⁶ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.29.
⁷ OJ C 129, 10.5.1993; Bull. EC 3-1993, point 1.3.6.
⁸ OJ C 249, 13.9.1993; Bull. EC 6-1993, point 1.3.36.
⁹ OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.3.38.
¹⁰ Bull. EC 12-1993.
¹¹ OJ C 161, 14.6.1993; Bull. EC 4-1993, point 1.2.102.
¹² OJ C 42, 15.2.1993; Bull. EC 1/2-1993, point 1.2.164.
¹³ OJ C 34, 2.2.1994; Bull. EC 11-1993, point 1.2.104.
¹⁴ OJ C 108, 19.4.1993; Bull. EC 1/2-1993, point 1.3.39.
¹⁵ OJ C 249, 13.9.1993; Bull. EC 6-1993, point 1.3.30.
¹⁶ Bull. EC 4-1993, point 1.6.32.
¹⁷ Bull. EC 1/2-1993, point 1.6.38.

priorities at the beginning of the Danish Presidency, as did Mr Dehaene and Mr Maystadt at the beginning of the Belgian Presidency.

1049. There were 510 permanent posts on the Committee's establishment plan at 31 December.

Committee of the Regions

1050. Pursuant to the Treaty on European Union a Committee of the Regions consisting of representatives of regional and local authorities was set up. It is a consultative body and must be consulted on matters relating to education, culture, public health, networks and the Structural Funds, and in cases where the Council or the Commission consider it appropriate. It can also issue opinions on its own initiative. On 18 November, Parliament welcomed the establishment of the new institution.¹

ECSC Consultative Committee

1051. The Committee held 2 extraordinary meetings, 3 ordinary meetings and 1 inaugural meeting (6 meetings in all) in 1993.

1052. Mr Gonzalez Sanchez was elected President and Mr Cimenti and Mr Schulte Vice-Presidents of the Committee for 1993-94.

1053. Having been formally consulted by the Commission, the Committee gave its opinions on 15 draft decisions concerning the proposal for new Community aid to the coal industry,² the conclusion of an interim agreement with Bulgaria,³ the implementing rules for the Europe agreements with Poland and Hungary,⁴ tariff quotas for imports of certain ECSC steel products originating in the Czech Republic and Slovakia,⁵ and financial aid for social research projects on the improvement of working conditions in the steel industry.⁶ It also delivered opinions on technical research programmes in the steel⁷

¹ OJ C 329, 6.12.1993; Bull. EC 11-1993, point 1.7.56.

² Bull. EC 4-1993, point 1.2.76.

³ Bull. EC 4-1993, point 1.3.9.

⁴ Bull. EC 11-1993, point 1.3.7.

⁵ Bull. EC 5-1993, point 1.3.70.

⁶ Bull. EC 7/8-1993, point 1.2.84.

⁷ Bull. EC 4-1993, point 1.2.67.

and coal¹ industries and on the outlook for the steel industry in the second half of 1993 and the first half of 1994.² It was also consulted on a report on the market for solid fuels,³ and examined a report on the implementation of Community rules for State aid to the coal industry.⁴

1054. The Committee adopted a resolution on certain aspects of financial activities in the ECSC Treaty,⁵ a resolution on the restructuring of the Community steel industry⁶ and reviewed the restructuring under way in Spain and public restructuring aids.⁷

Ombudsman

1055. Since the Treaty on European Union came into force, an Ombudsman, appointed by the European Parliament for the duration of its term of office, will examine complaints brought by individuals regarding cases of maladministration in the activities of the institutions, present a report to Parliament and inform the person lodging the complaint of the results of his inquiry after obtaining the comments of the institution in question. Following the inter-institutional conference of 25 October, Parliament on 16 November approved the creation of this office.⁸

Administration and management of the institutions

Staff policy and Staff Regulations

Staff remuneration

1056. The staff management policy established in 1991⁹ was affected in 1993 by cash difficulties as a result of the depreciation of the ecu against the Belgian franc. Restrictive measures were adopted in May and mainly involved leaving

¹ Bull. EC 4-1993, point 1.2.68.

² Bull. EC 12-1993.

³ Bull. EC 4-1993, point 1.2.75.

⁴ Bull. EC 4-1993, point 1.6.35.

⁵ OJ C 8, 12.1.1994; Bull. EC 12-1993.

⁶ Bull. EC 4-1993, point 1.2.57.

⁷ Bull. EC 12-1993.

⁸ Point 8 of this Report.

⁹ Twenty-fifth General Report, point 1191.

965 permanent posts vacant in the Commission and freezing the amounts allocated for the conversion of appropriations to posts (ECU 10.5 million). At the same time, measures were introduced at budgetary level to increase (by about ECU 32.5 million) the appropriations to cover remunerations and pensions. As the monetary situation improved slightly towards the end of the year, the Commission was able to ease the restrictions slightly and prepare for a partial implementation of its recruitment policy.

Changes in the Staff Regulations

1057. The Commission decided to write into the Staff Regulations the principle of equal treatment for men and women, with no reference, direct or indirect, to political, philosophical or religious beliefs or to sex, and has begun work with a view to incorporating an article enshrining this right in the Staff Regulations.

1058. Having adopted the second positive action programme for women staff in September 1992, this year the Commission presented to the Council the proposals for amending the Staff Regulations accordingly.

Joint Sickness Insurance Scheme

1059. The new policy of decentralization and development of closer contacts with members continued in 1993. The Ispra centre was given broader powers to enable it to take over the administration of retired staff living in Italy. The payments office in Karlsruhe became operational.

1060. Agreements were concluded with several branches of the medical profession in Belgium to ensure that fees charged were fair, and a sickness insurance carnet was introduced. Lastly, work is in progress on the reorganization of the accident insurance scheme (Article 73 of the Staff Regulations).

Transfer of pension rights

1061. Progress was made in this field with the conclusion and initial implementation of an agreement with the Belgian authorities to organize the transfer of pension rights from Belgium. Negotiations with these authorities have been initiated to establish a legislative framework to enable staff who were self-employed before entering the service to exercise this right.

1062. Agreements concluded with France and Germany regarding transfers of pension rights are in the process of ratification by national parliaments, and the outcome of negotiations with Portugal looks promising. On the other hand no significant progress has been achieved with respect to Greece, Denmark and Spain, and the Commission has opened proceedings under Article 169 of the EEC Treaty.

Statute of the European Schools

1063. The ministers of education approved the Commission proposal on the convention defining the Statute of the European Schools.¹

Buildings

1064. The tight financial framework agreed at the Edinburgh European Council for 1993-99 and the financial difficulties in 1993 forced the Commission to revise the five-year buildings plan (1993-97). No office area was acquired in Brussels and the needs for new space could be met only by occupying all buildings to the full, with the result that any increase in staff numbers would have to be matched by the acquisition of new offices. The Commission continued its efforts to restructure the pool of buildings it occupies, by moving out of unsuitable buildings or replacing them. The interinstitutional dialogue on the preparation of a common reference framework for buildings policy was continued.

Data processing

1065. Data processing in the Commission is developing in the organizational framework laid down in 1991 and introduced in 1992.² Each directorate-general is responsible for its own data processing and has laid down guidelines which are updated every year. On this basis, the Information Technology Directorate coordinates a number of measures with a view to rationalizing efforts: establishment of rules for the management of projects, use of common systems, definition of a policy of contracting, revision of data-processing architecture, and agreement on a list of authorized products.

¹ Twenty-sixth General Report, point 413.

² Twenty-sixth General Report, point 1148.

1066. The planned replacement of the word-processing system¹ has begun to the satisfaction of users, and the number of persons who have received a modern personal computer (61%) has increased significantly. The operation, which will continue in 1994 and 1995, has called for a particular training effort on the part of the users.

1067. The Commission is updating its infrastructure, both for internal purposes and to facilitate integration with trans-European computer networks.² A high-output data-transmission network linking the various sites, buildings and departments of the Commission has become operational; the internal electronic mail system has been hooked up to the international network and is being adapted to make it more compatible with the most recent standards in this field. The computer centre is continuing to develop with a view to improving the dissemination of Community information.

1068. Information systems providing back-up for the Commission's activities have multiplied. Since internal management systems were, in general, not very specific, common systems (budget and staff management) have been developed for directorates-general. Several trans-European information systems have become operational (VAT management, etc.), foreshadowing a significant growth of activities in this area.

Language services

1069. In 1993 the Joint Interpreting and Conference Service (JICS) provided interpreters for 10 000 meetings organized by the Council, the Commission, the Economic and Social Committee and the European Investment Bank, representing a total of 100 000 interpreter/days.

1070. On account of the shortage of conference interpreters, the JICS continued its training efforts, maintaining the same standard for all languages. In addition to 72 professional tests (including Central and East European languages), 14 aptitude tests for young graduates (in law, economics, science, etc.) were organized, and training provided, in particular in the Ionian University, Corfu, and at the Europa-Kolleg in Hamburg. Cooperation with non-member countries in the field of interpreter training continued with China,

¹ Twenty-sixth General Report, point 1140.

² Point 132 of this Report.

Hong Kong and Albania. Further training was provided for interpreters of the Bulgarian and Lithuanian Governments.

1071. Under the Tempus programme,¹ the JICS participated in postgraduate training schemes for conference interpreters in Hungary, Poland and the Czech Republic. It also selected freelance Bulgarian, Hungarian, Polish, Romanian, Slovak and Czech interpreters on whom it could call in the context of the PHARE programme.²

1072. In 1993, the Translation Service translated 955 290 pages, including 1 813 from and into non-Community languages, especially Central and East European languages, which represented a 4.4% increase in workload compared with the previous year. Freelance translation now accounts for 14% of production, which has made it possible to handle this increasing and fluctuating workload. To administer the growing use of freelance translators, the translation field offices set up by the Translation Service in certain Member States in 1992 were strengthened.³

1073. The Service continued its computerization programme in cooperation with requesting departments, and rationalized or standardized a number of repetitive or voluminous documents. The pilot phase of the changeover to PCs began, and work will be gradually speeded up and extended in 1994.

1074. The Service continued assisting with the development of the machine translation system Systran and feeding material into the terminological database Eurodicautom, which is becoming more and more popular with outside users. It has also set up a computer management system for translation requests, which should be gradually made available to all requesting services through the Poetry interface currently under examination.

1075. With new accessions in prospect, the Service has established a core of Finnish, Swedish and Norwegian revisers to be responsible for vetting the translation of existing Community legislation in the Scandinavian capitals and has stepped up training in these three languages for its staff.

¹ Point 266 of this Report.

² Point 655 *et seq.* of this Report.

³ Twenty-sixth General Report, point 1145.

Section 2

Financing Community activities

Priority activities and objectives

1076. *A tight squeeze was maintained on the budget throughout 1993. The effects of the currency realignments in 1992 and 1993¹ weighed heavily on EAGGF Guarantee expenditure and a supplementary and amending budget No 1 had to be adopted to increase the appropriations originally allocated. Furthermore, despite the increase in the allocation authorized, the fall in the value of the ecu against the Belgian and Luxembourg francs, the currencies in which most of the staff of the European institutions are paid, led to the imposition of drastic savings to keep administrative expenditure within the budgetary limits laid down. In addition, with the trend towards economic recession confirmed, the 1994 budgetary procedure also reflected the need for stringency and the preliminary draft budget was below the ceilings agreed at the Edinburgh summit. Despite the very low nominal increase in this preliminary draft compared with that for 1993, the Council increased the mood of austerity on its first reading by drastically cutting back the allocations proposed by the Commission. However, a new Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure for the period 1993-99 was signed on 29 October, after more than two years of negotiations, allowing the budgetary procedure to end in an atmosphere of relative calm with the adoption of a budget which, although restricted, satisfied the main guidelines laid down by the Treaty on European Union.*

Budgets

General budget

Structural and financial measures 1993-99: Implementation of the conclusions of the Edinburgh European Council

1077. Under the new financial framework laid down for 1993-99 at the Edinburgh European Council,² the own resources ceiling is to rise gradually from 1.20% of GNP in 1993 to 1.27% in 1999 and the structure of these

¹ Points 32 and 33 of this Report.

² Twenty-sixth General Report, point 13 *et seq.*

resources is to change. Between 1995 and 1999 the call-in rate for the VAT resource will gradually drop from 1.4% to 1% of the common base. For countries with per capita GNP of less than 90% of the Community average, the base to be taken into account for the VAT resource will, however, be reduced from 1995 from 55% to 50% of the GNP of the Member State concerned whereas for the other Member States that change will be implemented in stages over the period 1995-99. The ceiling on appropriations for payments will increase from ECU 65.9 billion in 1993 to ECU 80.1 billion in 1999. At the same time, the breakdown of appropriations for commitments decided at Edinburgh will stress structural operations and the Community's external action.

1078. As the entry into force of the 1993-99 financial perspective depended on the conclusion of a new Interinstitutional Agreement on budgetary discipline and improvement of the budgetary procedure, Parliament, the Council and the Commission continued their dialogue to renew the 1988 Agreement.¹ At the financial level, despite a framework which it considered too restrictive, Parliament finally expressed its agreement subject to a slight revision of the 1994 financial perspective (the ceilings for headings 3 — internal policies, 4 — external action and 5 — administrative expenditure, were increased by a total of ECU 175 million in commitment appropriations and ECU 120 million in payment appropriations). Negotiations therefore centred on the strictly institutional aspects of the Agreement; the Agreement signed by the Council and Parliament on 29 October took over most of the principles of the 1988 Agreement but also contained a number of innovations.²

1079. As regards budgetary procedure, the new Agreement introduces a conciliation procedure for compulsory expenditure before the Council establishes its draft budget; Parliament has thus secured some influence over a category of expenditure for which the Council is ultimately responsible. This change is, however, of limited significance since, if conciliation breaks down, it will still be the procedure laid down in Article 203 of the EC Treaty which applies. The monetary reserve has been retained and two new reserves — for emergency aid and for Community loan guarantees — have been set up. Each of the reserves entered in heading 6 of the financial perspective will in future be mobilized by means of a transfer to the specific budget headings concerned; the corresponding own resources will not be called in until the reserve is used. In the absence of a joint decision by the Council and Parliament on the need to draw on a reserve

¹ OJ L 185, 15.7.1988; Twenty-second General Report, point 84.

² OJ C 331, 7.12.1993; Bull. EC 10-1993, point 1.5.1.

and on the amount required, the Commission's proposal for a transfer will be deemed to have been adopted ('negative co-decision'). The Agreement also lays down the changes which might have to be made to the financial perspective, in particular in the event of enlargement, and the conditions in which its provisions will be reviewed. Furthermore, if no new agreement is concluded at the end of the period 1993-99 and if the agreement in force is not expressly repealed, the financial perspective will be automatically extended in line with the average annual increase observed over the previous period. The Intergovernmental Conference planned for 1996 will have to confirm or amend the provisions contained in the Agreement.

1080. As regards budgetary discipline, any revision of the financial perspective and any proposal by the Commission to draw on the emergency aid reserve will have to be preceded by a review of the possibility of redeploying appropriations which are not expected to be used. In the interests of sound financial management the institutions have also undertaken as far as possible to keep margins available under the ceilings of the financial perspective when the budget is adopted. The provisions to ensure compliance with the own resources ceiling have also been tightened. If, for economic reasons, it appears that the own resources ceiling expressed as a percentage of Community GNP is going to be lower than the expenditure ceiling, the latter will be reduced accordingly.

1081. Implementation of the decisions taken by the Edinburgh European Council also requires the adoption of a number of legislative instruments. On 26 January the Commission adopted a number of proposals* replacing Decision 88/377/EEC concerning budgetary discipline,¹ establishing a Guarantee Fund to cover the risks incurred under guarantees granted from the general budget, amending the 1977 Financial Regulation² and amending Regulation (EEC) No 1552/89 on the system of own resources.³ Other proposals were made to supplement the rules set out in these four proposals: a technical proposal further amending the 1977 Financial Regulation, adopted by the Commission on 16 July*, two proposals for further amendments of Regulation (EEC) No 1552/89 and the Financial Regulation, adopted on 21 December*, and a proposal amending Decision 88/376/EEC, Euratom on own resources,¹ adopted on 14 September* and requiring ratification in the Member States before it can be implemented. It also adopted Regulation (Euratom, ECSC, EC) No 3418/

¹ OJ L 185, 15.7.1988; Twenty-second General Report, point 102.

² OJ L 356, 31.12.1977; Eleventh General Report, points 62 and 63.

³ OJ L 155, 7.6.1989; Twenty-third General Report, point 91.

93 laying down detailed rules for the implementation of the 1977 Financial Regulation.¹ On 10 December, the Council adopted Regulation (Euratom, EC) No 3464/93 amending Regulation (EEC, Euratom) No 1552/89*.

Budget procedure

1993 financial year

Supplementary and amending budget

1082. On 17 March, the Commission adopted preliminary draft supplementary and amending budget No 1,² followed by three letters of amendment on 21 June,³ 1 September⁴ and 4 November.⁵ On the revenue side, supplementary and amending budget No 1 finally adopted on 2 December⁶ reduced the estimates of traditional own resources (ECU 2 500 million) and entered in the budget the final balance from 1992 (ECU 1 004 million) and the negative balances of VAT and GNP resources for 1992 (ECU 1 165 million). On the expenditure side, EAGGF Guarantee Section appropriations were increased by ECU 1 300 million to take account of monetary and economic factors, changes in the rules and the prices package and the entry of negative expenditure in respect of the clearance of accounts. Some of the impact on administrative expenditure of the appreciation of the Belgian franc against the ecu was also taken into account; ECU 15.2 million was entered for the Community guarantee on EIB loans to certain Republics of former Yugoslavia.

The correction of the budgetary imbalance in favour of the United Kingdom for 1989 was revised. In addition, ECU 20 million in commitment and payment appropriations were entered in a new budget heading in response to the Commission's undertaking to contribute to the nuclear safety account administered by the European Bank for Reconstruction and Development (EBRD).⁷

¹ OJ L 315, 16.12.1993; Bull. EC 12-1993.

² Bull. EC 3-1993, point 1.5.2.

³ Bull. EC 6-1993, point 1.5.2.

⁴ Bull. EC 9-1993, point 1.5.1.

⁵ Bull. EC 11-1993, point 1.6.1.

⁶ Bull. EC 10-1993, point 1.5.2; Bull. EC 12-1993.

⁷ Point 511 of this Report.

Implementation of the 1993 budget

1083. The rates of utilization of appropriations in 1993 are shown in Tables 17 and 18. Overall, they come to 96.9% in commitments and 94.5% in payments. The utilization rate for agricultural guarantee expenditure (heading 1) exceeded 97%, leaving ECU 250 million unused, mainly because of movements on the agricultural markets. The utilization rates for headings 2, 3 and 4 of the financial perspective were 99% in commitments and 94.7% in payments. This represents a considerable improvement on the previous year when the rates came to 98% in commitments and 94.5% in payments. Virtually all the appropriations were used in heading 5 for the administrative expenditure of the institutions.

1994 financial year

Budget procedure for 1994

1084. The preliminary draft budget for 1994, which was formally adopted by the Commission on 21 June,¹ was drawn up in accordance with the financial perspective adopted by the Edinburgh European Council and again left margins below the ceilings of headings 3 and 4 so that any unforeseen expenditure may be financed despite the fact that there is no possibility of revising the financial perspective in 1994. The expenditure proposed in this preliminary draft came to ECU 73 167 million for commitments and ECU 70 099 million for payments, 5.9% and 7% higher than in 1993. Analysis of the expenditure side reveals a substantial increase of requirements in heading 1 (EAGGF Guarantee Section) as a result of the implementation of CAP reform from the 1993/94 marketing year onwards, August's currency realignments, which meant that the Council had to adopt letter of amendment No 1 to the preliminary draft for 1994 on 5 November,² the cost of new measures adopted by the Council and the impact of the prices package.³ The 1994 agricultural guideline of ECU 36 465 million is very close to that adopted for 1993 because of slackening economic growth; the preliminary draft for 1994 adheres strictly to this guideline in accordance with the Edinburgh European Council's conclusions on budgetary discipline, thus leaving considerable requirements uncovered. Appropriations for all the

¹ COM(93) 400; Bull. EC 6-1993, point 1.5.3.

² COM(93) 1588.

³ Point 516 of this Report.

structural operations in heading 2 come to ECU 23 176 million, an increase of 4.5% over 1993, and correspond exactly to the amounts laid down by the Edinburgh European Council. The allocation for the Cohesion Fund has been fixed at ECU 1 853 million, an increase of 18.4% in terms of value. The ECU 4 243 million proposed for heading 3 is 3.3% higher than in the 1993 budget and leaves a margin of around ECU 80 million below the ceiling. These expenditure forecasts relate to research and technological development (ECU 2 553 million in commitments), trans-European networks, which are considered as a priority by the Treaty on European Union (ECU 310 million), and the other internal policies which, given the squeeze imposed on the preliminary draft budget, increase very little if at all. The appropriations for operations under heading 4 total ECU 4 173.6 million. The modest 1.6% increase in allocations for this heading is mainly accounted for by food aid (1.5% higher than in 1993), cooperation with the developing countries of Asia and Latin America (up by some 1.5%), cooperation with Mediterranean countries, which is being given a significant boost (+3.9%) with special priority being paid to implementation of the third and fourth protocols with the southern Mediterranean countries (9.5% higher than in 1993), and the external aspects of certain Community policies, such as fisheries, which are also receiving a large percentage increase (4.8%). Appropriations for other cooperation measures, which were increased substantially in the 1993 budget compared with the Commission's proposals, are reduced slightly. Finally, virtually the same level of appropriations has been allocated to the PHARE and TACIS programmes. In heading 5, the fluctuations in the exchange rate between the ecu and the Belgian and Luxembourg franc which imposed a considerable burden on the 1993 budget led, for the second year running, to drastic measures to keep expenditure within the limit of the funds actually available. Finally, in accordance with the conclusions of the Edinburgh European Council, heading 6 contains three reserves which are entered in the preliminary draft but for which resources will be called in only if required in the course of the financial year.

1085. On 11 October the Commission adopted a letter of amendment to its preliminary draft, proposing a change in the breakdown of EAGGF Guarantee Section appropriations (without changing the total), the entry of ECU 17.5 million for the growth initiative and ECU 20 million for cross-frontier cooperation with neighbouring countries and an increase of ECU 35 million in commitment appropriations and of ECU 19 million in payment appropriations for financial assistance to the West Bank and Gaza territories.¹

¹ Bull. EC 10-1993, point 1.5.4.

TABLE 17
Utilization of appropriations for commitments (Commission)
at 31 December 1993, by financial perspective subdivision
(figures not final)

	(million ECU)													
	Book commitments entered into in 1993													
	Appropriations entered in 1993 budget (including supplementary/amending budgets)		Appropriations entered in 1993 budget (including supplementary/amending budgets and transfers)		Additional appropriations from 1993 and carryovers from 1992		Total appropriations available in 1993		Against 1993 appropriations		Against additional appropriations and carryovers		Against total appropriations available in 1993	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1. Common agricultural policy														
Markets (B1-1 to B1-3, not including B1-26)	34 635.000		34 635.000		175.500		34 810.500		33 868.066	97.8	157.734	89.9	34 025.800	97.7
Accompanying measures (B1-5)	182.000		182.000		0.000		182.000		221.700	121.8	0.000	0.0	221.700	121.8
Set-aside (B1-40)	430.000		430.000		0.000		430.000		426.800	99.3	0.000	0.0	426.800	99.3
Income aid (B1-41)	72.000		72.000		0.000		72.000		35.800	49.7	0.000	0.0	35.800	49.7
European Fisheries Guarantee Fund (B1-26)	33.000		33.000		0.000		33.000		32.400	98.2	0.000	0.0	32.400	98.2
Total 1	35 352.000		35 352.000		175.500		35 527.500		34 584.766	97.8	157.734	89.9	34 742.500	97.8
2. Structural operations														
Structural Funds (B2-1 and B2-4)	20 193.000		20 193.000		210.417		20 403.417		20 125.907	99.7	208.009	98.9	20 333.916	99.7
PEDIP (B2-20)	0.000		0.000		0.000		0.000		0.000	0.0	0.000	0.0	0.000	0.0
IMPs (B2-22)	0.623		0.623		186.431		187.054		0.578	92.7	186.431	100.0	187.009	100.0
Community support frameworks (B2-21)	13.540		13.540		0.000		13.540		11.756	86.8	0.000	0.0	11.756	86.8
Fisheries Guidance (B2-23)	341.100		341.100		0.000		341.100		338.754	99.3	0.000	0.0	338.754	99.3
Cohesion Fund (B2-3)	1 565.000		1 565.000		0.000		1 565.000		1 564.642	100.0	0.000	0.0	1 564.642	100.0
Programmes for the outermost regions (B2-24)	78.700		78.700		0.000		78.700		78.700	100.0	0.000	0.0	78.700	100.0
Total 2	22 191.963		22 191.963		396.848		22 588.811		22 120.336	99.7	394.440	99.4	22 514.777	99.7
3. Internal policies														
Research (B6)	2 555.822		2 555.822		55.143		2 610.965		2 483.646	97.2	28.945	52.5	2 512.591	96.2
Other agricultural operations (B2-5)	205.800		201.180		4.000		205.180		198.919	98.9	4.000	100.0	202.919	98.9
Other regional operations (B2-6)	30.000		30.000		2.075		32.075		29.490	98.3	1.994	96.1	31.484	98.2
Transport (B2-7)	12.770		12.770		0.000		12.770		12.515	98.0	0.000	0.0	12.515	98.0
Fisheries and the sea (B2-9)	25.000		25.000		0.000		25.000		24.670	98.7	0.000	0.0	24.670	98.7
Education, vocational training, youth (B3-1)	269.079		269.079		24.180		293.259		268.935	99.9	24.131	99.8	293.066	99.9
Culture and audiovisual media (B3-2)	63.575		63.575		0.000		63.575		63.575	100.0	0.000	0.0	63.575	100.0
Information and communications (B3-3)	33.731		33.731		0.151		33.882		33.659	99.8	0.151	100.0	33.810	99.8
Other social operations (B3-4) ¹	168.695		168.402		0.000		168.402		156.960	93.2	0.000	0.0	156.960	93.2
Energy (B4-1)	202.292		202.292		0.000		202.292		201.779	99.7	0.000	0.0	201.779	99.7
Euratom nuclear safeguards (B4-2)	11.500		11.500		0.000		11.500		12.191	99.9	0.000	0.0	12.191	99.9
Environment (B4-3)	100.733		99.733		1.500		101.233		96.055	96.3	0.595	39.7	96.650	95.5
Consumer protection (B5-1)	16.000		16.000		0.000		16.000		15.116	94.5	0.000	0.0	15.116	94.5
Aid for reconstruction (B5-2)	12.900		13.113		0.000		13.113		13.097	99.9	0.000	0.0	13.097	99.9
Internal market (B5-3)	118.815		118.815		0.210		119.025		117.183	98.6	0.208	99.3	117.391	98.6
Industry (B5-4)	32.850		34.850		0.001		34.851		34.780	99.8	0.000	0.0	34.780	99.8
Information market (B5-5)	10.000		10.000		0.000		10.000		9.992	99.9	0.000	0.0	9.992	99.9
Statistical information (B5-6)	29.000		32.000		0.000		32.000		31.638	98.9	0.000	0.0	31.638	98.9
Trans-European networks (B5-7)	209.000		209.000		0.000		209.000		205.089	98.1	0.000	0.0	205.089	98.1
Total 3	4 107.562		4 107.562		87.259		4 194.821		4 009.288	97.6	60.024	68.8	4 069.313	97.0

TABLE 17 (continued)

	Book commitments entered into in 1993 (million ECU)													
	Appropriations entered in 1993 budget (including supplementary/amending budgets)		Appropriations entered in 1993 budget (including supplementary/amending budgets and transfers)		Additional appropriations from 1993 and carryovers from 1992		Total appropriations available in 1993		Against 1993 appropriations		Against additional appropriations and carryovers		Against total appropriations available in 1993	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
4. External action														
EDF (B7-1)	0.000		0.000		0.000		0.000	0.0	0.000	0.0	0.000	0.0	0.000	0.0
Food aid (B7-2)	574.000		574.000		0.000		574.000	100.0	573.996	100.0	0.000	0.0	573.996	100.0
Cooperation with Latin American and Asian developing countries (B7-3)	634.000		634.000		0.000		634.000	99.9	633.661	99.9	0.000	0.0	633.661	99.9
Cooperation with Mediterranean countries (B7-4)	408.700		392.700		7.205		399.905	99.8	391.937	99.8	6.401	88.8	398.338	99.6
Other cooperation measures (B7-5)	626.700		971.700		5.000		976.700	99.3	964.876	99.3	5.000	100.0	969.876	99.3
Cooperation with Central and East European countries and the Independent States of the former Soviet Union (B7-6)	1 574.000		1 523.725		0.000		1 523.725	95.7	1 457.732	95.7	0.000	0.0	1 457.732	95.7
Cooperation with other third countries (B7-7)	0.000		0.000		0.000		0.000	0.0	0.000	0.0	0.000	0.0	0.000	0.0
External aspects of certain Community policies (B7-0 and B7-8)	293.700		232.874		0.000		232.874	81.6	189.934	81.6	0.000	0.0	189.934	81.6
Total 4	4 111.100		4 328.999		12.205		4 341.204	97.3	4 212.136	97.3	11.401	93.4	4 223.537	97.3
5. Repayment and administration														
Administration — Part A + B8	2 296.010		2 296.010		2.395		2 298.404	98.4	2 258.959	98.4	2.395	100.0	2 261.353	98.4
Total 5	2 296.010		2 296.010		2.395		2 298.404	98.4	2 258.959	98.4	2.395	100.0	2 261.353	98.4
6. Reserves														
Monetary reserve (B1-6)	1 000.000		1 000.000		0.000		1 000.000	0.0	0.000	0.0	0.000	0.0	0.000	0.0
Guarantee (B0-2)	15.200		15.200		0.000		15.200	0.0	0.000	0.0	0.000	0.0	0.000	0.0
Reserve for emergency aid	209.000		0.000		0.000		0.000	0.0	0.000	0.0	0.000	0.0	0.000	0.0
Total 6	1 224.200		1 015.200		0.000		1 015.200	0.0	0.000	0.0	0.000	0.0	0.000	0.0
Grand total	69 282.835		69 291.734		674.206		69 965.940	97.0	67 185.485	97.0	625.995	92.8	67 811.480	96.9

TABLE 18

Utilization of appropriations for payments (Commission)
at 31 December 1993, by financial perspective subdivision
(figures not final)

	(million ECU)									
	Appropriations entered in 1993 budget (including supplementary/amending budgets)					Payments made in 1993				
	Appropriations entered in 1993 budget (including supplementary/amending budgets)	Appropriations entered in 1993 budget (including supplementary/amending budgets and transfers)	Additional appropriations from 1993 and carryovers from 1992	Total appropriations available in 1993	Against 1993 appropriations	Against additional appropriations and carryovers	Against total appropriations available in 1993	Amount	%	Amount
1. Common agricultural policy	34 635 000	34 635 000	226 259	34 861 259	33 868 100	186 811	34 054 911	97.8	82.6	97.7
Markets (B1-1 to B1-3, not including B1-26)	182 000	182 000	0 000	182 000	221 700	0 000	221 700	121.8	0.0	121.8
Accompanying measures (B1-5)	430 000	430 000	0 000	430 000	426 800	0 000	426 800	99.3	0.0	99.3
Set-aside (B1-40)	72 000	72 000	0 000	72 000	35 800	0 000	35 800	49.7	0.0	49.7
Income aid (B1-41)	33 000	33 000	0 000	33 000	32 400	0 000	32 400	98.2	0.0	98.2
European Fisheries Guarantee Fund (B1-26)	33 000	33 000	0 000	33 000	32 400	0 000	32 400	98.2	0.0	98.2
Total 1	35 352 000	35 352 000	226 259	35 578 259	34 584 800	186 811	34 771 611	97.8	82.6	97.7
2. Structural operations	18 923 800	19 114 630	157 749	19 272 379	18 687 161	96 093	18 783 254	97.8	60.9	97.5
Structural Funds (B2-1 and B2-4)	60 191	60 191	0 000	60 191	60 191	0 000	60 191	100.0	0.0	100.0
PEDIP (B2-20)	194 438	194 438	0 112	194 550	193 283	0 000	193 283	99.4	0.0	99.3
IMPs (B2-22)	9 767	9 767	6 027	15 794	8 994	0 352	9 346	92.1	5.8	59.2
Community support frameworks (B2-21)	272 403	292 403	0 734	293 137	285 561	0 697	286 258	97.7	94.9	97.7
Fisheries Guidance (B2-23)	1 000 000	800 000	0 000	800 000	730 588	0 000	730 588	91.3	0.0	91.3
Cohesion Fund (B2-3)	36 891	36 891	0 000	36 891	35 424	0 000	35 424	96.0	0.0	96.0
Programmes for the outermost regions (B2-24)	20 497 490	20 508 320	164 621	20 672 941	20 001 203	97 141	20 098 344	97.5	59.0	97.2
Total 2	2 351 543	2 374 403	138 641	2 513 044	2 176 653	68 471	2 245 124	91.7	49.4	89.3
3. Internal policies	128 094	120 643	85 598	206 241	109 050	72 676	181 725	90.4	84.9	88.1
Research (B6)	53 003	51 403	20 475	71 878	38 482	6 320	44 802	74.9	30.9	62.3
Other agricultural operations (B2-5)	12 570	6 570	7 384	13 954	3 974	6 852	10 826	60.5	92.8	77.6
Other regional operations (B2-6)	18 670	18 670	4 881	23 551	16 228	0 200	16 428	86.9	4.1	69.8
Transport (B2-7)	252 565	244 065	72 660	316 725	235 917	68 454	304 371	96.7	94.2	96.1
Fisheries and the sea (B2-9)	63 943	63 943	3 588	67 531	62 233	2 738	64 970	97.3	76.3	96.2
Education, vocational training, youth (B3-1)	22 137	22 137	13 790	35 927	15 136	11 623	26 759	68.4	84.3	74.5
Culture and audiovisual media (B3-2)	125 507	131 007	64 064	195 071	76 387	55 706	132 093	58.3	87.0	67.7
Information and communications (B3-3)	144 776	134 376	1 849	136 225	132 527	1 280	133 807	96.2	69.2	98.2
Other social operations (B3-4)	7 367	6 867	2 483	9 350	6 808	2 220	9 028	99.1	89.4	96.6
Energy (B4-1)	95 323	92 323	18 019	110 342	67 758	5 143	72 902	73.4	28.5	66.1
Euratom nuclear safeguards (B4-2)	10 011	10 011	8 434	18 445	8 026	7 062	15 089	80.2	83.7	81.8
Environment (B4-3)	12 471	12 933	0 341	13 274	12 849	0 338	13 187	99.4	99.4	99.4
Consumer protection (B5-1)	93 868	102 667	27 854	130 521	87 956	22 076	110 033	85.7	79.3	84.3
Aid for reconstruction (B5-2)	31 820	34 320	1 017	35 337	29 559	0 535	30 093	86.1	52.5	85.2
Internal market (B5-3)	11 601	14 601	0 000	14 601	14 601	0 000	14 601	100.0	0.0	100.0
Industry (B5-4)	30 936	34 936	0 950	35 886	34 027	0 949	34 975	97.4	99.8	97.5
Information market (B5-5)	107 808	132 808	0 900	133 708	126 321	0 841	127 162	95.1	93.4	95.1
Statistical information (B5-6)	3 574 013	3 608 683	472 927	4 081 610	3 254 491	333 485	3 587 977	90.2	70.5	87.9
Trans-European networks (B5-7)										
Total 3	3 574 013	3 608 683	472 927	4 081 610	3 254 491	333 485	3 587 977	90.2	70.5	87.9

TABLE 18 (continued)

(million ECU)

	Appropriations entered in 1993 budget (including supplementary/amending budgets)	Appropriations entered in 1993 budget (including supplementary/amending budgets and transfers)	Additional appropriations from 1993 and carryovers from 1992	Total appropriations available in 1993	Book commitments entered into in 1993					
					Against 1993 appropriations		Against additional appropriations and carryovers		Against total appropriations available in 1993	
					Amount	%	Amount	%	Amount	%
4. External action	0.000	0.000	0.000	0.000	0.000	0.0	0.000	0.0	0.0	
EDF (B7-1)	570.832	430.832	3.678	434.510	430.468	99.9	3.208	433.676	99.8	
Food aid (B7-2)	354.168	354.168	4.362	358.530	352.098	99.4	2.686	354.785	99.0	
Cooperation with Latin American and Asian developing countries (B7-3)	352.148	358.148	4.611	362.759	348.651	97.3	4.264	352.915	97.3	
Cooperation with Mediterranean countries (B7-4)	497.636	802.636	176.544	979.180	527.849	65.8	127.279	655.128	66.9	
Other cooperation measures (B7-5)										
Cooperation with Central and East European countries and the Independent States of the former Soviet Union (B7-6)	693.573	746.073	0.000	746.073	720.811	96.6	0.000	720.811	96.6	
Cooperation with other third countries (B7-7)	29.003	29.003	0.000	29.003	15.366	53.0	0.000	15.366	53.0	
External aspects of certain Community policies (B7-0 and B7-8)	291.917	240.817	0.377	241.194	190.064	78.9	0.321	190.385	78.9	
Total 4	2 789.277	2 961.677	189.572	3 151.249	2 585.307	87.3	137.759	2 723.066	86.4	
5. Repayment and administration										
Administration — Part A + B8	2 296.010	2 296.010	229.847	2 525.856	1 969.325	85.8	200.805	2 170.131	85.9	
Total 5	2 296.010	2 296.010	229.847	2 525.856	1 969.325	85.8	200.805	2 170.131	85.9	
6. Reserves										
Monetary reserve (B1-6)	1 000.000	1 000.000	0.000	1 000.000	0.000	0.0	0.000	0.000	0.0	
Guarantee (B0-2)	15.200	15.200	0.000	15.200	0.000	0.0	0.000	0.000	0.0	
Reserve for emergency aid	209.000	0.000	0.000	0.000	0.000	0.0	0.000	0.000	0.0	
Total 6	1 224.200	1 015.200	0.000	1 015.200	0.000	0.0	0.000	0.000	0.0	
Grand total	65 732.990	65 741.890	1 283.227	67 025.116	62 395.127	94.9	956.001	63 351.128	94.5	

TABLE 19

1994 budget (provisional figures)
(Appropriations for commitments — Parliament's nomenclature)

	Budget 1993 (1)	Financial perspective 1994 ¹ (2)	Preliminary draft budget 1994 (3)	Difference (3)/(1) % (4)	Council first reading (5)	Difference (5)/(1) % (6)	Parliament first reading (7)	Difference (7)/(1) % (8)	Council second reading (9)	Difference (9)/(1) % (10)	Difference (9) — (3) (11)	Difference (12) — (3) (14)	Difference (12) — (5) (15)	Difference (12) — (7) (16)
1. Common agricultural policy														
Markets (B1-1 to B1-3)	35 098 000.000		35 862 000.000	2.18	35 864 000.000	2.18	35 464 000.000	1.04	35 862 000.000	2.18				398 000.000
Accompanying measures (B1-4 and B1-5)	254 000.000		603 000.000	137.40	601 000.000	136.61	1 001 000.000	294.09	603 000.000	137.40				- 398 000.000
Margin	35 352 000.000	36 465	36 465 000.000	3.15	36 465 000.000	3.15	36 465 000.000	3.15	36 465 000.000	3.15				
Total 1														
2. Structural operations														
EAGGF Guidance (B2-10)	3 029 500.000		3 343 000.000	10.35	3 343 000.000	10.35	3 343 000.000	10.35	3 343 000.000	10.35				
FIFG (B2-11)	355 400.000		419 000.000	17.90	365 000.000	2.70	419 000.000	17.90	419 000.000	17.90				
ERDF (B2-12)	7 978 000.000		9 030 000.000	13.19	9 030 000.000	13.19	9 030 000.000	13.19	9 030 000.000	13.19				
ESF (B2-13)	5 766 000.000		6 457 000.000	11.98	6 457 000.000	11.98	6 457 000.000	11.98	6 457 000.000	11.98				
Community initiatives (B2-14)	1 871 000.000		1 706 000.000	- 8.82	1 706 000.000	- 8.82	1 706 000.000	- 8.82	1 706 000.000	- 8.82				
Other Structural Fund operations (B2-18 to B2-22)	1 827 063.000		368 000.000	- 77.38	368 000.000	- 77.38	368 000.000	- 77.38	368 000.000	- 77.38				
Cohesion Fund (B2-3)	1 565 000.000		1 853 000.000	18.40	1 853 000.000	18.40	1 853 000.000	18.40	1 853 000.000	18.40				
Structural Funds — Subtotal	20 626 963.000	21 323	21 323 000.000	3.37	21 323 000.000	3.37	21 323 000.000	3.37	21 323 000.000	3.37				
Cohesion Fund— Subtotal	1 565 000.000	1 853	1 853 000.000	18.40	1 853 000.000	18.40	1 853 000.000	18.40	1 853 000.000	18.40				
Total 2	22 191 963.000	23 176	23 176 000.000	4.43	23 176 000.000	4.43	23 176 000.000	4.43	23 176 000.000	4.43				
Total margin														
3. Internal policies														
Research (B6)	2 734 822.000		2 737 196.000	0.09	2 465 914.000	- 9.83	2 777 423.000	1.56	2 732 496.000	1.56	- 4 700.000	30 227.000	34 927.000	- 10 000.000
Other agricultural operations (B2-5)	203 800.000		205 825.000	0.99	196 000.000	- 3.83	205 825.000	0.99	202 825.000	- 0.48	- 3 000.000	3 000.000	3 000.000	
Other regional operations (B2-6)	30 000.000		31 000.000	3.33	21 300.000	- 29.00	31 000.000	3.33	21 300.000	- 29.00	- 9 700.000	3 000.000	6 000.000	
Transport (B2-7)	12 770.000		13 000.000	1.80	10 000.000	- 21.69	16 000.000	25.29	10 000.000	- 21.69	- 3 000.000			
Fisheries and the sea (B2-9)	25 000.000		25 640.000	2.56	25 100.000	0.40	25 640.000	2.56	25 640.000	2.56				
Education, vocational trainings, youth (B3-1)	269 579.000		281 000.000	4.24	243 500.000	- 9.67	288 500.000	7.02	275 000.000	2.01	- 6 000.000	6 500.000	12 500.000	
Culture and audiovisual sector (B3-2)	63 575.000		65 300.000	2.71	49 300.000	- 22.45	69 600.000	9.48	62 500.000	- 1.69	- 2 800.000	4 300.000	7 100.000	
Information and communications (B3-3)	33 731.000		40 000.000	18.59	23 000.000	- 31.81	47 500.000	40.82	33 000.000	- 2.17	- 7 000.000	7 500.000	14 500.000	
Other social operations (B3-4) ²	168 695.000		143 000.000	3.10	71 300.000	- 48.59	156 030.000	12.50	107 520.000	- 4.85	- 35 480.000	13 030.000	48 510.000	
Energy (B4-1)	28 292.000		29 250.000	3.39	12 900.000	- 54.40	33 000.000	16.64	28 250.000	- 0.15	- 1 000.000	3 750.000	4 750.000	
Euratom nuclear safeguards (B4-2)	11 500.000		19 480.000	69.39	12 500.000	8.70	19 480.000	69.39	19 480.000	69.39				
Environment (B4-3)	100 733.000		111 450.000	10.64	93 450.000	- 7.23	133 450.000	32.48	110 450.000	- 13.44	- 1 000.000	22 000.000	23 000.000	
Consumer protection (B5-1)	16 000.000		15 000.000	- 6.25	7 500.000	- 53.13	16 000.000	0.00	13 850.000	- 13.44	- 1 150.000	1 000.000	2 150.000	
Aid for reconstruction (B5-2)	12 900.000		9 250.000	- 28.29	9 250.000	- 28.29	9 250.000	- 28.29	9 250.000	- 28.29				
Internal market (B5-3)	108 315.000		155 264.000	43.34	114 700.000	5.89	177 750.000	64.10	179 200.000	65.44	23 936.000	28 786.000	4 850.000	6 300.000
Industry (B5-4)	37 350.000		39 100.000	4.69	31 550.000	- 15.53	38 450.000	2.95	34 900.000	- 6.56	- 4 200.000	- 650.000	3 550.000	
Information market (B5-5)	0.000		0.000		0.000		0.000		0.000					
Statistical information (B5-6)	29 000.000		30 000.000	3.45	27 900.000	- 3.79	30 000.000	3.45	30 000.000	3.45				
Trans-European networks (B5-7)	221 500.000		310 000.000	39.95	222 900.000	0.63	289 800.000	30.84	296 800.000	34.00	- 13 200.000	- 20 200.000	- 7 000.000	
Cooperation in the field of justice (B5-8)	0.000		0.000		0.000		0.000		0.000					
Research — Subtotal	2 734 822.000		2 737 196.000	0.09	2 465 914.000	- 9.83	2 777 423.000	1.56	2 732 496.000	1.56	- 4 700.000	30 227.000	34 927.000	- 10 000.000
Networks — Subtotal	221 500.000		310 000.000	39.95	222 900.000	0.63	289 800.000	30.84	296 800.000	34.00	- 13 200.000	- 20 200.000	- 7 000.000	
Other policies — Subtotal	1 151 240.000		1 213 559.000	5.41	949 250.000	- 17.55	1 297 475.000	12.70	1 163 165.000	1.04	- 30 394.000	89 216.000	139 610.000	5 300.000
Margin	4 107 562.000	4 370	4 260 755.000	3.73	3 638 064.000	- 11.43	4 364 696.000	6.26	4 192 461.000	2.07	- 68 294.000	99 243.000	167 537.000	- 4 700.000
Total 3														

TABLE 19 (continued)

	Budget 1993 (1)	Financial perspective 1994 ¹ (2)	Preliminary draft budget 1994 (3)	Council first reading (5)	Difference (5)/(1) % (4)	Parliament first reading (7)	Difference (7)/(1) % (8)	Council second reading (9)	Difference (9)/(1) % (10)	Difference (9) - (3) (11)	Budget 1994 (12)	Difference (12)/(1) % (13)	Difference (12) - (3) (14)	Difference (12) - (5) (15)	Difference (12) - (7) (16)
4. External action															
EDF (B7-1)	0.000		0.000	0.000		0.000		0.000			0.000				
Food aid (B7-2)	574 000.000		582 600.000	582 600.000	1.50	589 100.000	2.63	582 600.000	1.50		589 100.000	2.63	6 500.000	6 500.000	
Cooperation — Latin American countries and Asia (B7-3)	634 000.000		635 700.000	635 700.000	0.27	648 700.000	2.32	643 700.000	1.53		648 700.000	2.32	5 000.000	5 000.000	
Cooperation — Mediterranean countries (B7-4)	406 700.000		455 500.000	398 000.000	-2.14	449 850.000	10.61	447 500.000	10.03	-8 000.000	449 850.000	10.61	-5 650.000	2 350.000	
Other cooperation measures (B7-5)	632 700.000		648 875.000	540 725.000	-14.54	850 050.000	34.35	637 725.000	0.79	-11 150.000	849 850.000	34.32	200 975.000	212 125.000	-200.000
Cooperation — Central and East European countries and Independent States of former USSR (B7-6)	1 574 000.000		1 593 000.000	1 573 000.000	-0.06	1 463 000.000	-7.05	1 573 000.000	0.06	-20 000.000	1 463 000.000	-7.05	-130 000.000	-110 000.000	
Cooperation — Other third countries (B7-7)	0.000		0.000	0.000		0.000		0.000			0.000				
External aspects of certain Community policies (B7-0 et B7-8)	293 700.000		307 915.000	292 915.000	-0.27	295 415.000	0.58	292 915.000	-0.27	-15 000.000	295 190.000	0.51	-12 725.000	2 275.000	-225.000
Total 4	4 115 100.000	4 311	4 231 590.000	4 022 940.000	-2.24	4 296 115.000	4.40	4 177 440.000	1.51	-54 150.000	4 295 690.000	4.39	64 100.000	118 250.000	-425.000
Margin			288 060.000	14 885.000				133 560.000		15 310.000					
5. Administrative expenditure of institutions															
Commission (Part A not including pensions)	1 995 340.688		2 078 105.000	2 056 428.000	3.06	2 093 262.000	4.91	2 086 431.000	4.57	8 326.000	2 093 262.000	4.91	15 157.000	6 831.000	
Pensions	296 669.000		334 761.000	334 761.000	12.84	334 761.000	12.84	334 761.000	12.84		334 761.000	12.84			
Commission — Total	2 292 009.688		2 412 866.000	2 391 189.000	5.27	2 428 023.000	5.93	2 421 192.000	5.64	8 326.000	2 428 023.000	5.93	15 157.000	6 831.000	
Other institutions — Total	1 124 948.364		1 303 814.895	1 183 728.532	5.23	1 189 900.763	5.77	1 185 319.632	5.37	-118 495.263	1 189 600.263	5.75	-114 214.632	4 280.631	-300.500
Margin	3 416 959.052	3 634	3 716 680.895	3 574 917.532	4.62	3 617 923.763	5.88	3 606 511.632	5.55	-110 169.263	3 617 623.263	5.87	-99 057.632	11 111.631	-300.500
			-82 680.895	59 082.468		16 076.237		27 488.368			16 376.737				
6. Reserves															
Monetary reserve (B1-6)	1 000 000.000		1 000 000.000	1 000 000.000	0.00	1 000 000.000	0.00	1 000 000.000	0.00		1 000 000.000	0.00			
Guarantee (B0-23)	15 200.000		318 000.000	318 000.000	2 092.11	318 000.000	2 092.11	318 000.000	2 092.11		318 000.000	2 092.11			
Humanitarian reserve (B7-9)	209 000.000		212 000.000	212 000.000	1.44	212 000.000	1.44	212 000.000	1.44		212 000.000	1.44			
Margin	1 224 200.000	1 530	1 530 000.000	1 530 000.000	24.98	1 530 000.000	24.98	1 530 000.000	24.98		1 530 000.000	24.98			
Total 6			0.000	0.000		0.000		0.000			0.000				
Grand total — Appropriations for commitments	37 437 332.000		38 925 094.000	38 910 094.000	3.93	38 910 094.000	3.93	38 910 094.000	3.93	-15 000.000	38 910 094.000	3.93	-15 000.000	296 898.631	-5 425.500
NCE	32 970 452.052		34 454 931.895	33 496 827.532	4.50	34 539 642.763	4.76	34 237 318.632	3.84	-217 613.263	34 534 217.263	4.74	79 285.368	296 898.631	-5 425.500
Total CE + NCE	70 407 784.052	73 486	73 380 025.895	72 406 921.532	4.22	73 449 736.763	4.32	73 147 412.632	3.89	-232 613.263	73 444 311.263	4.31	64 285.368	296 898.631	-5 425.500
Margin			105 974.105	1 079 078.468		36 263.237		338 587.368			41 688.737				
Grand total — Appropriations for payments	37 441 632.000		38 918 069.567	38 891 484.567	3.94	38 901 684.567	3.90	38 891 484.567	3.87	-26 585.000	38 891 484.567	3.87	-26 585.000	267 994.631	-10 200.000
NCE	29 416 307.052		31 368 000.328	30 119 995.408	6.63	31 117 290.639	5.78	30 854 045.508	4.89	-513 954.820	31 122 040.139	5.80	-245 960.189	267 994.631	4 749.500
Total CE + NCE	66 857 939.052	70 352	70 286 069.895	69 011 479.975	5.13	70 018 975.206	4.73	69 745 530.075	4.32	-540 539.820	70 013 524.706	4.72	-272 545.189	267 994.631	-5 450.500
Margin			65 930.105	1 340 520.025		333 024.794		606 469.925		338 475.294					

Column (1): 1993 budget, including supplementary and amending budget No 1/93. The amount recorded is from the statement of estimates which exceeds the amount entered by the Commission in its preliminary draft by ECU 140 655 895.

Columns (3) and (5): including letter of amendment 1/94.

1. The figures relating to the financial perspective are based on the Edinburgh European Council decision as amended in the new Interinstitutional Agreement.

2. The change between 1993 and 1994 does not take account of a specific measure for customs agents in 1993.

1086. On 22 July the Council adopted on first reading an even tighter draft budget than the Commission's preliminary draft.¹ Commitment appropriations totalled ECU 72 407 million, 4.81% more than in 1993 but ECU 900 million less than in the preliminary draft. Payment appropriations totalled ECU 69 011 million, a far more modest increase than proposed in the preliminary draft, aggravating the structural deficit. As in the previous year, the Council made systematic cuts which affected not only the commitment appropriations for 1994 but also outstanding commitments and the implementation of new measures for which commitment appropriations had been granted.

1087. Parliament, which had already proposed guidelines for drawing up the 1994 budget on 10 March² and adopted a resolution on the statement of estimates of its own revenue and expenditure for the 1994 financial year on 24 June,³ gave the draft its first reading on 28 October.⁴ As regards the volume of appropriations, this draft was very close to the preliminary draft and was in keeping with the revised financial perspective resulting from the new Interinstitutional Agreement. In addition to some general features such as the introduction of a large number of small headings and more details on the remarks page on the use of appropriations, the draft presented the following specific aspects: in heading 2 Parliament refused to allocate a significant amount to the new Objective 4 of the Structural Funds, as the Commission and the Council intended, and set up a detailed budgetary structure for Community initiatives, with token entries under the specific headings and the overall allocation entered in the reserve; in heading 3 most of the allocations cut by the Council were restored to a level close to that of the preliminary draft, ECU 45.5 million was entered for the growth initiative (compared with the ECU 17.5 million proposed by the Commission in its letter of amendment and subsequently rejected by the Council); in heading 4 there were substantial increases for other cooperation measures, which had been severely cut back by the Council, and a reallocation of the appropriations for PHARE (of which ECU 50 million was allocated to ECHO and ECU 150 million to cross-frontier cooperation with the countries of Central and Eastern Europe) and for TACIS (of which ECU 40 million was allocated to ECHO and the remainder entered in the reserve); in heading 5 the appropriations proposed for the Commission's administrative expenditure was increased by almost ECU 37 million compared with the Council draft, allowing some 400 additional posts to be filled. A

¹ Bull. EC 7/8-1993, point 1.5.1.

² OJ C 115, 26.4.1993; Bull. EC 3-1993, points 1.5.3 and 1.5.4.

³ OJ C 194, 19.7.1993; Bull. EC 6-1993, point 1.5.4.

⁴ OJ C 315, 22.11.1993; Bull. EC 10-1993, point 1.5.4.

further 330 posts were provided by the conversion of appropriations. Parliament also decided to enter ECU 22 million for the European Schools and ECU 10 million for the Publications Office in the reserve (B0-40).

1088. The Council took account of the new Interinstitutional Agreement during its second reading.¹ It confirmed the volume of compulsory expenditure, which was thus finally adopted, and accepted a large proportion of Parliament's changes (leading to an increase of ECU 706 million as against the ECU 1 043 million voted by Parliament). The main differences are in heading 2, where the Council restored the appropriations for the new Objective 4 and entered the amounts earmarked for the Community initiatives in the specific headings, and in heading 4, where most of Parliament's amendments relating to PHARE and TACIS were rejected. However, the Council followed Parliament's lead in some significant areas: it virtually restored all the research appropriations proposed in the preliminary draft and accepted the changes which Parliament made to the nomenclature for this sector; it accepted ECU 45.5 million for the growth initiative and allocated ECU 150 million for cross-frontier cooperation by redeploying PHARE appropriations.

1089. The budget finally adopted at the end of Parliament's part-session on 16 December² complies with the ceilings of the revised financial perspective. Totalling ECU 73 444 million in commitment appropriations and ECU 70 013 million in payment appropriations (4.3% and 4.7% higher than in 1993), it leaves an overall margin of ECU 41.7 million in commitment appropriations: ECU 10 million in heading 3, ECU 15.3 million in heading 4 and ECU 16.4 million in heading 5. In response to the Council's constructive attitude, Parliament toned down some of the positions it adopted on first reading, in particular as regards the entry of TACIS appropriations in the reserve and the allocations for the headings for the agencies following the decision on their location.

Table 19 sets out the various stages of the budgetary procedure.

Own resources

1090. The budget is financed in accordance with Council Decision 88/376/EEC, Euratom on the system of the Communities' own resources.³ In 1993 the budget resources totalled ECU 65 456.4 million, i.e. 1.11% of Community GNP.

¹ Bull. EC 11-1993, point 1.6.4.

² Bull. EC 12-1993.

³ OJ L 185, 15.7.1988; Twenty-second General Report, point 102.

The revenue for the year is shown in Table 20. Foreseeable revenue for 1994 is also shown in Table 20.

TABLE 20
Budget revenue

<i>(million ECU)</i>		
	1993 (out-turn)	1994 (estimates)
Agricultural levies	1 032.1	1 023.4
Sugar and isoglucose levies	1 115.3	1 242.2
Customs duties	12 259.6	14 021.5
Own resources collection costs	1 440.7	- 1 628.7
VAT own resources	35 560.0	35 850.5
GNP-based own resources	16 555.7	18 988.8
Balance of VAT and GNP-based own resources from previous years	- 1 129.6	token entry
Budget balance from previous year	1 004.0	token entry
Other revenue	500.0	515.8
Total	65 456.4	70 013.5
% GNP		
Maximum own resources which may be assigned to the budget	1.20	1.20
Own resources actually assigned to the budget	1.11	1.19

Discharge procedure

1991 financial year

1091. On 21 and 22 April, Parliament granted a discharge to the Commission in respect of implementation of the 1991 budget.¹ It also adopted a series of decisions giving discharge in respect of the implementation of its own budget² and the management of the EDF,³ the Centre for the Development of

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.5.2.

² OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.5.3.

³ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.5.6.

Vocational Training¹ and the Foundation for the Improvement of Living and Working Conditions.² The discharge in respect of the management of the ECSC was, however, first postponed³ before being finally granted on 27 October.⁴

1992 financial year

1092. In April, the Commission adopted the revenue and expenditure account and balance sheet for 1992 together with the report on action taken in response to Parliament's resolution accompanying the discharge decisions in respect of 1990.⁵ On 28 June, it also adopted a communication on the balance sheets and accounts of the fifth, sixth and seventh EDFs for the financial year 1992.⁶ On 12 March, Parliament adopted a resolution on the closure of its accounts (administrative expenditure).⁷

ECSC budget

1093. After taking note of Parliament's opinion⁸ and after informing the ECSC Consultative Committee, the Commission decided on 21 December to reduce the ECSC levy rate for 1994 from 0.25 to 0.23% and adopted the ECSC operating budget for 1994 on this basis.⁹ The resources (levy, net balance, fines, cancellations, budgetary resources not used the previous year and the special reserve) estimated at ECU 393 million should cover the ECSC's requirements, which break down as follows (million ECU):

Administrative expenditure	5
Redeployment aid	157
Aid for research	52
Interest subsidies on conversion loans	53
Social measures (steel)	86
Social measures (coal)	40

1094. On 30 June, the Commission adopted a draft amending budget for

¹ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.5.5.

² OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.5.4.

³ OJ C 150, 31.5.1993; Bull. EC 4-1993, point 1.5.7.

⁴ OJ L 299, 4.12.1993; Bull. EC 10-1993, point 1.5.7.

⁵ Twenty-sixth General Report, point 1187.

⁶ COM(93) 234; Bull. EC 6-1993, point 1.5.1.

⁷ OJ C 115, 26.4.1993; Bull. EC 3-1993, point 1.5.1.

⁸ OJ C 20, 24.1.1994; Bull. EC 12-1993.

⁹ OJ L 328, 29.12.1993; Bull. EC 12-1993.

1993, increasing the initial budget¹ by ECU 3.8 million for coal research and interest subsidies for conversion loans.²

Financial Control

1095. With a view to greater decentralization of the management and control of Community funds in the Member States, the Financial Controller held a further seminar in Madrid in March to meet the supreme control authorities in the Member States.³

1096. Financial Control continued its audit of national management and control systems for the Structural Funds⁴ and an annual training seminar for national officials concerned with this sector was organized this year in Dresden for the officials of the new *Länder*.

1097. As part of increased Community aid to the countries of Central Europe under the PHARE programme,⁵ a further training seminar was organized in Budapest in March for 80 Hungarian officials.⁶ Exploratory missions and visits were made to Bulgaria and Russia under the PHARE and TACIS programmes.⁷ On-the-spot inspections were also conducted in Poland, Hungary and Bulgaria.

1098. In order to control Community expenditure in international organizations, the Financial Controller negotiated control clauses with a number of UN agencies. The communication adopted by the Commission on 17 November⁸ extends these control clauses to all agreements with international organizations receiving subsidies or financial contributions from the Community budget.

1099. As regards implementation of the Treaty on European Union, Financial Control is playing an active role in discussions between the Court of Auditors and the Commission on the rules for applying Article 188c of the Treaty concerning the statement of assurance as to the reliability of the accounts of the Community institutions which the Court is now obliged to provide.

¹ Twenty-sixth General Report, point 1189.

² Bull. EC 6-1993, point 1.5.5.

³ Twenty-sixth General Report, point 1191.

⁴ Twenty-sixth General Report, point 1192.

⁵ Point 655 *et seq.* of this Report.

⁶ Twenty-sixth General Report, point 1193.

⁷ Point 675 *et seq.* of this Report.

⁸ Bull. EC 11-1993, point 1.6.14.

1100. As regards internal management, in accordance with the Commission Decision of 7 June 1990,¹ Financial Control conducted a financial audit of nine Directorates-General or departments under the work programme adopted by the Commission and on 31 March the Commission adopted a summary report.

1101. Financial Control also drew up for the Commission its report on financial monitoring of cases of fraud affecting the Community budget and continued to lend its support for operations to increase awareness of the protection of the Community's financial interests by organizing conferences, round table discussions and seminars in Italy and Belgium.

Action to combat fraud

1102. On 20 April, the Commission adopted its fourth report on the fight against fraud (1992 report and action programme for 1993).² Cases of fraud reported by the Member States in respect of 1992 involved ECU 152.1 million in own resources and ECU 117.8 million in the EAGGF Guarantee Section; typical cases of fraud related to olive oil, beef/veal and milk powder. The objectives laid down for 1993 included further simplification of legislation and the establishment of an integrated management and control system in agriculture, use of risk analysis in all areas, increased cooperation between the departments involved in the Member States and the Commission as well as between the Community and non-member countries, the training of national officials and the legal protection of the Community's financial interests.

1103. This report was welcomed by Parliament, which reaffirmed its political support for the Commission, and by the Council, which, in its conclusions of 7 June,³ noted the improvements in the structure of the report and the progress made in 1992. In particular, the Council asked the Commission to propose in its next annual report the improvements it considered necessary for the further development of the Community's strategy against fraud.

1104. Considerable progress was made in 1993 in the fieldwork conducted by Commission officials in close cooperation with national officials in the Member

¹ Twenty-fourth General Report, point 1007.

² Bull. EC 4-1993, point 1.5.13.

³ Bull. EC 6-1993, point 1.5.12.

States and with the competent authorities in non-member countries in the implementation of the abovementioned action programme.

1105. In June, the Commission laid down a new set of priorities: the establishment of a horizontal advisory committee, greater compatibility in the notification and financial monitoring of cases of fraud and irregularities received from the Member States (collection and recovery), optimum utilization of databanks (IRENE, DAF, SCENT, SCENT Fiscal, SID), new sources of information, the lessons to be drawn from the comparative study of the provisions laid down by the Member States by law, regulation or administrative procedure in connection with fraudulent activities affecting the Community budget and the study of administrative and criminal-law penalties in the Member States.

1106. The positive contribution made by the Treaty on European Union must also be underlined, particularly as regards Article 209a, which enshrines the principle of assimilation under which Member States must take the same measures to counter infringements of Community law as they take to counter infringements of national law and are obliged to cooperate in the protection of the Community's financial interests with the help of the Commission.

1107. The Commission also adopted on 1 September an amended proposal for a Regulation* on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of the law on customs or agricultural matters, replacing Regulation (EEC) No 1468/81.¹ The main objective of this proposal is to strengthen the cooperation machinery following completion of the internal market and to permit the establishment of a database within the framework of the customs information system. The main changes involve elimination of the reference to Article 113 of the EC Treaty, the introduction of provisions concerning the protection of personal data without reference to a horizontal directive with the same objective, and the establishment of a committee to help the Commission adopt implementing measures.

Borrowing and lending operations

1108. Table 21 shows the loans granted each year from 1991 to 1993. Borrowing operations during the year totalled ECU 20 107 million (including EIB), of which ECU 288 million was to refinance earlier operations.

¹ OJ L 144, 2.6.1981.

TABLE 21
Loans granted

Instrument	(million ECU)		
	1991	1992	1993
New Community Instrument ¹	39.2	—	—
EEC balance-of-payments loans ¹	1 000.0	—	4 004.8
EEC medium-term financial assistance to countries of Central Europe and other non-member countries ¹	695.0	865.0	270.00
EEC food aid	—	93.6	709.1
ECSC	1 382.2	1 486.2	918.3
Euratom ¹	—	—	—
EIB (from the Bank's own resources)	15 165.1	16 904.3	19 531.8
of which:			
loans to Community countries ²	14 383.6	16 140.0	17 724.2
loans to ACP countries and overseas territories	269.5	130.5	147.4
loans to Mediterranean countries ²	227.0	313.8	679.0
loans to Eastern Europe ¹	285.0	320.0	882.0
Total	18 281.5	19 349.1	38 964.4

¹ With partial guarantee from the general budget.

² With no guarantee from the general budget.

Operations concerning the New Community Instrument

1109. There were no NCI borrowing or lending operations during the year.

EEC — Macro-financial assistance

EEC — Balance of payments support for the Member States

1110. Under Regulation (EEC) No 1969/88 providing medium-term financial assistance for Member States' balances of payments,¹ the Council adopted on 18 January Decision 93/67/EEC* granting Italy a global loan of ECU 8 billion, or an equivalent amount in other currencies, to be paid in four equal tranches. To finance the first two tranches, the Commission raised ECU 500 million and

¹ OJ L 178, 8.7.1988; Twenty-second General Report, point 256.

DM 2.9 billion and then ECU 1 billion, DM 1 billion and ECU 475 million. The last amount, at a variable interest rate, was raised by means of a swap option.

1111. Greece has still not called in the second tranche of the ECU 2.2 billion loan granted by the Council in 1991.¹

EEC — Macro-financial assistance for non-member countries

1112. Following the Council's decision to grant a medium-term loan to Hungary in June 1991,² the Commission borrowed and disbursed ECU 80 million at a fixed interest rate for the second tranche of this loan. It also borrowed and disbursed ECU 80 million at a variable interest rate for the additional medium-term financial aid which the Council granted to Romania on 27 November 1992.³ In addition, the Commission contracted a borrowing of ECU 60 million to pay the first tranche of variable-rate loans which the Council had granted to Estonia (ECU 20 million) and Latvia (ECU 40 million).⁴ In July, it raised an additional ECU 50 million in order to pay the first tranche of the fixed-rate loan to Lithuania.⁴

1113. The medium-term loan of ECU 1.25 billion granted to the Soviet Union and its Republics to finance imports of foodstuffs and medicines⁵ was divided by the Commission between the Independent States which had signed the loan contract with the EEC: ECU 58 million for Armenia, ECU 102 million for Belarus, ECU 80 million for Georgia, ECU 32 million for Kyrgyzstan, ECU 27 million for Moldova, ECU 55 million for Tadjikistan, ECU 45 million for Turkmenistan, ECU 130 million for Ukraine, ECU 499 million for Russia and ECU 25 million for Kazakhstan. The remaining ECU 197 million could be divided up in future between those Independent States which sign loan contracts with the EEC. To finance this loan, the Commission contracted three borrowings — ECU 374 million in January, ECU 20 million in May and ECU 10 million in June — to supplement two borrowing operations in 1992. All these borrowing and lending operations are subject to a variable interest rate and may be drawn down until 1994. During 1993, the Independent States had used ECU 709.1 million.

¹ OJ L 66, 3.3.1991; *Twenty-fifth General Report*, point 1271.

² OJ L 174, 3.7.1991; *Twenty-fifth General Report*, point 74.

³ OJ L 353, 3.12.1992; *Twenty-sixth General Report*, point 48.

⁴ OJ L 351, 2.12.1992; *Twenty-sixth General Report*, point 48.

⁵ OJ L 362, 31.12.1991; *Twenty-fifth General Report*, point 78.

Financing ECSC activities

1114. During 1993 the Commission continued to support coal and steel industry investment through ECSC financial loans totalling ECU 217.3 million.

1115. ECSC loans paid out in 1992 totalled ECU 918.3 million, compared with ECU 1 486.2 million in 1991. Loans for the steel industry totalled ECU 201.4 million in 1993 compared with ECU 7.5 million in 1992; and loans for the coal industry from ECU 13.8 million in 1992 to ECU 0 in 1993. This year loans for investments to promote the consumption of Community steel under the second paragraph of Article 54 of the ECSC Treaty amounted to ECU 209.7 million.

1116. The ECSC continued to look to the capital market for funds, raising a total of ECU 907.6 million.

1117. On 10 September, the Commission adopted its financial report for 1992;¹ on 20 October, it adopted a further communication on borrowing and lending activities under the ECSC Treaty, in view of its expiry in 2002.²

Financing Euratom activities

1118. In view of the continuing unfavourable situation in the industry, there were again no loan operations in 1993. The grand total of loans since such operations began in 1977 is ECU 2 876 million (at the exchange rates obtaining when contracts were signed). On 7 June, the Council expressed its agreement on a Decision to allow Euratom to contribute towards financing improvements in the degree of efficiency and safety of nuclear power stations in certain non-member countries*.

¹ Bull. EC 9-1993, point 1.5.2.

² COM(93) 512; Bull. EC 10-1993, point 1.5.10.

European Investment Bank

1119. Information relating to the activities of the European Investment Bank appears in 'Economic and monetary policy' in Chapter II.¹

General budget guarantee for borrowing and lending operations

1120. The guarantee by the Community budget covers lenders when the Community floats an issue under one of its financial instruments: balance of payments facility, Euratom loans, New Community Instrument, medium-term financial assistance for Hungary, the former Czech and Slovak Federal Republic, Bulgaria, Romania, Algeria, Israel, the Baltic States and the Independent States of the former Soviet Union. The budget guarantee is also given to the European Investment Bank for loans it grants from its own resources to the Mediterranean countries, the countries of Central and Eastern Europe and other countries which have signed cooperation agreements with the EEC.

1121. At end-1993 the ceiling for authorized borrowing and lending operations guaranteed by the general budget was ECU 39 865 million. At 31 December, the guarantee was in operation for ECU 11 909 million of Community borrowing and for loans of 2 468 million granted by the EIB out of its own resources.

1122. In 1993, the budget guarantee was again activated² for loans granted by the EIB to certain Republics of former Yugoslavia. When they failed to make certain repayments, the Community had to pay the EIB a total of ECU 20.160 million: ECU 6.67 million in May, ECU 7.42 million in September and ECU 6.07 million in early December. These were the third, fourth and fifth times that the guarantee was activated in respect of these Republics. At 31 December none of these three amounts had been repaid by former Yugoslavia. At 31 December, the total amount of guarantees activated thus came to ECU 28.57 million.

¹ Point 52 *et seq.* of this Report.

² Twenty-second General Report, point 134; Twenty-third General Report, point 120; Twenty-fifth General Report, point 1283; Twenty-sixth General Report, point 1211.

Chapter VIII

Community law¹

Section 1

General matters

General principles of Community law

1123. On 21 January the Court of Justice held² that it had jurisdiction to give a preliminary ruling on the interpretation of the arrangements which had been adopted by the Joint Committee established by the EEC-EFTA Convention of 1987 on a common transit procedure;³ the arrangements were to be considered non-mandatory recommendations. Recalling its judgment in an earlier case,⁴ the Court found that the arrangements formed part of Community law by virtue of their direct connection with the agreement which they were implementing. It accordingly went on to hold that its jurisdiction to review recommendations made by the institutions also encompassed those made by external bodies.⁵ Although the Joint Committee's recommendations could not confer rights enforceable in the national courts, those courts were none the less bound to take them into consideration in order to decide disputes submitted to them, in particular when they were, as in the main proceedings, useful for interpreting the provisions of the Convention.

1124. On 1 April the Court ruled⁶ on an action brought under Article 175 of the EEC Treaty for a declaration that the Commission, by failing to act on

¹ See also the quarterly review of judgments in the *Bulletin of the European Communities*: Bull. EC 3-1993, points 1.6.15 to 1.6.26; Bull. EC 6-1993, points 1.6.21 to 1.6.33.

² Case C-188/91 *Deutsche Shell v HZA Hamburg-Harburg* [1993] ECR I-382; OJ C 43, 16.2.1993.

³ Twenty-first General Report, point 177.

⁴ Case C-192/89 *Sevince* [1990] ECR I-3461.

⁵ See Case C-322/88 *Grimaldi* [1989] ECR 4407.

⁶ Case C-25/91 *Pesqueras Echebastar v Commission* [1993] ECR I-1755; OJ C 124, 6.5.1993.

the plaintiff's application for Community financial aid for the construction of a new fishing vessel, had failed to meet its obligations under Regulation (EEC) No 4028/86 on Community measures to improve and adapt structures in the fisheries and aquaculture sector.¹ The Court found that the Commission, which had in fact rejected the application on the grounds that insufficient funds were available, had defined its position once called upon to do so, albeit after the expiry of the two-month time-limit laid down in the second paragraph of Article 175. The fact that the position taken by the Commission was not to the satisfaction of the plaintiff was in that respect irrelevant. The Court had consistently held that Article 175 of the Treaty referred to failure to act or to define a position and not to the adoption of a measure which differed from that which the parties concerned would have wished or considered necessary.²

1125. On 20 October the Court, ruling on a matter of principle relating to intellectual property, held that copyright, like other industrial and commercial property rights, necessarily falls within the scope of the Treaty and that, consequently, any discrimination on grounds of nationality in the national laws governing the extent or exercise of such rights is prohibited under Article 7 of the EEC Treaty (now Article 6 of the EC Treaty).³

Judicial review and fulfilment by the Member States of their obligations

1126. In the exercise of its duty to monitor the application of Community law, the Commission commenced 1206 infringement proceedings in 1993, as against 1 209 in 1992 and 853 in 1991, and issued 352 reasoned opinions (247 in 1992 and 411 in 1991). The Commission referred 44 cases to the Court of Justice (64 in 1992).⁴ The breakdown by country of cases referred to the Court in 1993 is as follows: Belgium: 7; Denmark: 0; Germany: 4; Greece: 4; Spain: 5; France: 2; Ireland: 0; Italy: 6; Luxembourg: 11; Netherlands: 5; Portugal: 0; United Kingdom: 0.

1127. The Court of Justice gave judgment in 35 cases (corresponding to 42 infringement proceedings) brought under Article 169 of the EEC Treaty, giving

¹ OJ L 376, 31.12.1986; Twentieth General Report, point 684.

² Joined Cases C-15/91 and C-108/91 *Buckl* [1992] ECR I-6061.

³ Joined Cases C-92/92 and C-326/92 *Collins v Imtrat* and *Patricia v EMI Electrola*.

⁴ The figures relate to infringements in the form of failure to notify national measures implementing directives.

judgment against Member States for failure to comply with their obligations under Community law on 33 occasions (representing 40 infringement proceedings commenced by the Commission). In the course of the year 22 cases were removed from the Court's register where the Member State came into line with Community law while the litigation was in progress.

Fuller information on Community monitoring of the application of Community law will be given in the 11th annual report on the subject, to be published in the spring of 1994.

Section 2

Interpretation and application of the substantive rules of Community law

Free movement of goods and customs union

1128. In its judgment of 22 June¹ the Court accepted the Commission's view that it was acceptable for only a minimum degree of harmonization² to be brought about by a Directive based on Article 100a (in this case, Directive 89/622/EEC concerning the labelling of tobacco products³). In other words, the use of Article 100a as a legal basis did not necessarily entail full harmonization of the conditions of competition. Although the Directive required specified health warnings to cover 'at least 4%' of specified surface areas of cigarette packets, the United Kingdom legislation required that they cover 'at least 6%' in the case of cigarettes manufactured in the UK. The Court acknowledged that the degree of harmonization sought at Community level could give rise to less favourable treatment of domestic products compared with imported products which met only the minimum requirements laid down by the Directive, so that there would remain certain inequalities in conditions of competition.

1129. On 13 October the Court, ruling on a question of principle, found⁴ that the obligation on an importer to provide information (in this case, to inform the purchaser of a Yamaha motor cycle that Yamaha dealers in Germany frequently refuse to carry out repairs under guarantee if the motor cycle is a parallel import) was not incompatible with Article 30 of the EC Treaty since the restrictive effects that such an obligation might have on the free movement of goods were too uncertain and too indirect for it to be regarded as likely to obstruct trade between Member States.

1130. In its judgment of 27 October the Court held⁵ that Article 37 of the Treaty did not preclude national legislation making it an offence to possess

¹ Case C-11/92 *The Queen v Secretary of State for Health, ex parte Gallagher*.

² See Case C-222/91 *Ministero delle Finanze et Ministero della Sanità v Philip Morris Belgium and Others*: OJ C 196, 20.7.1993.

³ OJ L 356, 8.12.1989; Twenty-third General Report, point 423.

⁴ Case C-93/93 *CMC Motorradcenter v Baskicogullari*.

⁵ Joined Cases C-46/90 and C-93/91 *Lagauche and Others*

certain radio-communications equipment without ministerial approval (applications being processed in this instance by the Belgian RTT) since the exercise of the powers conferred on the RTT, namely the regulation of public radio frequencies, was in the nature of a 'royal prerogative' and did not constitute provision of services. In the opinion of the Court, such regulation was necessary for the proper operation of radio communications by public services or private businesses and was essential to preventing any distortion of competition in this area. Article 90(1) could not be relied upon to contest the powers of authorization which a minister exercised in the normal course of his duties, and the processing of applications by the RTT was merely accessory to the exercise of ministerial powers.

1131. Lastly, on 24 November the Court handed down an important judgment on the compatibility with Article 30 of French legislation prohibiting the resale of goods at a loss.¹ It found that the purpose of the legislation was not to regulate trade between Member States and that although it was likely to restrict the volume of sales from other Member States by depriving traders of a method of sales promotion, it could not be described as a measure having equivalent effect to a quantitative restriction on imports. Despite the view taken hitherto, the application to products from other Member States of national provisions limiting or prohibiting certain sales methods were unlikely to present any direct or indirect barrier, real or potential, to intra-Community trade within the meaning of the *Dassonville* judgment. But if legislation of this kind was to escape the reach of Article 30, it must not discriminate between the traders to which it applied or have the effect of discriminating, either *de jure* or *de facto*, between the marketing of national products and that of products from other Member States.

Competition — State aid

1132. On 17 February the Court gave an important judgment² in which it clearly ruled, for the first time, that social security bodies could not be described as 'undertakings' within the meaning of Articles 85 and 86 of the Treaty and were not therefore subject to the Treaty's competition rules (it had been contended before the national court that the insurance funds in question were in a dominant position, so that individuals were not free to approach any

¹ Joined Cases C-267/91 and C-268/91 *Keck and Mithouard*: OJ C 1, 4.1.1994.

² Joined Cases C-159/91 and C-160/91 *Poucet v AGF and Camulrac and Pistre v Cancava* [1993] ECR I-664.

Community-based insurance company of their choice). The Court observed that, in the context of competition law, the concept of ‘undertaking’ encompassed any body engaged in an economic activity, regardless of its legal status or the way in which it was financed,¹ and held that the activities of the body in question were non-economic. Sickness insurance schemes or bodies entrusted with the management of a social security scheme as a public service fulfilled an exclusively social function. That activity was based on the principle of national solidarity and was not profit-making. The benefits paid out were statutory benefits and were independent of the amount of the contributions. The essential factor in the Court’s analysis of the case would appear to be the principle of solidarity that underpins all social security schemes and which cannot operate without a system of compulsory membership, this being essential to the scheme’s financial balance and, consequently, to its survival.

1133. On 17 November the Court laid down important guidelines for the assessment of the compatibility of State aid with the rules on competition.² It held that government legislation could not be regarded as contrary *per se* to the competition rules laid down in the EC Treaty (Article 85 in conjunction with Articles 3(f) and 5) even where it placed restrictions on competition. Government measures could be regarded as incompatible with the Community rules only if they directly affected past or future transactions between trading parties (contrary to Article 85). As the Court had consistently held, this would be the case if a Member State were to impose or encourage the conclusion of agreements contrary to Article 85, to heighten the effects of an agreement (e.g. by guaranteeing provisions of an existing agreement in a given market) or to delegate to private operators the power to take concerted decisions on economic action. In such cases the legislation in question would render ineffective the competition rules applicable to undertakings. On the other hand, legislation could not be regarded as contrary to the Community rules merely because it had restrictive effects on competition similar to those resulting from measures prohibited by Article 85.

1134. On 24 March the Court declared void the decision whereby the Commission had stated that an aid scheme need not be notified in advance under Article 93(2) of the EEC Treaty on the grounds that it was granted under a scheme already approved.³ The aid in question was a grant made by France to help Allied Signal set up a plant manufacturing synthetic fibres for industrial

¹ Case C-41/90 *Höfner and Elser* [1991] ECR I-1979, at p. 2016.

² Cases C-2/91 *Meng*, C-185/91, *Reiff* and C-245/91 *Ohra Schadeverzekeringen*: OJ C 1, 4.1.1994.

³ Case C-313/90 *CIRFS and Others v Commission* [1993] ECR I-1177.

use. It was given under a French regional planning grants scheme which the Commission had authorized in 1984, subject to specific rules applicable to certain industries at that time or subsequently. The Court noted that under the rules laid down for the synthetic fibre industry in 1977,¹ Member States had agreed to refrain from granting any aid designed to expand production capacity, even under regional development programmes, and were in any case obliged to give prior notice of any aid to this industry, irrespective of whether industrial or textile fibres were involved. The Court thus asserted the binding effect of rules or arrangements adopted by the Commission with the agreement of the Member States.

1135. In Joined Cases C-72/91 and C-73/91 *Sloman Neptun*² the Court was asked to examine, in the light of Articles 92 and 117 of the EEC Treaty, the system established by a Member State whereby contracts of employment with seamen who were nationals of non-member countries and had no permanent abode in that Member State could provide for conditions of employment and rates of pay less favourable than those enjoyed by seamen who were its nationals. On 17 March the Court held that the system in question was neither a State aid within the meaning of Article 92 nor in breach of Article 117. Only benefits granted directly or indirectly out of State resources were to be regarded as aid within the meaning of Article 92(1).³ In that respect, by virtue of its object and general structure, the system in question did not seek to create an advantage amounting to an additional burden for the State but only to alter the framework of contractual relations between shipping companies and their employees, for the benefit of the companies. The consequences in terms both of the different basis of calculation for social security contributions and of loss in tax revenue attributable to low rates of pay were inherent in the system and did not constitute a means of affording the businesses concerned a specific advantage. Thus, disregarding the loss of State revenue since it could not be shown that the aim was to confer a specific advantage on the businesses concerned, the Court concluded that the system in question did not constitute State aid within the meaning of Article 92(1). As regards Article 117, the Court reaffirmed an earlier ruling to the effect that the provisions of this Article were essentially in the nature of a programme.⁴ The Court stressed, however, that the social objectives referred to in Article 117 were important, particularly for

¹ Eleventh General Report, point 154.

² [1993] ECR I-927.

³ Case 82/77 *van Tiggele* [1978] ECR 25.

⁴ Case 126/86 *Giménez Zaera* [1987] ECR 3697.

the interpretation of other provisions of the Treaty and Community secondary law in the social sphere.

1136. The Court's judgment of 19 May in Case C-320/91 *Corbeau*¹ is important in that it assesses, in the light of the Treaty, the rights and obligations of undertakings operating a service in the general economic interest. The Court pointed out that Article 90(2) allows Member States to confer on such undertakings exclusive rights which were contrary to the rules of competition, provided the departures from those rules were essential to the performance of the particular tasks assigned to them. The Court acknowledged that this could extend to the exclusion of all competition from other economic operators. Undertakings of this kind, unlike others, had to subsidize their less viable activities from their more profitable business if they were to provide their services in balanced economic conditions. On the other hand, the exclusion of competition was not justified in the case of specific services which were dissociable from the service operated in the general interest, met the special needs of businesses and involved certain additional services not performed by the conventional postal service.

1137. On 16 June the Court gave judgment² annulling the Commission's communication to the Member States concerning the application of Articles 92 and 93 of the EEC Treaty and Article 5 of Directive 80/723/EEC³ to public undertakings in the manufacturing sector. It held that the Commission had imposed new obligations over and above those imposed by Article 5 of the Directive by requiring Member States to supply each year full details of all financial relations between the State and any public undertakings with an annual turnover exceeding ECU 250 million or undertakings belonging to the same holding company. Such obligations could not be imposed by a mere communication but only by an instrument enacted on the same basis as the Directive — Article 90(3) of the Treaty.

1138. On 19 May the Court gave judgment⁴ annulling the Commission Decision to raise no objections under Article 92(3)(a) to several regional aids granted towards the construction of a foundry in Spain. It held that the Commission, having encountered serious difficulties in establishing the facts, particularly as regards the absence of overcapacity in the relevant submarket,

¹ [1993] ECR I-2563.

² Case C-325/91 *France v Commission*.

³ OJ L 195, 29.7.1980; Fourteenth General Report, point 195.

⁴ Case C-198/91 *William Cook v Commission* [1993] ECR I-2522.

should have initiated the Article 93(2) procedure and thus obtained all the requisite opinions. The Commission could not adopt a decision approving an aid scheme solely on the basis of Article 93(3) unless it was able to establish, from preliminary investigations, that the scheme was compatible with the Treaty. Otherwise, it was required to commence the Article 93(2) procedure. Whatever the circumstances, sufficiently reliable data were needed to establish the existence (or absence) of overcapacity where this was a decisive factor in assessing the compatibility of the aid.

1139. But in its judgment of 15 June,¹ which related to Portuguese aid for a joint venture between Ford of Europe and Volkswagen, the Court held that the Commission had not encountered serious difficulties (particularly as regards its economic analysis of the risk of creating overcapacity) in assessing the scheme's compatibility with the Treaty and that, consequently, it had been justified in refraining from commencing the Article 93(2) procedure.

Free movement of workers and social policy

1140. On 10 March the Court ruled that Luxembourg's legislation was incompatible with Community law in that it made the payment of childbirth and maternity allowances subject to requirements as to the minimum period of residence prior to the birth or prior to the event giving rise to entitlement.² These conditions discriminated between different categories of beneficiaries in Luxembourg, presenting an obstacle to the free movement of persons and constituting an infringement of several provisions of Community law — Article 7(2) of Regulation (EEC) No 1612/68 on freedom of movement for workers within the Community,³ which provides for equal treatment in respect of welfare benefits; Article 18(1) of Regulation (EEC) No 1408/71 concerning the totalization of insurance, employment or residence periods for the purposes of sickness and maternity benefits;⁴ and Article 52 of the EEC Treaty, which provides that nationals of one Member State wishing to work as self-employed persons in another Member State are to receive the same treatment as nationals of the host State.

¹ Case C-225/91 *Matra v Commission*.

² Case C-111/91 *Commission v Luxembourg* [1993] ECR I-840.

³ OJ L 257, 19.10.1968; Second General Report, point 398.

⁴ OJ L 149, 5.7.1971; Fifth General Report, point 239.

Freedom of establishment and free movement of services

1141. In Case C-112/91 *Werner v Finanzamt Aachen-Innenstadt*¹ the Court was asked whether, in a situation where a national of a Member State carries on his professional activities within its territory and earns all or almost all of his income or possesses all or almost all of his assets there, Articles 52 and 7 of the EEC Treaty precluded that Member State from imposing a heavier tax burden on him if he does not reside there than if he does. On 26 January the Court ruled that Member States were not precluded from doing so. The only aspect of the case at issue which was other than purely national was that Mr Werner did not reside in his country of origin, although he did work there. This fact was not in itself sufficient for Article 52 to be relied upon. Having pointed out that Article 52 prohibits, in respect of the right of establishment, any discrimination on grounds of nationality as referred to in Article 7, the Court concluded that, since the national legislation in question was compatible with Article 52, it must also be compatible with Article 7.

1142. On 3 February the Court held² that the legislation of a Member State (in this case the Netherlands) prohibiting a national broadcasting organization from helping commercial radio and television companies to set up in another Member State in order to broadcast to the territory of the first Member State was not contrary to the provisions of the EEC Treaty on the free movement of capital and the freedom to provide services, provided the prohibition in question was necessary 'to ensure the pluralist and non-commercial nature' of the audiovisual system set up by the legislation. The Court held (a) that such cultural objectives were in the public interest and a Member State might lawfully pursue them by framing the rules governing its broadcasting organizations appropriately,³ and (b) that a Member State might not be denied the right to take measures designed to prevent the freedom guaranteed by the EEC Treaty from being used by a supplier of services whose operations were entirely or principally directed towards its territory in order to circumvent the rules which would apply to that supplier (cultural rules in this case) if he were established in the territory of that State.⁴

1143. In Case C-17/92 *Federación de Distribuidores Cinematográficos v Spanish State*⁵ the Court was asked whether national rules were compatible with

¹ [1993] ECR I-463.

² Case C-148/91 *Vereniging Veronica Omroep Organisatie v Commissariaat voor de Media* [1993] ECR I-2266.

³ See the *Mediawet* cases — C-288/89 [1991] ECR I-4007 and C-353/89 [1991] ECR I-4069.

⁴ See Case 33/74 *van Binsbergen* [1974] ECR 1299, at paragraph 13.

⁵ [1993] ECR I-2266.

the freedom to provide services and free movement of goods if they subjected the granting of licences to dub non-EC films into one of the official languages of Spain to a requirement that the distributors concerned must undertake to distribute films made in Spain. On 4 May the Court reiterated its ruling in *Coditel*¹ to the effect that film distribution fell under rules governing freedom to provide services rather than the free movement of goods. It held that the national rules in question constituted a form of discrimination contrary to the Treaty and rejected the Spanish Government's contention that the legislation was for a cultural purpose, namely to protect domestic film production. Apart from the fact that cultural policy was not one of the grounds in Article 56 of the EEC Treaty that might justify a restriction on freedom to provide services, the decree in question encouraged the distribution of domestic films whatever their content or quality.

Equal treatment for men and women

1144. In its judgment of 25 July 1991 in *Stoeckel*² the Court had held that Article 5 of Directive 76/207/EEC³ prevented national legislation from laying down, as a general rule, that night work by women was prohibited. It followed that in principle national courts had to be consistent in ensuring the full effect of that Community rule, where necessary disregarding any national provisions to the contrary.⁴ In Case C-158/91 *Levy* the Court was asked whether the national court had the same obligation if the national provisions that were incompatible with the Community rule were intended to implement an international agreement, in this case ILO Convention No 89, which the Member State concerned had concluded with other Member States and non-EEC countries prior to the entry into force of the EEC Treaty. On 2 August the Court based its judgment⁵ on Article 234 of the Treaty, which stipulates that the rights and obligations arising from agreements concluded before the entry into force of the Treaty between one or more Member States, on the one hand, and one or more third countries, on the other, are not affected by Community law. However, that Article requires Member States to take all appropriate steps (e.g. denunciation of the agreement) to eliminate any incompatibility with Community law. In this particular case the Court held that although equality

¹ Case 262/81 [1982] ECR 3381.

² Case C-345/89 [1991] ECR I-4047.

³ OJ L 39, 14.2.1976.

⁴ See Case 106/77 *Simmenthal* [1978] ECR 629.

⁵ OJ C 240, 4.9.1993.

of treatment for men and women was a fundamental right recognized by the Community legal system,¹ the national court could justifiably set aside its obligation to ensure full compliance with Article 5 of the Directive if national provisions to the contrary had to be applied to ensure that the Member State concerned met its international obligations under an agreement concluded with non-member countries before the Treaty came into force.

1145. In its judgment of 17 May 1990 in *Barber*² the Court had held that a retirement pension paid under a private scheme wholly financed by the employer and partially replacing the State scheme fell within the scope of Article 119 of the Treaty since such a pension constituted 'consideration paid by the employer to the worker in respect of his employment'. Consequently, any sex discrimination in the granting or calculation of an occupational pension is prohibited by Article 119. For reasons of legal certainty, however, the Court placed a time-limit on claims arising from the *Barber* ruling, since they 'might upset retroactively the financial balance of many contracted-out pension schemes' (paragraph 44). On 6 October the Court reaffirmed that equality of treatment in the matter of occupational pensions could be claimed only in the case of benefits payable for periods of employment subsequent to 17 May 1990 (the date of the *Barber* judgment), except where workers had initiated legal proceedings or raised an equivalent claim before that date.³

Common agricultural policy and fisheries

1146. The Court's *Emerald Meats* judgment of 20 January⁴ is interesting in that it defines the extent of the Commission's responsibilities in areas where Community management is decentralized (e.g. tariff quotas) and where duties and powers are shared between the Commission and the Member States. The applicant complained that the Commission had not verified the lists and information provided by the Irish authorities and had simply taken them over as a basis for its own implementing measures. The Court observed that Community management did not necessarily mean that the Commission was empowered, in specific cases, to correct wrong decisions taken by national authorities in the course of such management, since observance of the common

¹ In this connection the Court noted that the implementation of equal treatment had been a gradual process and had required Council intervention in the form of directives from which certain derogations were allowed.

² Case C-262/89 *Barber v Guardian Royal Exchange* [1990] ECR 1889.

³ Case C-109/91 *Ten Oever*.

⁴ Joined Cases C-106/90, C-317/90 and C-129/91 *Emerald Meats v Commission* [1993] I-290.

rules and their uniform application in all Member States could be enforced by means of the Article 169 procedure or by an action in the national courts, where the procedure of Article 177 was also available.

1147. The judgment of 27 May in Case C-290/91¹ is interesting from the point of view of the Member States' obligation under Article 5 of the EEC Treaty to help ensure that Community rules (in this case the collection of the additional milk levy) are implemented on their territory. Where no common rules apply, national authorities act in accordance with the procedural rules and substantive provisions of their own domestic law. This reliance on domestic law inevitably leads to differences in the ways the levy is collected from one Member State to another. The Court observed, however, that domestic laws must be reconcilable with the need to apply Community law uniformly so as to avoid unequal treatment of traders, and must not have the effect of making it virtually impossible to implement Community regulations.² A Member State could not, therefore, decide to refrain from collecting a levy on grounds of fairness. A producer could not be exempted from payment of the milk levy because he was encountering financial difficulties. To apply a criterion of individual fairness would be incompatible with the main objective of the additional levy, which was to limit milk production by discouraging farmers from producing milk in excess of their personal quota. This did not hold true, however, where national authorities simply deferred collection of the amount due or authorized payment by instalments in cases of genuine hardship.

Common commercial policy and external relations

1148. In response to the Commission's request pursuant to Article 228(1) of the EEC Treaty, the Court delivered the following opinion: 'The conclusion of ILO Convention No 170 is a matter which falls within the joint competence of the Member States and the Community'.³ While disagreeing with the Commission's view that the conclusion of the Convention was a matter solely for the Community, the Court provided significant clarification as to the scope of the Community's external powers and the approach which Member States and the Community should adopt in the exercise of joint powers. It made the following main points. The authority of its *AETR* judgment⁴ could not be

¹ *Peter v HZA Regensburg* [1993] ECR I-3002.

² See Joined Cases 205 to 215/82 *Deutsche Milchkontor* [1983] ECR 2633, at paragraphs 17 and 19.

³ Opinion 2/91 of 19 March [1993] ECR I-1064.

⁴ Case 22/71 *Commission v Council* [1971] ECR 274.

restricted to instances where the Community had adopted Community rules within the framework of a common policy but was applicable in all areas corresponding to Treaty objectives. Since the Treaty, and in particular Article 118a(3), provides for the adoption of minimum requirements to apply within the Community, there is nothing to prevent Member States from adopting more stringent measures either unilaterally or under international agreements. Thus, joint competence in external matters flows from the setting of minimum requirements within the Community. On the other hand, a number of barriers are erected by the Court against national measures in areas where powers are shared with the Community: measures must be 'common', must involve close cooperation 'both in the process of negotiation and conclusion and in the fulfilment of the obligations entered into', and must ensure 'unity in the international representation of the Community'.

Development

1149. In Case C-182/91 *Forafrique Burkinabe v Commission*¹ it was claimed by the applicant that the Commission had not only failed to comply with a garnishee order served against Burkina Faso but had also continued to make payments from the EDF to that State without regard to the wrongful use made of the sums in question and after being informed that the applicant had not been paid for work carried out on a project because Burkina Faso had embezzled the funds. On 29 April the Court held that no misconduct could be attributed to the Commission. As far as the Commission's failure to comply with the garnishee order was concerned, the Court noted that, unless immunity had been waived by the Commission itself or lifted by authorization of the Court, the Commission could not be censured for failing to comply with a garnishee order since the immunity it enjoyed precluded the execution of any such order. As far as continued EDF payments to Burkina Faso despite the alleged embezzlement were concerned, the Court had consistently held that public-sector contracts financed by the EDF remained national contracts which the authorities of each ACP State alone had the power to prepare, negotiate and conclude, that intervention by Commission representatives was solely for the purpose of ascertaining whether or not the conditions for Community financing had been satisfied, and that undertakings tendering for or being awarded contracts had a legal relationship solely with the ACP State responsible for the contract.

¹ [1993] ECR I-2184.

Institutional and budgetary matters

1150. The Court's judgment of 17 March in Case C-155/91¹ clarified the criteria which should govern the choice of the legal basis for legislation. The Court pointed out that, as it had consistently held, this choice must be based on objective factors which were amenable to judicial review and that those factors included in particular the purpose and content of the measure.² Difficulties arose if the measure in question pursued several aims for which different legal bases could be selected. In that event, the principal aim of the measure should determine the choice of legal basis. In this particular case, the Court found that the chief purpose of the harmonization provided for in Directive 91/156/EEC³ was to safeguard the environment by the efficient management of waste within the Community, whatever the origin of the waste, and that consequently Article 130s was the appropriate legal basis, rather than Article 100a as the Commission contended. Although certain provisions of the Directive had an effect on conditions of competition and trade, this was not a determining factor.

1151. In the same context mention should be made of the judgment given on 24 November,⁴ when the Court considered the question of the most appropriate legal basis for Regulation (EEC) No 345/92, which had been adopted solely on the basis of the provisions governing the common fisheries policy. The Court observed that the Community, in matters concerning the high seas which fell within its jurisdiction, had the same legislative powers as were enjoyed under international law by the flag State. In the case in point this included the power to introduce measures for the conservation of marine fish stocks applying to vessels flying the flag of a Member State or registered in a Member State. Armement Islais claimed that Regulation No 345/92 was invalid on the grounds that, having been enacted for ecological reasons relating to the protection of species rather than with a view to the conservation of fish stocks, it should have been based on Articles 130r and 130s of the EC Treaty. The Court rejected this argument, finding instead that the essential purpose of the restrictions which the Regulation placed on the use of driftnets was to ensure the conservation and rational exploitation of fish stocks and that the measures in question were consequently part of the common agricultural and fisheries policies. Although Articles 130r and 130s were intended to give the Community powers to under-

¹ *Commission v Council* [1993] ECR I-963.

² See Case C-295/90, *Parliament v Council* [1992] ECR I-4193.

³ OJ L 78, 26.3.1991; Twenty-fifth General Report, point 643.

⁴ Case C-405/92 *Etablissements Armand Mondiet v Armement Islais*.

take specific action relating to the environment, they did not lessen the powers which the Community had under other Treaty provisions, even if the measures taken under the latter pursued an environmental objective at the same time.

1152. In Joined Cases C-181/91 and C-248/91 *Parliament v Council and Commission*,¹ actions brought by Parliament under Article 173 of the EEC Treaty sought the annulment of a Council instrument granting special aid to Bangladesh and of Commission measures to implement it. The Court held on 30 June that the first of these applications was inadmissible under Article 173 on the grounds that the instrument contested did not in fact constitute a Council instrument subject to the supervisory jurisdiction of the Court but an instrument adopted collectively by the Member States. The Community did not have exclusive powers in matters of Community aid, and the Member States could exercise their powers in this field both within and outside the Council. The Court observed, however, that it did not suffice that an instrument should be described as a 'decision of the Member States' for it to escape judicial review by the Court. It was still necessary to verify whether or not it was in fact a Council decision, having regard to its content and all of the circumstances in which it was adopted. The implementing measures adopted by the Commission, which the Member States had instructed to coordinate their collective action, affected neither the Community's own resources nor Community expenditure. The measures could not therefore encroach on the prerogatives of Parliament. The Court held that the fourth indent of Article 155 of the Treaty did not preclude Member States from entrusting to the Commission the task of ensuring the coordination of collective action undertaken by them on the basis of an instrument adopted by their representatives meeting in the Council.

¹ OJ C 199, 23.7.1993.

Section 3

Computerization of Community law

1153. The interinstitutional computerized system for Community law (Celex) has been attached to the Publications Office since October 1993, when the Commission's decision on the transfer took effect.¹

1154. After a critical assessment the new interinstitutional control structure approved the 1992-94 work programme. Having been allocated special funds by the budgetary authority, the Publications Office speeded up the incorporation of outstanding texts (mainly in Greek, Portuguese and Spanish) into Celex and initiated a survey of the computer techniques which could be used for the automated retrieval of texts from the *Official Journal of the European Communities* and to provide a more user-friendly interface. By the end of the year the number of documents accessible had increased to approximately 145 000, the coverage of texts had been substantially improved and the content of the system made more reliable by the introduction of a production base applying quality controls to data before they were released for distribution, while the frequency of updates was now twice weekly. There were approximately 6 900 users of the system, including 3 000 external subscribers and 46 commercial hosts.

¹ Twenty-sixth General Report, points 1157, 1158 and 1236.

The year in brief¹

1993

European Year of Older People and Solidarity between Generations

January

12 January

Commission adopts two proposals for establishment of European Investment Fund as part of growth initiative agreed by Edinburgh European Council. Point 41
of this Report

February

1 February

Negotiations on accession of Austria, Finland and Sweden open in Brussels. Point 634
of this Report

Europe Agreement and Interim Agreement on trade and trade-related matters signed with Romania. Point 648
of this Report

Council adopts Decision amending number and allocation of seats in Parliament. Point 1008
of this Report

8 February

Council adopts Regulation on establishment of a European Monitoring Centre for Drugs and Drug Addiction. Point 598
of this Report

10 February

Mr Delors, President of the Commission, presents Commission's work programme for 1993-94 to Parliament. Points 995 to 997
of this Report

¹ This chronological summary does not claim to be exhaustive. For further details, see the passages of this Report and the Bulletin cited in the margin.

16 February

New Commission sworn in at Parliament in Luxembourg. Point 1006
of this Report

March*8 March*

Europe Agreement and Interim Agreement on trade and trade-related matters signed with Bulgaria. Point 648
of this Report

15 March

Council adopts Directive on capital adequacy of investment firms and credit institutions. Point 105
of this Report

Council adopts Directive on return of cultural objects unlawfully removed from the territory of a Member State. Point 96
of this Report

24 March

Commission adopts opinion on Norway's membership application. Point 634
of this Report

Commission adopts communication identifying priority areas for coordination of development cooperation policies. Point 807
of this Report

30 March

Council adopts Regulation establishing a cohesion financial instrument to enable infrastructure projects to be financed before the Cohesion Fund begins to operate. Point 417
of this Report

April*5 April*

Negotiations on accession of Norway open in Luxembourg. Point 634
of this Report

20 April

Commission and Parliament adopt joint declaration on 1993 legislative programme. Point 996
of this Report

28 April

Commission adopts draft opinion on regulations and general conditions governing performance of the Ombudsman's duties and guidelines on the procedures for exercising Parliament's right of inquiry. Points 7 and 8
of this Report

May*10 May*

Council adopts Decision on conclusion of Agreement with the United States on government procurement. Point 695
of this Report

Commission adopts communication on relations with Korea. Point 763
of this Report

14 May

Commission adopts Green Paper on remedying environmental damage. Point 466
of this Report

18 May

In second referendum, the Danish people vote in favour of Treaty on European Union. See Annex I
of this Report

Commission adopts communication entitled 'Towards a closer association with the countries of Central and Eastern Europe'. Point 646
of this Report

26 May

Commission adopts communication on Community-wide framework for employment. Point 431
of this Report

June

2 June

Commission adopts guidelines for development of Community postal services. Point 347
of this Report

14 June

Council adopts Decision on multiannual programme of Community measures for SMEs. Point 164
of this Report

Council adopts three Directives on approximation of laws relating to medicinal products. Point 77
of this Report

Council adopts three Directives relating to procedures for award of public contracts. Point 113
of this Report

19 to 24 June

Community takes part in United Nations World Conference on Human Rights. Point 992
of this Report

21 and 22 June

Copenhagen European Council instructs Commission to prepare White Paper on long-term strategy to promote growth, competitiveness and employment and invites EIB to increase by ECU 3 billion the temporary facility agreed in Edinburgh; confirms that accession of Austria, Finland, Sweden and Norway is to be accomplished by 1 January 1995; assures associated countries of Central and Eastern Europe wishing to become full members of European Union that they will be admitted as soon as they satisfy the requisite political and economic conditions, and acknowledges the need to accelerate efforts to open up Community markets. Point 1018
of this Report

30 June

Commission adopts two opinions on membership applications by Cyprus and Malta. Points 643 and 644
of this Report

July

7 to 9 July

Summit of the seven leading industrialized nations in Tokyo. Point 693 of this Report

18 July

Council agrees to new trade concessions for countries of Central and Eastern Europe. Point 651 of this Report

19 July

Council adopts new TACIS programme for Independent States of former Soviet Union. Point 675 of this Report

20 July

Council adopts Regulations on reform of Structural Funds. Point 384 of this Report

22 July

Council adopts Regulation laying down Community procedures for authorization and supervision of medicinal products. Point 77 of this Report

Council adopts resolution on development of technology and standards for advanced television services and framework agreement for action plan for introduction in Europe. Point 348 of this Report

Commission adopts communication on development and future of wine policy. Point 528 of this Report

August

2 August

UK Government deposits instrument of ratification of Treaty on European Union. See Annex I of this Report

Ministers and governors of central banks of Member States agree to widen ERM currency bands. Point 33 of this Report

September

1 September

In implementation of Community Charter of the Fundamental Social Rights of Workers, Commission adopts opinion on equitable wage. Point 443 of this Report

8 September

Commission adopts recommendation for Council Decision on mid-term review of Fourth Lomé Convention. Point 782 of this Report

14 September

Commission adopts proposal for framework Directive on integrated pollution prevention and control. Point 473 of this Report

17 September

Council adopts Directive on copyright and related rights applicable to satellite broadcasting and cable retransmission. Point 118 of this Report

22 September

Commission adopts proposal for Directive on investor compensation schemes. Point 107 of this Report

29 September

Following signing of peace agreement between Israel and PLO, Commission proposes Community support measures for Middle East peace process. Point 746 of this Report

Commission adopts communication on guidelines for policy to support transition to democracy in South Africa. Point 724 of this Report

Commission adopts Green Paper on European dimension of education. Point 251 of this Report

October

8 and 9 October

Community attends Vienna Summit organized by Council of Europe. Point 917
of this Report

12 October

Constitutional Court in Karlsruhe rules that Treaty on European Union is compatible with German constitution, and German Government deposits instrument of ratification. See Annex 1
of this Report

13 October

Commission adopts proposal for Regulation to integrate derogation arrangements provided for in the Spanish and Portuguese Accession Treaties into common fisheries rules. Point 565
of this Report

20 October

Commission adopts Green Paper on guarantees for consumer goods and after-sales services. Point 382
of this Report

25 October

Council adopts Directive on imputing transport infrastructure costs to certain goods vehicles and Regulation establishing definitive cabotage system. Points 310 and 313
of this Report

At interinstitutional conference, Council, Commission and Parliament adopt declaration on democracy, transparency and subsidiarity and draft interinstitutional agreement on applying the subsidiarity principle, and approve Parliament's draft Decision on general conditions governing performance of Ombudsman's duties and text on working methods of Conciliation Committee under co-decision procedure. Points 12 to 14
of this Report

29 October

Brussels European Council issues a declaration to mark entry into force of Treaty on European Union, confirms that Stage II of economic and monetary union will come into effect on 1 January 1994 and identifies several matters for joint action by Union under common foreign and security policy. Decision also taken on location of several Community offices and agencies.

Point 1019
of this Report

Council, Parliament and Commission sign new agreement on budgetary discipline and improvement of budgetary procedure.

Points 1079 to 1080
of this Report

Council adopts three Decisions on master plans for infrastructure networks for road transport, combined transport and inland waterways.

Point 305
of this Report

Council adopts new Directive on right of residence for students.

Point 102
of this Report

Council adopts Directive harmonizing duration of protection under copyright and certain related rights.

Point 119
of this Report

November*1 November*

All ratification procedures completed; Treaty on European Union enters into force.

Point 1
of this Report

4 November

Commission adopts proposal for a Decision on adopting the third 'Youth for Europe' programme.

Point 265
of this Report

Commission adopts proposal for a Regulation on the deadlines for conducting trade defence inquiries.

Point 862
of this Report

8 November

Council adopts conclusions on future of relations with Switzerland.

Point 692
of this Report

On the basis of guidelines set out by European Council, Council decides on two initial common actions relating to Russian Federation and Bosnia-Herzegovina. It also adopts a common position on Libya.

Point 922
of this Report

10 November

Commission adopts communication on general framework for action in the field of safety and health at work between now and year 2000.

Point 449
of this Report

16 November

Commission adopts Green Paper on access of consumers to justice and the settlement of consumer disputes.

Point 382
of this Report

17 November

Commission adopts Green Paper on European social policy — options for the Union.

Point 426
of this Report

19 November

Commission adopts report on social protection in Europe.

Point 438
of this Report

22 November

Council adopts resolution on strengthening business competitiveness and promoting employment.

Point 164
of this Report

Council adopts series of decisions and regulations on secondary legislation required for Stage II of economic and monetary union.

Point 22
of this Report

23 November

Council adopts Directive on organization of working time and common position on proposal for Directive on protection of young people at work.

Points 442 and 450
of this Report

24 November

Commission adopts proposal for a Council Decision on controls on persons crossing external frontiers and proposal for a Regulation determining the countries whose nationals must be in possession of a visa. Point 971 of this Report

Commission adopts communication on action to be taken on Edinburgh list and report on adaptation of existing legislation to subsidiarity principle. Point 11 of this Report

Commission adopts communication on framework for action in field of public health. Point 593 of this Report

Commission adopts legislative programme for 1994. Point 995 of this Report

December

1 December

Commission asks Council for authorization to negotiate free trade agreements with Estonia, Latvia and Lithuania. Point 650 of this Report

5 December

Commission adopts White Paper on growth, competitiveness and employment — the challenges and ways forward into the 21st century. Point 16 of this Report

6 December

Council and Commission reach agreement on code of conduct governing public access to Council and Commission documents. Point 611 of this Report

Council adopts negotiating directives for an agreement with Morocco. Point 740 of this Report

Council adopts Directive on the right to vote and to stand as candidate for the European Parliament. Point 590 of this Report

Council adopts common position on support for transition to a democratic, multiracial society in South Africa. Point 922 of this Report

9 December

Boris Yeltsin, Jacques Delors and Jean-Luc Dehaene, President of the European Council, sign declaration on strengthening relations between Russian Federation and European Union, particularly in political field. Point 682
of this Report

Commission adopts communication on nuclear safety in electricity sector in Central and Eastern Europe and Independent States of former Soviet Union. Point 512
of this Report

10 December

Commission adopts recommendation for Council decision with a view to agreement with Switzerland on free movement of persons. Point 692
of this Report

10 and 11 December

European Council meeting in Brussels draws up an action plan for the short and medium term, based on Commission's White Paper on growth, competitiveness and employment, and an initial action plan in the field of justice and home affairs. It also decides to convene a conference to conclude a stability pact for Central and Eastern Europe. Point 1020
of this Report

13 December

Council adopts three Regulations in preparation for start of Stage II of EMU on 1 January. Points 23 to 25
of this Report

Council concludes agreement creating European Economic Area. Point 684
of this Report

Council adopts conclusions on special VAT regime for second-hand goods and works of art and on taxation of savings. Point 123
of this Report

14 December

Commission adopts communication on transparency of cross-border payments. Point 109
of this Report

Commission adopts communication on implementation of agreement on social policy annexed to Union Treaty, signed by 11 Member States. Point 426 of this Report

15 December

Delegations of States participating in Uruguay Round negotiations sign agreement in Geneva opening way for most extensive liberalization in history of world trade. Point 843 *et seq.* of this Report

Council adopts Decision on conclusion by Community of Framework Convention on Climate Change. Point 491 of this Report

17 December

Council agrees to change in support system for arable farmers. Point 514 of this Report

20 December

Council adopts negotiating directives for new agreements with Tunisia and Israel. Points 743 and 746 of this Report

21 December

Council adopts Regulation on Community trade mark. Point 117 of this Report

Commission adopts proposal for Decision on implementing programme for Community's vocational training policy. Point 256 of this Report

Commission adopts report on European citizenship. Point 588 of this Report

22 December

In accordance with provisions of Union Treaty, Council adopts its first recommendation on broad guidelines for economic policies of Member States and Community. Point 16 of this Report

Council agrees to common position on fourth framework programme of research and technological development. Point 209 *et seq.* of this Report

As part of a general compromise on agricultural matters, Council adopts Regulation amending agri-monetary legislation. Point 542 of this Report

Commission adopts strategic programme entitled 'Making the most of the internal market'. Point 70 of this Report

Annexes

Annex I — The principal stages in the procedures for the ratification of the Maastricht Treaty

Annex II — Progress of legislation

Annex III — International agreements

Annex IV — Annex to Chapter VIII

Annex I

The principal stages in the procedures for the ratification of the Treaty in each Member State are summarized below

Belgium

17.7.1992: Treaty approved by the Chamber of Representatives (by 146 votes to 33);

20.10.1992: Treaty approved by the Council of the French-speaking Community;

22.10.1992: Treaty approved by the Council of the Flemish-speaking Community;

4.11.1992: Treaty approved by the Senate (by 115 votes to 26);

23.11.1992: Treaty approved by the Council of the German-speaking Community;

10.12.1992: Instrument of ratification deposited.

Denmark

12.5.1992: Treaty approved by Parliament (by 130 votes to 25);

2.6.1992: Treaty rejected by referendum (by 50.7% to 49.3% of votes cast);

30.3.1993: Treaty approved by Parliament (by 154 votes to 16);

18.5.1993: Treaty approved by referendum (by 56.7% to 43.3% of votes cast);

17.6.1993: Instrument of ratification deposited.

Germany

2.12.1992: Treaty approved by the Bundestag (by 543 votes to 17);

18.12.1992: Treaty approved by the Bundesrat (unanimously);

12.10.1993: Treaty declared compatible with the German Constitution by the Federal Constitutional Court;

12.10.1993: Instrument of ratification deposited.

Greece

31.7.1992: Treaty approved by Parliament (by 286 votes to 8);

3.11.1992: Instrument of ratification deposited.

Spain

1.7.1992: Decision of the Constitutional Court requiring revision of the Spanish Constitution;

22.7.1992: Amendments to the Constitution passed by the Congress of Deputies (unanimously);

30.7.1992: Amendments to the Constitution passed by the Senate (unanimously);

29.10.1992: Treaty approved by the Congress of Deputies (by 314 votes to 3);

25.11.1992: Treaty approved by the Senate (by 222 votes with 3 abstentions);

31.12.1992: Instrument of ratification deposited.

France

9.4.1992: Decision of the Constitutional Council requiring revision of the French Constitution;

23.6.1992: Amendments to the Constitution passed by Congress (by 592 votes to 73);

20.9.1992: Treaty approved by referendum (by 51.05% to 48.95% of votes cast);

4.11.1992: Instrument of ratification deposited.

Ireland

18.6.1992: Amendment to the Constitution, according to which 'the State may ratify the Treaty on European Union signed at Maastricht ... and may become a member of that Union', approved by referendum (by 69.05% to 30.95% of votes cast);

23.11.1992: Instrument of ratification deposited.

Italy

17.9.1992: Treaty approved by the Senate (by 176 votes to 16);

29.10.1992: Treaty approved by the Chamber of Deputies (by 403 votes to 46);

5.12.1992: Instrument of ratification deposited.

Luxembourg

2.7.1992: Treaty approved by the Chamber of Deputies (by 51 votes to 6);

24.8.1992: Instrument of ratification deposited.

Netherlands

12.11.1992: Treaty approved by the Chamber of Deputies (by 137 votes to 13);

15.12.1992: Treaty approved by the Senate (unanimously);

28.12.1992: Instrument of ratification deposited.

Portugal

17.11.1992: Amendments to the Constitution passed by the Assembly (by 196 votes to 20);

10.12.1992: Treaty approved by the Assembly (by 200 votes to 21);

16.2.1993: Instrument of ratification deposited.

United Kingdom

20.5.1993: Treaty approved by the House of Commons (by 292 votes to 112);

20.7.1993: Treaty approved by the House of Lords (by 141 votes to 29);

2.8.1993: Instrument of ratification deposited.

Annex II

Progress of legislation

	Commission proposal	ESC opinion	EP first* / sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
The single market and the Community economic and social area									
Economic and monetary policy									
Economic and monetary union									
Reg. (EEC) No 3605/93; application of the Protocol on the excessive deficit procedure (annex to the Treaty on European Union)	COM(93) 371 Bull. 7/8-93/1.2.28	OJ C 352/30.12.93 Bull. 10-93/1.2.31	OJ C 329/6.12.93 Bull. 11-93/1.2.32	COM(93) 617 Bull. 11-93/1.2.32				OJ L 332/31.12.93 Bull. 11-93/1.2.32	
Reg. (EC) No 3604/93; prohibition of privileged access of the public sector to financial institutions (Art. 104a)*	COM(93) 371 Bull. 7/8-93/1.2.28	OJ C 352/30.12.93 Bull. 10-93/1.2.31	OJ C 329/6.12.93 Bull. 11-93/1.2.36*	COM(93) 617 Bull. 11-93/1.2.36	Bull. 11-93/1.2.36	OJ C 342/20.12.93 Bull. 12-93		OJ L 332/31.12.93 Bull. 10-93/1.2.31 Bull. 12-93	
Reg. (EC) No 3603/93; definitions required for the application of prohibitions (Arts. 104 and 104b, para. 1)*	COM(93) 371 Bull. 7/8-93/1.2.28	OJ C 352/30.12.93 Bull. 10-93/1.2.31	OJ C 329/6.12.93 Bull. 11-93/1.2.37*	COM(93) 617 Bull. 11-93/1.2.37	Bull. 11-93/1.2.37	OJ C 342/20.12.93 Bull. 12-93		OJ L 332/31.12.93 Bull. 10-93/1.2.31 Bull. 12-93	
Dec. 93/716/EC; establishment of the key for distributing the financial resources of the European Monetary Institute	COM(93) 371 Bull. 7/8-93/1.2.28	OJ C 352/30.12.93 Bull. 10-93/1.2.31	OJ C 329/6.12.93 Bull. 11-93/1.2.33	COM(93) 617 Bull. 11-93/1.2.33				OJ L 332/31.12.93 Bull. 11-93/1.2.33	
Dec. 93/717/EC; consultation of the European Monetary Institute on draft legislative provisions	COM(93) 436 Bull. 9-93/1.2.23		OJ C 329/6.12.93 Bull. 11-93/1.2.34	COM(93) 617 Bull. 11-93/1.2.34				OJ L 332/31.12.93 Bull. 10-93/1.2.31 Bull. 11-93/1.2.34	

* = Cooperation procedure used (situation as at 1.11.1993).

N.B.: 'Bull. ...93...' stands for 'Bull. EC ...1992, point ...'; 'GR / ...' stands for 'General Report, point ...'.

	Commission proposal	ESC opinion	FP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EC) No 3607/93; Protocol on privileges and immunities	COM(93) 436 Bull. 9-93/1.2.23		OJ C 342/20.12.93 Bull. 12-93					OJ L 332/31.12.93 Bull. 10-93/1.2.31 Bull. 12-93	
Reg. (EEC) No 3606/93 amending Reg. (EEC, Euratom, ECSC) No 360/68: tax for the benefit of the Communities	COM(93) 436 Bull. 9-93/1.2.23		OJ C 329/6.12.93 Bull. 11-93/1.2.35					OJ L 332/31.12.93 Bull. 10-93/1.2.31 Bull. 11-93/1.2.35	

Community initiatives and financial activities

Prop. for a Dec.: separate liability of the Czech Republic and the Slovak Republic with regard to the loan facility granted to Czechoslovakia (Dec. 91/106/EEC)	OJ C 257/22.9.93 COM(93) 399 Bull. 9-93/1.3.12								
Prop. for a Dec.: the provision of interest subsidies on loans for SMEs extended by the EIF under its temporary lending facility and the contracting of borrowings under the bridging facility	OJ C 210/4.8.93 COM(93) 332 Bull. 7-8-93/1.2.27; COM(93) 577 Bull. 11-93/1.2.29								Council agr.: Bull. 12-93; proposal COM(93) 332 has been withdrawn

Statistical area

Priority activities and objectives

Dec. 93/464/EEC: framework programme for priority actions in the field of statistical information	OJ C 277/26.10.92 COM(92) 395 Bull. 9-92/1.2.4 26th GR/58	OJ C 19/25.1.93 Bull. 11-92/1.3.5	OJ C 176/28.6.93 Bull. 5-93/1.2.28					OJ L 219/28.8.93 Bull. 7-8-93/1.2.31	
---	--	--------------------------------------	---------------------------------------	--	--	--	--	---	--

	Commission proposal	ESC opinion	EP first* / sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
<i>Statistical information linked to the Single Act</i>									
Reg. (EEC) No 854/93; transit statistics and storage statistics*	OJ C 107/28; 4/92 COM(92) 97 Bull. 3/92/1.2.2 26th CR/59	OJ C 223/31; 8/92 Bull. 5/92/1.1.4	OJ C 337/21; 12/92 Bull. 11/92/1.3.7*	COM(92) 595 OJ C 22/26; 1/93 Bull. 12/92/1.3.6	Bull. 12/92/1.3.6	OJ C 72/15; 3/93 Bull. 1/2/93/1.2.46	COM(93) 114 Bull. 3/93/1.2.23	OJ L 90/14; 4/93 Bull. 4/93/1.2.31	
Reg. (EEC) No 2186/93; coordination in drawing up business registers for statistical purposes	COM(92) 352 Bull. 9/92/1.2.5 26th CR/65	OJ C 19/25; 1/93 Bull. 11/92/1.3.8						OJ L 196/5; 8/93 Bull. 6/93/1.2.42 Bull. 7/8/93/1.2.32	
Reg. (EEC) No 696/93; statistical units for the observation of the Production system*	OJ C 267/16; 10/92 COM(92) 353 Bull. 9/92/1.2.6 26th CR/60	OJ C 19/25; 1/93 Bull. 11/92/1.3.9	OJ C 337/21; 12/92 Bull. 11/92/1.3.9*	OJ C 271/7; 10/93 COM(93) 302 Bull. 9/93/1.2.27	Bull. 12/92/1.3.7	OJ C 72/15; 3/93 Bull. 1/2/93/1.2.47		OJ L 76/30; 3/93 Bull. 3/93/1.2.24	
Reg. (EEC) No 3696/93; classification of products by economic activity*	OJ C 12/18; 1/93 COM(92) 325 Bull. 7/8/92/1.3.4 COM(93) 476 Bull. 12/93	OJ C 19/25; 1/93 Bull. 11/92/1.3.6	OJ C 150/31; 5/93 Bull. 4/93/1.2.30*		Bull. 6/93/1.2.41	OJ C 315/22; 11/93 Bull. 10/93/1.2.35		OJ L 342/31; 12/93 Bull. 10/93/1.2.35	
Prop. for a Reg.; statistics on the trading of goods with third countries									
<i>Statistical information to support other Community policies</i>									
Reg. (EEC) No 933/93; statistical information on crop products	COM(92) 430 Bull. 11/92/1.3.11 26th CR/68		OJ C 72/15; 3/93 Bull. 1/2/93/1.2.48					OJ L 98/24; 4/93 Bull. 4/93/1.2.32	
Dir. 93/23 to 93/25/EEC; surveys on pig, sheep, goat and bovine animal production	OJ C 18/23; 1/93 COM(92) 377 to 379 Bull. 12/92/1.3.10 26th CR/68		OJ C 115/26; 4/93 Bull. 3/93/1.2.26					OJ L 149/21; 6/93 Bull. 6/93/1.2.43	

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EC) No 3205/93: surveys of areas under vines	OJ C 219/13.8.93 COM(93) 346 Bull. 7/8-93/1.2.33		OJ C 315/22.11.93 Bull. 10-93/1.2.36					OJ L 289/24.11.93 Bull. 11-93/1.2.39	
Reg. (EEC) No 2018/93: catch and effort statistics from Member States fishing in the North-west Atlantic	OJ C 118/28.4.93 COM(93) 76 Bull. 3-93/1.2.28		OJ C 150/31.5.93 Bull. 4-93/1.2.34					OJ L 186/26.7.93 Bull. 6-93/1.2.44	
Reg. (EEC) No 2104/93: submission of data on the landings of fishery products in Member States	OJ C 84/25.3.93 COM(93) 75 Bull. 3-93/1.2.27		OJ C 150/31.5.93 Bull. 4-93/1.2.33					OJ L 191/31.7.93 Bull. 7/8-93/1.2.34	
Prop. for a Dec.: statistics on the environment	OJ C 209/22.8.90 COM(90) 319 Bull. 7/8-90/1.7.1 24th GR/976	OJ C 332/31.12.90 Bull. 9-90/1.6.2	OJ C 67/16.3.92 Bull. 1/2-92/1.3.5	OJ C 328/12.12.92 COM(92) 483 Bull. 11-92/1.3.10					
Prop. for a Dec.: statistics on research, development and innovation	OJ C 122/14.5.92 COM(92) 91 Bull. 4-92/1.3.3 26th GR/64	OJ C 332/16.12.92 Bull. 10-92/1.3.4	OJ C 115/26.4.93 Bull. 3-93/1.2.25						

Internal market

Free movement of goods

Prop. for a Dir.: information procedure on technical standards and regulations*	OJ C 340/23.12.92 COM(92) 491 Bull. 11-92/1.3.27	OJ C 201/26.7.93 Bull. 5-93/1.2.2	OJ C 176/28.6.93 Bull. 5-93/1.2.2*	OJ C 290/27.10.93 COM(93) 444 Bull. 10-93/1.2.2	Bull. 11-93/1.2.1			OJ L 37/13.2.93 Bull. 1/2-93/1.2.10	
Reg. (EEC) No 315/93: contaminants in food*	OJ C 37/4.3.92 COM(91) 523 Bull. 1/2-92/1.3.43 24th GR/109	OJ C 223/31.8.92 Bull. 5-92/1.1.22	OJ C 125/18.5.92 Bull. 4-92/1.3.21*	OJ C 107/28.4.92 COM(92) 128 Bull. 3-92/1.2.25	Bull. 9-92/1.2.24	OJ C 42/15.2.93 Bull. 1/2-93/1.2.10			
Dir. 93/5/EEC: scientific examination of questions relating to food*	OJ C 108/23.4.91 COM(91) 16 Bull. 3-91/1.2.8 25th GR/134	OJ C 14/20.1.92 Bull. 10-91/1.2.10	OJ C 94/13.4.92 Bull. 3-92/1.2.25*		Bull. 9-92/1.2.23	OJ C 42/15.2.93 Bull. 1/2-93/1.2.9	COM(93) 32 Bull. 1/2-93/1.2.9	OJ L 52/4.3.93 Bull. 1/2-93/1.2.9	

	Commission proposal	ESC opinion	EP first*/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/43/EEC: hygiene of foodstuffs*	OJ C 24/31.1.92 COM(91) 525 Bull. 1/2-92/1.3.41 24th GR/109 Bull. 5-92/1.1.24	OJ C 223/31.8.93 Bull. 5-92/1.1.21	OJ C 305/23.11.92 Bull. 10-92/1.3.33*	OJ C 347/31.12.92 COM(92) 547 Bull. 12-92/1.3.41	Bull. 12-92/1.3.41	OJ C 150/31.5.93 Bull. 4-93/1.2.10	COM(93) 219 Bull. 5-93/1.2.6	OJ L 175/19.7.93 Bull. 6-93/1.2.13	
Dir. 93/77/EEC: fruit juices	OJ C 313/30.11.92 Bull. 9-92/1.2.27	OJ C 305/23.11.92 Bull. 10-92/1.3.36	OJ C 305/23.11.92 Bull. 10-92/1.3.36	OJ C 134/13.5.93 COM(93) 153 Bull. 4-93/1.2.9	Bull. 1/2-93/1.2.14	OJ C 194/19.7.93 Bull. 6-93/1.2.17	OJ L 244/30.9.93 Bull. 9-93/1.2.8		
Dir. 93/99/EEC: official control of foodstuffs*	OJ C 51/26.2.92 COM(91) 526 Bull. 1/2-92/1.3.42 24th GR/109	OJ C 332/16.12.92 Bull. 10-92/1.3.32	OJ C 337/21.12.92 Bull. 11-92/1.3.33*	OJ C 15/5.1.93 COM(92) 574 Bull. 12-92/1.3.40	Bull. 6-93/1.2.14	OJ C 315/22.11.93 Bull. 10-93/1.2.12	COM(93) 550 Bull. 10-93/1.2.12	OJ L 290/24.11.93 Bull. 10-93/1.2.12	
Prop. for a Dir.: additives*	OJ C 206/13.8.92 COM(92) 255 Bull. 6-92/1.3.22 26th GR/109	OJ C 73/15.3.93 Bull. 1/2-93/1.2.11	OJ C 176/28.6.93 Bull. 5-93/1.2.7*	OJ C 191/15.7.93 COM(93) 289 Bull. 6-93/1.2.15	Bull. 9-93/1.2.5 Bull. 11-93/1.2.5				Political agr. on a common position: Bull. 12-93; prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: additives other than colours and sweeteners*	OJ C 206/13.8.92 COM(92) 255 Bull. 6-92/1.3.22 26th GR/109	OJ C 108/19.4.93 Bull. 1/2-93/1.2.12	OJ C 176/28.6.93 Bull. 5-93/1.2.8*	OJ C 189/13.7.93 COM(93) 290 Bull. 6-93/1.2.16	Bull. 9-93/1.2.6 Bull. 11-93/1.2.6				Replaces the withdrawn proposal COM(91) 195; prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: sweeteners	OJ C 206/13.8.92 COM(92) 255 Bull. 6-92/1.3.22 26th GR/109	OJ C 332/16.12.92 Bull. 10-92/1.3.35	OJ C 305/23.11.92 Bull. 10-92/1.3.35	OJ C 134/13.5.93 COM(93) 153 Bull. 4-93/1.2.9					
Prop. for a Dir.: colours*	OJ C 12/18.1.92 COM(91) 444 Bull. 12-91/1.2.29 25th GR/134	OJ C 313/30.11.92 Bull. 9-92/1.2.25	OJ C 115/26.4.93 Bull. 3-93/1.2.3*		Bull. 9-93/1.2.7 Bull. 11-93/1.2.7				
Prop. for a Reg.: novel foods and novel food ingredients	OJ C 190/29.7.92 COM(92) 295 Bull. 7/8-92/1.3.15 26th GR/109	OJ C 108/19.4.93 Bull. 1/2-93/1.2.13	OJ C 315/22.11.93 Bull. 10-93/1.2.13	OJ C 16/19.1.1994 COM(93) 631 Bull. 12-93					Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: labelling and presentation of foodstuffs*	OJ C 122/14.5.92 COM(91) 536 Bull. 4-92/1.3.8 26th GR/109	OJ C 332/16.12.92 Bull. 10-92/1.3.34	OJ C 315/22.11.93 Bull. 10-93/1.2.14*						

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/39/EEC: medicinal products*	OJ C 330/31.12.90 COM(90) 283 Bull. 11-90/L3.1 24th GR/112	OJ C 269/14.10.91 Bull. 7/8-91/1.2.23	OJ C 183/15.7.91 Bull. 6-91/1.2.23*	OJ C 310/30.11.91 COM(91) 382 Bull. 10-91/1.2.16	Bull. 12-92/1.3.17	OJ C 150/31.5.93 Bull. 4-93/1.2.7	COM(93) 220 Bull. 6-93/1.2.11	OJ L 214/24.8.93 Bull. 6-93/1.2.11	
Dir. 93/40/EEC: veterinary medicinal products*	OJ C 330/31.12.90 COM(90) 283 Bull. 11-90/L3.1 24th GR/112	OJ C 269/14.10.91 Bull. 7/8-91/1.2.23	OJ C 183/15.7.91 Bull. 6-91/1.2.23*	OJ C 310/30.11.91 COM(91) 382 Bull. 10-91/1.2.16	Bull. 12-92/1.3.17	OJ C 150/31.5.93 Bull. 4-93/1.2.7	COM(93) 220 Bull. 6-93/1.2.11	OJ L 214/24.8.93 Bull. 6-93/1.2.11	
Dir. 93/41/EEC: high technology medicinal products*	OJ C 330/31.12.90 COM(90) 283 Bull. 11-90/L3.1 24th GR/112	OJ C 269/14.10.91 Bull. 7/8-91/1.2.23	OJ C 183/15.7.91 Bull. 6-91/1.2.23*		Bull. 12-92/1.3.17	OJ C 150/31.5.93 Bull. 4-93/1.2.7		OJ L 214/24.8.93 Bull. 6-93/1.2.11	
Reg. [EEC] No 2309/93: authorization and supervision of medicinal products; Agency for the Evaluation of Medicinal Products	OJ C 330/31.12.90 COM(90) 283 Bull. 11-90/L3.1 24th GR/112	OJ C 269/14.10.91 Bull. 7/8-91/1.2.23	OJ C 183/15.7.91 Bull. 6-91/1.2.23*	OJ C 310/30.11.91 COM(91) 382 Bull. 10-91/1.2.16				OJ L 214/24.8.93 Bull. 12-92/1.3.17 Bull. 7/8-93/1.2.3	
Prop. for a Dec.: acceptance of the convention on the elaboration of a European Pharmacopoeia	COM(93) 68 Bull. 1/2-93/1.2.7	OJ C 352/30.12.93 Bull. 10-93/1.2.10							
Prop. for a Dir.: plant protection products	COM(93) 117 Bull. 4-93/1.2.18								
Prop. for a Dir.: amending for the 14th time Dir. 76/769 (dangerous substances)	OJ C 116/27.4.93 COM(93) 134 Bull. 4-93/1.2.6	OJ C 304/10.11.93 Bull. 9-93/1.2.4	OJ C 315/22.11.93 Bull. 10-93/1.2.8	COM(93) 633 Bull. 12-93	Bull. 12-92/1.3.36	OJ C 115/26.4.93 Bull. 3-93/1.2.3	COM(93) 133 Bull. 4-93/1.2.5		Political agr. on a common position: Bull. 12-93; prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: amending for the 15th time Dir. 76/769 (dangerous substances)	OJ C 306/12.11.93 COM(93) 499 Bull. 10-93/1.2.9		Bull. 12-93						Prop. subject to the co-decision procedure since 1.11.93
Dir. 93/15/EEC: explosives for civil uses*	OJ C 121/13.5.92 COM(92) 123 Bull. 4-92/1.3.13 26th GR/115	OJ C 313/30.11.92 Bull. 9-92/1.2.19	OJ C 305/23.11.92 Bull. 10-92/1.3.30*	OJ C 44/16.2.93 COM(92) 524 Bull. 12-92/1.3.36				OJ L 121/15.5.93 Bull. 4-93/1.2.5	

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/14/EEC: braking of two- or three-wheel motor vehicles*	OJ C 93/13.4.92 COM(91) 496 Bull. 1/2-92/1.3.29 25th GR/114	OJ C 313/30.11.92 Bull. 9-92/1.2.17	OJ C 305/23.11.92 Bull. 10-92/1.3.28*		Bull. 12-92/1.3.32	OJ C 72/15.3.93 Bull. 1/2-93/1.2.1		OJ L 121/15.5.93 Bull. 4-93/1.2.3	
Dir. 93/29/EEC: identification of controls, reltates and indicators for two- or three-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 331 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.4	OJ C 21/15.1.93 Bull. 12-92/1.3.33*		Bull. 1/2-93/1.2.4	OJ C 150/31.5.93 Bull. 4-93/1.2.4		OJ L 188/29.7.93 Bull. 6-93/1.2.4	
Dir. 93/30/EEC: audible warning devices for two- or three-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 332 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.4	OJ C 337/21.12.92 Bull. 11-92/1.3.29*		Bull. 1/2-93/1.2.4	OJ C 150/31.5.93 Bull. 4-93/1.2.4		OJ L 188/29.7.93 Bull. 6-93/1.2.4	
Dir. 93/31/EEC: stands for two-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 333 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.4	OJ C 337/21.12.92 Bull. 11-92/1.3.29*		Bull. 1/2-93/1.2.4	OJ C 150/31.5.93 Bull. 4-93/1.2.4		OJ L 188/29.7.93 Bull. 6-93/1.2.4	
Dir. 93/32/EEC: passenger hand-holds for two- or three-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 337 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.3	OJ C 337/21.12.92 Bull. 11-92/1.3.29*		Bull. 1/2-93/1.2.4	OJ C 150/31.5.93 Bull. 4-93/1.2.4		OJ L 188/29.7.93 Bull. 6-93/1.2.4	
Dir. 93/33/EEC: statutory markings for two- or three-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 336 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.3	OJ C 337/21.12.92 Bull. 11-92/1.3.29*		Bull. 4-93/1.2.2	OJ C 176/28.6.93 Bull. 5-93/1.2.4		OJ L 188/29.7.93 Bull. 6-93/1.2.3	
Dir. 93/34: protective devices to prevent the unauthorized use of two- or three-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 334 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.3	OJ C 337/21.12.92 Bull. 11-92/1.3.29*		Bull. 4-93/1.2.2	OJ C 176/93 Bull. 5-93/1.2.4		OJ L 188/29.7.93 Bull. 6-93/1.2.3	
Dir. 93/92/EC: lighting devices on two- or three-wheel motor vehicles*	OJ C 93/13.4.92 COM(91) 498 Bull. 1/2-92/1.3.31 25th GR/114	OJ C 313/30.11.92 Bull. 9-92/1.2.17	OJ C 305/23.11.92 Bull. 10-92/1.3.28*		Bull. 6-92/1.2.5	OJ C 315/22.11.93 Bull. 10-93/1.2.3	COM(93) 549 Bull. 10-93/1.2.3	OJ L 311/14.11.93 Bull. 10-93/1.2.3	
Dir. 93/93/EC: masses and dimensions of two- or three-wheel motor vehicles*	OJ C 293/9.11.92 COM(92) 330 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15.3.93 Bull. 1/2-93/1.2.3	OJ C 337/21.12.92 Bull. 11-92/1.3.29*		Bull. 6-93/1.2.6	OJ C 315/22.11.93 Bull. 10-93/1.2.4	COM(93) 549 Bull. 10-93/1.2.4	OJ L 311/14.11.93 Bull. 10-93/1.2.4	

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/94/EEC: mounting of the rear registration plate of two- or three-wheel motor vehicles*	OJ C 293/9:11.92 COM(92) 335 Bull. 9-92/1.2.16 26th GR/114	OJ C 73/15:3.93 Bull. 1/2-93/1.2.3	OJ C 337/21:12.92 Bull. 11-92/1.3.29		Bull. 6-93/1.2.6	OJ C 315/22:11.93 Bull. 10-93/1.2.4	COM(93) 549 Bull. 10-93/1.2.4	OJ L 311/4:11.93 Bull. 10-93/1.2.4	
Prop. for a Reg.: maximum speed of two- or three-wheel motor vehicles*	OJ C 93/13:4.92 COM(91) 497 Bull. 1/2-92/1.3.30 25th GR/113	OJ C 313/30:11.92 Bull. 9-92/1.2.17	OJ C 72/15:3.93 Bull. 1/2-93/1.2.2*		Bull. 6-93/1.2.7	OJ C 315/22:11.93 Bull. 10-93/1.2.5			
Prop. for a Dir.: mechanical coupling devices of motor vehicles and their trailers*	OJ C 134/25:5.92 COM(92) 108 Bull. 3-92/1.2.18 26th GR/113	OJ C 313/30:11.92 Bull. 9-92/1.2.18	OJ C 305/23:11.92 Bull. 10-92/1.3.24*		Bull. 9-93/1.2.3				
Prop. for a Dir.: pressure equipment	OJ C 246/9:9.93 COM(93) 319 Bull. 7/8-93/1.2.2	Bull. 12-93							Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: precious metals	COM(93) 322 Bull. 9-93/1.2.2 Bull. 10-93/1.2.7								
Dir. 93/44/EEC: machinery*	OJ C 25/1:2.92 COM(91) 547 Bull. 1/2-92/1.3.18 25th GR/118	OJ C 223/31:8.92 Bull. 5-92/1.1.14	OJ C 241/21:9.92 Bull. 7/8-92/1.3.21*	OJ C 252/29:9.92 COM(92) 363 Bull. 7/8-92/1.3.21	Bull. 12-92/1.3.35	OJ C 72/15:3.93 Bull. 1/2-93/1.2.5	COM(93) 103 Bull. 3-93/1.2.2	OJ L 175/19:7.93 Bull. 6-93/1.2.8	
Dir. 93/95/EEC: personal protective equipment*	OJ C 36/10:2.92 COM(92) 421 Bull. 12-92/1.3.37 26th GR/118	OJ C 129/10:5.93 Bull. 3-93/1.2.4	OJ C 194/19:7.93 Bull. 6-93/1.2.10*	OJ C 199/23:7.93 COM(93) 310 Bull. 6-93/1.2.10	Bull. 6-93/1.2.10	OJ C 315/22:11.93 Bull. 10-93/1.2.6		OJ L 276/9:11.93 Bull. 10-93/1.2.6	
Dir. 93/42/EEC: medical devices*	OJ C 237/12:9.91 COM(91) 287 Bull. 7/8-91/1.2.7 25th GR/141	OJ C 79/30:3.92 Bull. 1/2-92/1.3.39	OJ C 150/15:6.92 Bull. 5-92/1.1.17*	OJ C 251/28:9.92 COM(92) 356 Bull. 7/8-92/1.3.26	Bull. 12-92/1.3.38 Bull. 1/2-93/1.2.8	OJ C 150/31:5.93 Bull. 4-93/1.2.8	COM(93) 241 Bull. 6-93/1.2.12	OJ L 169/12:7.93 Bull. 6-93/1.2.12	
Prop. for a Dir.: equipment intended for use in potentially explosive atmospheres*	OJ C 46/20:2.92 COM(91) 516 Bull. 12-91/1.2.14 25th GR/143	OJ C 106/27:4.92 Bull. 3-92/1.2.14	OJ C 125/18:5.92 Bull. 4-92/1.3.14*		Bull. 11-93/1.2.3				
Prop. for a Dir.: footwear*	OJ C 74/25:3.92 COM(91) 529 Bull. 3-92/1.2.15 26th GR/116	OJ C 287/4:11.92 Bull. 7/8-92/1.3.23	OJ C 150/15:6.92 Bull. 5-92/1.1.13*		Bull. 11-93/1.2.4				

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.: lifts*	OJ C 62/11.3.92 COM(92) 35 Bull. 1/2.92/1.3.19	OJ C 287/4.11.92 Bull. 7/8.92/1.3.22	OJ C 305/23.11.92 Bull. 10.92/1.3.29*	OJ C 180/2.7.93 COM(93) 240 Bull. 6.93/1.2.9	Bull. 12.93				
Prop. for a Dir.: recreational craft	OJ C 123/15.5.92 COM(92) 141 Bull. 4.92/1.3.15 26th GR/116	OJ C 313/30.11.92 Bull. 9.92/1.2.20	OJ C 337/21.12.92 Bull. 11.92/1.3.30	OJ C 59/2.3.93 Bull. 1/2.93/1.2.6		OJ C 255/20.9.90 Bull. 7/8.93/1.2.1			Prop. subject to the co-decision procedure since 1.11.93
Dir. 93/68/EEC; Dec. 93/465/EEC: CE mark*	OJ C 160/20.6.91 COM(91) 145 Bull. 5.91/1.2.7 25th GR/149	OJ C 14/20.1.92 Bull. 10.91/1.2.9; OJ C 129/10.5.93 Bull. 3.93/1.2.1	OJ C 125/18.5.92 Bull. 4.92/1.3.11; OJ C 115/26.4.93 Bull. 3.93/1.2.1*	COM(92) 293 Bull. 7/8.92/1.3.20; OJ C 28/2.2.93 COM(92) 499 Bull. 12.92/1.3.31; OJ C 113/23.4.93 COM(93) 144 Bull. 3.93/1.2.1	Bull. 4.93/1.2.1; Bull. 6.93/1.2.2			OJ L 220/30.8.93 Bull. 7/8.93/1.2.1	
Dec. 93/384/EEC: control of classical swine fever	OJ C 301/18.11.92 COM(92) 437 Bull. 10.92/1.3.116 26th GR/97	OJ C 73/15.3.93 Bull. 1/2.93/1.2.22	OJ C 21/25.1.93 Bull. 12.92/1.3.218					OJ L 166/8.7.93 Bull. 6.93/1.2.19	
Dir. 93/53/EEC: control of certain fish diseases	OJ C 172/8.7.92 COM(92) 204 Bull. 6.92/1.3.159 26th GR/97	OJ C 19/25.1.93 Bull. 11.92/1.3.174	OJ C 150/31.5.93 Bull. 4.93/1.2.15	OJ C 186/8.7.93 COM(93) 281 Bull. 6.93/1.2.22				OJ L 175/19.7.93 Bull. 6.93/1.2.22	
Dec. 93/383/EEC: laboratories for monitoring marine biotoxins	OJ C 15/21.1.93 COM(92) 551 Bull. 12.92/1.3.216	OJ C 129/10.5.93 Bull. 3.93/1.2.9	OJ C 115/26.4.93 Bull. 3.93/1.2.9					OJ L 166/8.7.93 Bull. 6.93/1.2.24	
Dir. 93/52/EEC: embryos of domestic animals of the bovine species	COM(93) 55 OJ C 63/5.8.93 Bull. 1/2.93/1.2.20		OJ C 150/31.5.93 Bull. 4.93/1.2.13					OJ L 175/19.7.93 Bull. 6.93/1.2.20	
Dir. 93/54/EEC: placing on the market of aquaculture animals and products	OJ C 324/10.12.92 COM(92) 458 Bull. 11.92/1.3.173	OJ C 129/10.5.93 Bull. 3.93/1.2.8	OJ C 150/31.5.93 Bull. 4.93/1.2.14					OJ L 175/19.7.93 Bull. 6.93/1.2.23	
Dir. 93/60/EEC: fresh bovine semen	OJ C 324/10.12.92 COM(92) 462 Bull. 11.92/1.3.167	OJ C 108/19.4.93 Bull. 1/2.93/1.2.19	OJ C 72/15.3.93 Bull. 1/2.93/1.2.19					OJ L 175/19.7.93 Bull. 6.93/1.2.21	

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first* sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/118/EC amending Dir. 85/73/EEC: financing of health inspections and controls of fresh meat and poultrymeat	OJ C 325/14.12.91 COM(91) 81 Bull. 11-91/1.2.119	OJ C 106/27.4.92 Bull. 3-92/1.2.155	OJ C 94/13.4.91 Bull. 3-92/1.2.155					Bull. 12-93	
Prop. for a Dir.: financing of veterinary checks and inspections	OJ C 219/13.8.93 COM(93) 318 Bull. 7-8-93/1.2.10	Bull. 11-93/1.2.13	OJ C 315/22.11.93 Bull. 10-93/1.2.16					Bull. 12-93	
Dir. 93/120/EC and Dir. 93/121/EC animal health requirements for poultry, eggs and poultrymeat	OJ C 89/31.3.93 COM(93) 96 Bull. 3-93/1.2.7	OJ C 201/26.7.93 Bull. 5-93/1.2.11	OJ C 176/28.6.93 Bull. 5-93/1.2.11					Bull. 12-93	
Prop. for a Dir.: imports of animals from third countries	OJ C 306/12.11.93 COM(93) 497 Bull. 10-93/1.2.17		OJ C 20/24.1.1994 Bull. 12-93						
Prop. for a Dec.: expenditure in the veterinary sector	OJ C 4/6.1.94 COM(93) 470 Bull. 12-93								
Prop. for a Dir.: protection of animals during transport	OJ C 250/14.9.93 COM(93) 330 Bull. 7-8-93/1.2.9		Bull. 12-93						
Dir. 93/119/EEC: protection of animals at the time of slaughter or killing	OJ C 314/5.12.91 COM(91) 136 Bull. 11-91/1.2.117	OJ C 106/27.4.92 Bull. 3-92/1.2.154	OJ C 241/21.9.92 Bull. 7-8-92/1.3.176	OJ C 328/12.12.92 COM(92) 460 Bull. 11-92/1.3.171				Bull. 12-93	
Prop. for a Reg.: prohibition of the use of substances having a hormonal action	OJ C 302/9.11.93 COM(93) 441 Bull. 9-93/1.2.10	Bull. 12-93							
Prop. for a Reg.: control of residues of substances having a hormonal action	OJ C 302/9.11.93 COM(93) 441 Bull. 9-93/1.2.10	Bull. 12-93							
Prop. for a Reg. amending Reg. 805/68: abolition of the premium in cases of a breach of the law governing substances having a hormonal action	OJ C 302/9.11.93 COM(93) 441 Bull. 9-93/1.2.10	Bull. 12-93							
Prop. for a Dec.: Bovine Somatotrophin (BST)	OJ C 3/5.1.94 COM(93) 605 Bull. 11-93/1.2.12		Bull. 12-93					OJ L 333/31.12.93 Bull. 12-93	

	Commission proposal	ESC opinion	EP first* sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/19/EEC: organisms harmful to plants	OJ C 15/21.1.93 COM(92) 559 Bull. 12-92/1.3.221 26th GR/92	OJ C 108/19.4.93 Bull. 1/2-93/1.2.23	OJ C 115/26.4.93 Bull. 3-93/1.2.10					OJ L 96/22.4.93 Bull. 4-93/1.2.16	
Prop. for a Dir.: harmful organisms	OJ C 97/6.4.93 COM(93) 99 Bull. 3-93/1.2.11	OJ C 201/26.7.93 Bull. 5-93/1.2.12	OJ C 255/20.9.93 Bull. 7/8-93/1.2.11						
Dir. 93/85/EEC: control of pota- to ring rot	COM(93) 38 OJ C 93/2.4.93 Bull. 1/2-93/1.2.24	OJ C 161/14.6.93 Bull. 4-93/1.2.19	OJ C 176/28.6.93 Bull. 5-93/1.2.14					OJ L 259/18.10.93 Bull. 10-93/1.2.19	
Prop. for a Dir.: pesticide resi- dues	COM(93) 505 Bull. 10-93/1.2.18								
Prop. for a Reg.: biological pro- duction method	OJ C 326/3.12.93 COM(93) 558 Bull. 11-93/1.2.41	OJ C 73/15.3.93 Bull. 1/2-93/1.2.25	OJ C 21/25.1.93 Bull. 12-92/1.3.220						
Dir. 93/74/EEC: feedingsuffs intended for particular nutritio- nal purposes	OJ C 231/9.9.92 COM(92) 324 Bull. 7/8-92/1.3.181	OJ C 201/26.7.93 Bull. 5-93/1.2.15 Bull. 12-93	OJ C 329/6.12.93 Bull. 11-93/1.2.15					OJ L 237/22.9.93 Bull. 7/8-93/1.2.15 Bull. 9-93/1.2.14	
Dir. 93/114/EEC: amending Dir. 70/524/EEC: additives in feedingsuffs	OJ C 107/17.4.93 COM(93) 110 Bull. 3-93/1.2.12	OJ C 201/26.7.93 Bull. 5-93/1.2.16	OJ C 329/6.12.93 Bull. 11-93/1.2.16	OJ C 4/6.1.94 COM(93) 636 Bull. 12-93				OJ L 334/31.12.93 Bull. 12-93	
Dec. 93/113/EEC: use and mark- eting of enzymes, microorganisms and their preparations in animal nutrition	OJ C 116/27.4.93 COM(93) 119 Bull. 3-93/1.2.13								
Prop. for a Dec.: group of addi- tives used in animal nutrition	OJ C 211/5.8.93 COM(93) 250 Bull. 7/8-93/1.2.13	OJ C 34/2.2.94 Bull. 11-93/1.2.17							
Prop. for a Dir. amending Dir. 70/524/EEC: additives in feedingsuffs	OJ C 218/12.8.93 COM(93) 251 Bull. 7/8-93/1.2.14								
Prop. for a Dir.: inspectors in the field of animal nutrition	OJ C 313/19.11.93 COM(93) 510 Bull. 10-93/1.2.20								

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg.: animal nutrition (authorizations and approvals regarding certain establishments)	COM(93) 387 Bull. 11-93/1.2.18	OJ C 223/31.8.92 Bull. 5-92/1.1.25	OJ C 176/13.7.92 Bull. 6-92/1.3.25*	OJ C 172/18.7.92 COM(92) 280 Bull. 6-92/1.3.25	Bull. 11-92/1.3.20 Bull. 12-92/1.3.26	OJ C 72/15.3.93 Bull. 1/2-93/1.2.15		OJ L 74/27.3.93 Bull. 3-93/1.2.6	
Prop. for a Dir.: waste used in feedingsuffs	COM(93) 590 Bull. 11-93/1.2.19								
Dir. 93/7/EEC: return of cultural objects*	OJ C 53/28.2.92 COM(91) 447 Bull. 1/2-92/1.3.12 26th GR/161								
<i>Free movement of persons</i>									
Prop. for a Reg.: visas for the citizens of third countries crossing the Community's external borders	OJ C 11/15.1.94 COM(93) 684 Bull. 12-93	OJ C 304/10.11.93 Bull. 9-93/1.2.15	OJ C 255/20.9.93* Bull. 7/8-93/1.2.18		Bull. 10-93/1.2.22	OJ C 315/22.11.93 Bull. 10-93/1.2.22		OJ L 317/18.12.93 Bull. 10-93/1.2.22	
Dir. 93/96/EEC: right of residence for students	OJ C 166/17.6.93 COM(93) 209 Bull. 5-93/1.2.18	OJ C 98/21.4.92 Bull. 1/2-92/1.3.49	OJ C 125/18.5.92 Bull. 4-92/1.3.24*		Bull. 12-92/1.3.47	OJ C 72/15.3.93 Bull. 1/2-93/1.2.28		OJ L 165/7.7.93 Bull. 4-93/1.2.20	
Dir. 93/16/EEC: free movement of doctors and the mutual recognition of their diplomas*	Bull. 12-91/1.2.42 25th GR/216								
<i>Free movement of services</i>									
Dir. 93/6/EEC: capital adequacy of investment firms and credit institutions*	OJ C 152/21.6.90 COM(90) 141 Bull. 4-90/1.1.3 24th GR/138	OJ C 69/18.3.91 Bull. 1/2-91/1.2.31	OJ C 326/16.12.91 Bull. 11-91/1.2.19*	OJ C 80/25.2.92 COM(92) 13 Bull. 1/2-92/1.3.47	Bull. 6-92/1.3.11 Bull. 7/8-92/1.3.30	OJ C 337/21.12.92 Bull. 11-92/1.3.35		OJ L 141/11.6.93 Bull. 3-93/1.2.14	
Dir. 93/22/EEC: investment services in the securities field*	OJ C 43/22.2.89 COM(88) 778 Bull. 12-88/2.1.147 22th GR/247	OJ C 298/27.11.89 Bull. 9-89/2.1.12	OJ C 304/4.12.89 Bull. 10-89/2.1.16*	OJ C 40/22.2.90 COM(89) 629 Bull. 1/2-90/1.1.29	Bull. 6-92/1.3.10 Bull. 12-92/1.3.45	OJ C 115/26.4.93 Bull. 3-93/1.2.15		OJ L 141/11.6.93 Bull. 5-93/1.2.19	

	Commission proposal	E5C opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.: reinforcement of prudential supervision (financial services)	OJ C 229/25.8.93 COM(93) 363 Bull. 7/8-93/1.2.19	Bull. 12-93	OJ C 315/22.11.93 Bull. 10-93/1.2.24*						Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: undertakings for collective investment in transferable securities (UCITS)*	OJ C 59/2.3.93 COM(93) 37 Bull. 1/2-93/1.2.33	OJ C 249/13.9.93 Bull. 6-93/1.2.29	OJ C 304/4.12.89 Bull. 10-89/2.1.16; OJ C 326/16.12.91 Bull. 11-91/1.2.19*	OJ C 42/22.2.90 COM(89) 629 Bull. 1/2-90/1.1.29; OJ C 50/25.2.92 COM(92) 13 Bull. 1/2-92/1.3.47	Bull. 4-93/1.2.21				
Prop. for a Dir.: Committee on Securities*	OJ C 43/22.2.89 COM(88) 778 Bull. 12-88/2.1.147; OJ C 152/21.6.90 COM(90) 141 Bull. 4-90/1.1.3 24th GR/139	OJ C 298/27.11.89 Bull. 9-89/2.1.12; OJ C 69/18.3.91 Bull. 1/2-91/1.2.31							
Prop. for a Dir.: investor compensation	COM(93) 381 Bull. 9-93/1.2.17	OJ C 120/6.5.91 Bull. 3-91/1.2.53	OJ C 67/16.3.92 Bull. 1/2-92/1.3.54	OJ C 178/30.6.93 COM(93) 196 Bull. 6-93/1.2.30					
Prop. for a Dir.: interest and royalty payments between parent companies and subsidiaries	OJ C 53/28.2.91 COM(90) 571 Bull. 11-90/1.3.102 24th GR/154	OJ C 120/6.5.91 Bull. 3-91/1.2.54	OJ C 94/13.4.92 Bull. 3-92/1.2.32						
Prop. for a Dir.: taking into account the losses of permanent establishments and subsidiaries	OJ C 53/28.2.91 COM(90) 595 Bull. 11-90/1.3.103 24th GR/154	OJ C 169/6.7.92 Bull. 4-92/1.3.23	OJ C 337/21.12.92 Bull. 11-92/1.3.37*	OJ C 171/23.6.93 COM(93) 237 Bull. 5-93/1.2.20					
Prop. for a Dir.: funds held by institutions for retirement provision*	OJ C 312/3.12.91 COM(91) 301 Bull. 10-91/1.2.4 25th GR/173	OJ C 332/16.12.92 Bull. 10-92/1.3.41	OJ C 115/26.4.93 Bull. 3-93/1.2.16*	OJ C 178/30.6.93 COM(93) 253 Bull. 6-93/1.2.28	Bull. 9-93/1.2.16 Bull. 10-93/1.2.23				
Prop. for a Dir.: deposit-guarantee schemes*	OJ C 163/30.6.92 COM(92) 188 Bull. 5-92/1.1.11 26th GR/128								

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.; partial or total exemption from the obligation to publish listing particulars	OJ C 23/27.1.92 COM(92) 566 Bull. 12-92/1.3.46 26th GR/135	OJ C 161/14.6.93 Bull. 4-93/1.2.22	Bull. 12-93						Prop. subject to the co-decision procedure since 1.11.93

Government procurement

Dir. 93/4/EEC: award of public works contracts*	OJ C 225/19.92 COM(92) 345 Bull. 7/8-92/1.3.28 26th GR/122	OJ C 332/16.12.92 Bull. 10-92/1.3.38	OJ C 305/23.11.92 Bull. 10-92/1.3.38*		Bull. 12-92/1.3.43	OJ C 42/15.2.93 Bull. 1/2-93/1.2.36		OJ L 38/16.2.93 Bull. 1/2-93/1.2.36	
Dir. 93/36/EEC: award of public supply contracts*	OJ C 277/26.10.92 COM(92) 346 Bull. 9-92/1.2.28 26th GR/122	OJ C 332/16.12.92 Bull. 10-92/1.3.39	OJ C 72/15.3.93 Bull. 1/2-93/1.2.37*		Bull. 4-93/1.2.26	OJ C 176/28.6.93 Bull. 5-93/1.2.25		OJ L 199/9.8.93 Bull. 6-93/1.2.36	
Dir. 93/37/EEC: award of public works contracts*	OJ C 46/20.2.92 Bull. 1/2-92/1.3.46 26th GR/122	OJ C 106/27.4.92 Bull. 3-92/1.2.29	OJ C 125/18.5.92 Bull. 4-92/1.3.22*		Bull. 6-92/1.3.9	OJ C 305/23.11.92 Bull. 10-92/1.3.37		OJ L 199/9.8.93 Bull. 6-93/1.2.37	
Dir. 93/38/EEC: procurement procedures in the water, energy, transport and telecommunications sectors*	OJ C 337/31.12.91 COM(91) 347 Bull. 9-91/1.2.2 25th GR/125	OJ C 106/27.4.92 Bull. 3-92/1.2.28	OJ C 176/13.7.92 Bull. 6-92/1.3.8*	OJ C 188/25.7.92 COM(92) 292 Bull. 7/8-92/1.3.29	Bull. 6-92/1.3.8 Bull. 12-92/1.3.44	OJ C 150/31.5.93 Bull. 4-93/1.2.25	COM(93) 236 Bull. 5-93/1.2.22	OJ L 199/9.8.93 Bull. 6-93/1.2.38	

Intellectual and industrial property

Reg. (EC) No 40/94: Community trade mark	OJ C 351/31.12.80 COM(80) 635 Bull. 11-80/2.1.13	OJ C 310/30.11.81	OJ C 307/14.11.83 Bull. 10-83/2.1.19; OJ C 280/28.10.91 Bull. 10-91/1.2.8	OJ C 250/31.8.84 COM(84) 470 Bull. 7/8-84/2.1.21; COM(92) 443 Bull. 11-92/1.3.41				Bull. 12-93	
--	--	-------------------	--	--	--	--	--	-------------	--

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.: legal protection of biotechnological inventions	OJ C 10/13, L 89 COM(88) 496 Bull. 10-88/2.1.17 22th GR/286	OJ C 159/26, 6.89 Bull. 4-89/2.1.44	OJ C 305/23, 11.92 Bull. 10-92/1.3.44	OJ C 44/16, 2.93 COM(92) 589 Bull. 12-92/1.3.50	Bull. 4-93/1.2.24; Bull. 5-93/1.2.21	OJ C 255/20, 9.93 Bull. 7/8-93/1.2.23	COM(93) 426 Bull. 9-93/1.2.20	OJ L 248/6, 10.93 Bull. 9-93/1.2.20	Political agr. on a common position: Bull. 12-93; prop. subject to the co-decision procedure since 1.11.93
Dir. 93/83/EEC: copyright applicable to satellite broadcasting and cable retransmission*	OJ C 255/1, 10.91 COM(91) 276 Bull. 7/8-91/1.2.76 25th GR/186	OJ C 98/21, 4.92 Bull. 1/2-92/1.3.52	OJ C 305/23, 11.92 Bull. 10-92/1.3.43*	OJ C 25/18, 1.93 COM(92) 526 Bull. 12-92/1.3.48	Bull. 6-93/1.2.31 Bull. 7/8-93/1.2.22	OJ C 315/22, 11.93 Bull. 10-93/1.2.25			
Dir. 93/98/EEC: term of protection of copyright*	OJ C 92/11, 4.92 COM(92) 33 Bull. 1/2-92/1.3.13 26th GR/143	OJ C 287/4, 11.92 Bull. 7/8-92/1.3.32	OJ C 337/21, 12.92 Bull. 11-92/1.3.39*	OJ C 27/30, 1.93 COM(92) 602 Bull. 1/2-92/1.3.34					
Prop. for a Dir.: accession to the Berne Convention and the Rome Convention*	OJ C 24/31, 1.91 COM(90) 582 Bull. 12-90/1.3.169 24th GR/150	OJ C 269/14, 10.91 Bull. 7/8-91/1.2.79	OJ C 326/16, 12.91 Bull. 11-91/1.2.35*	OJ C 57/4, 3.92 COM(92) 10 Bull. 12-92/1.3.51					
Prop. for a Dir.: legal protection of databases*	OJ C 156/23, 6.92 COM(92) 24 Bull. 1/2-92/1.3.14 26th GR/143	OJ C 19/25, 1.93 Bull. 11-92/1.3.40	OJ C 194/19, 7.93 Bull. 6-93/1.2.32*	OJ C 308/15, 11.93 COM(93) 464 Bull. 10-93/1.2.26					
Taxation									
Prop. for a Dir.: fiscal marking of gas oils	COM(93) 352 Bull. 12-93								
Prop. for a Dir.: VAT harmonization (abolition of certain derogations)	OJ C 205/13, 8.92 COM(92) 215 Bull. 7/8-92/1.3.12 26th GR/150	OJ C 332/16, 12.92 Bull. 10-92/1.3.46	OJ C 42/15, 2.93 Bull. 1/2-93/1.2.16	OJ C 231/27, 8.93 COM(93) 398 Bull. 7/8-93/1.2.6					
Prop. for a Dir.: VAT arrangements applicable to passenger transport	COM(92) 416 Bull. 9-92/1.2.11 26th GR/151	OJ C 19/25, 1.93 Bull. 11-92/1.3.43	OJ C 42/15, 2.93 Bull. 1/2-93/1.2.17						

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first* sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Trans-European networks									
Prop. for a Reg.: declaration of European interest in trans-European networks	OJ C 71/20.3.92 COM(92) 15 Bull. 1/2-92/1.3.15 26th GR/158	OJ C 287/4.11.92 Bull. 7/8-92/1.3.34	OJ C 337/21.12.92 Bull. 11-92/1.3.45	OJ C 124/6.5.93 COM(93) 115 Bull. 4-93/1.2.74					
Competition policy									
State aid									
Dir. 93/115/EC: aid to shipbuilding	OJ C 126/7.5.93 COM(93) 160 Bull. 4-93/1.2.47	OJ C 249/13.9.93 Bull. 6-93/1.2.56	OJ C 329/6.12.93 Bull. 11-93/1.2.49					OJ L 326/28.12.93 Bull. 12-93	
Enterprise policy and services									
Priority activities and objectives									
Dec. 93/379/EEC: multiannual programme on SMEs	OJ C 30/3.2.93 COM(92) 470 Bull. 1/2-92/1.3.108 26th GR/229	OJ C 161/14.6.93 Bull. 4-93/1.2.63	OJ C 150/31.5.93 Bull. 4-93/1.2.63	COM(93) 180 Bull. 4-93/1.2.63				OJ L 161/27.93 Bull. 6-93/1.2.83	
Prop. for a Reg.: Statutes for a European cooperative society, mutual society and association and Prop. for a Dir. supplementing these with regard to the involvement of employees	OJ C 99/21.4.92 COM(91) 273 Bull. 12-91/1.2.73 25th GR/301	OJ C 233/31.8.92 Bull. 5-92/1.1.59	OJ C 42/15.2.93 Bull. 1/2-93/1.2.89	OJ C 236/31.8.93 COM(93) 252 Bull. 7/8-93/1.2.82					Prop. subject to the co-decision procedure since 1.11.93

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Industrial policy									
<i>Computerized communication of data, information and administrative documents</i>									
Prop. for a Dec.: a multiannual programme for IDA*	OJ C 105/16.4.93 COM(93) 69 Bull. 3-93/1.2.61	OJ C 249/13.9.93 Bull. 6-93/1.2.101							Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dec.: guidelines for inter-administration telematic networks	OJ C 105/16.4.93 COM(93) 69 Bull. 3-93/1.2.61	OJ C 249/13.9.93 Bull. 6-93/1.2.101							Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dec.: inter-administration telematic networks for statistics relating to the trading of goods (Edicom)*	OJ C 87/27.3.93 COM(93) 73 Bull. 3-93/1.2.62	OJ C 249/13.9.93 Bull. 6-93/1.2.102	OJ C 315/22.11.93 Bull. 10-93/1.2.78						Council agr.: Bull. 12-93
Research and technology									
<i>Community R&TD policy</i>									
Dec. 93/167/Euratom/EEC adapting Dec. 90/221/Euratom/EEC: framework programme (1990-94)	OJ C 225/1.9.92 COM(92) 309 Bull. 7/8-92/1.3.82 26th GR/275	OJ C 19/25.1.92 Bull. 11-92/1.3.84	OJ C 337/21.12.92 Bull. 11-92/1.3.84					OJ L 69/20.3.93 Bull. 12-92/1.3.113 Bull. 3-93/1.2.55	Political agr.: Bull. 12-93
Prop. for a Dec.: ECSC framework programme (1994-98)	OJ C 230/26.8.93 COM(93) 276 Bull. 6-93/1.2.86	OJ C 34/2.2.94 Bull. 11-93/1.2.75	OJ C 329/6.12.93 Bull. 11-93/1.2.76						Prop. subject to the co-decision procedure since 1.11.93; political agr. on a common position: Bull. 12-93
Prop. for a Dec.: fourth framework programme for research, technological development and demonstration (1994-98)	OJ C 230/26.8.93 COM(93) 276 Bull. 6-93/1.2.86	OJ C 34/2.2.94 Bull. 11-93/1.2.75	OJ C 329/6.12.93 Bull. 11-93/1.2.75						

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Education, vocational training and youth									
<i>Vocational training</i>									
Prop. for a Dec.: action programme for vocational training in the EC	COM(93) 686 Bull. 12-93								
Dec. 93/588/EEC: action programme on training of indirect taxation officials (Matthaeus-Tax)	OJ C 15/21.1.93 COM(92) 550 Bull. 12-92/1.3.163 26th GR/420	OJ C 108/19.4.93 Bull. 1/2-93/1.2.94	OJ C 176/28.6.93 Bull. 5-93/1.2.66*	OJ C 177/29.6.93 COM(93) 262 Bull. 6-93/1.2.98	Bull. 6-93/1.2.98	OJ C 315/22.11.93 Bull. 10-93/1.2.71	COM(93) 537 Bull. 10-93/1.2.71	OJ L 280/13.11.93 Bull. 10-93/1.2.71	
<i>Cooperation with non-member countries on education, training and youth</i>									
Dec. 93/246/EEC: second phase of the Tempus scheme (1994-98)	OJ C 311/27.11.92 COM(92) 407 Bull. 10-92/1.3.88 26th GR/427	OJ C 73/15.3.93 Bull. 1/2-93/1.2.97	OJ C 115/26.4.93 Bull. 3-93/1.2.60	OJ C 113/23.4.93 COM(93) 132 Bull. 3-93/1.2.60				OJ L 112/6.5.93 Bull. 4-93/1.2.73	
Energy									
<i>Community energy strategy</i>									
Dir. 93/76/EEC: limitation of carbon dioxide emissions by improving energy efficiency	OJ C 179/16.7.92 COM(92) 182 Bull. 5-92/1.1.79 26th GR/690	OJ C 19/25.1.93 Bull. 11-92/1.3.109	OJ C 176/28.6.93 Bull. 5-93/1.2.69	OJ C 204/28.7.93 COM(93) 279 Bull. 7/8-93/1.2.95				OJ L 237/22.9.93 Bull. 6-93/1.2.103 Bull. 9-93/1.2.67	

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
<i>Internal energy market</i>									
Prop. for a Dir: common rules for the internal market in electricity and natural gas	OJ C 65/14,3.92 COM(91) 548 Bull. 1/2-92/1.3.117 26th CR/694	OJ C 73/15,3.93 Bull. 1/2-93/1.2.98	OJ C 329/6,12.93 Bull. 11-93/1.2.82	COM(93) 643 Bull. 12-93	Bull. 12-93				Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir: conditions for granting and using authorizations for the prospecting, exploration and extraction of hydrocarbons	OJ C 139/2,6.92 COM(92) 110 Bull. 5-92/1.1.84 26th CR/696	OJ C 19/25,1.93 Bull. 11-92/1.3.113	OJ C 337/21,12.92 Bull. 11-92/1.3.113	OJ C 23/77,1.93 COM(92) 587 Bull. 12-92/1.3.140					Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir: difficulties in the supply of crude oil and petroleum products to the Community	COM(90) 514 Bull. 10-90/1.3.205 25th CR/616	OJ C 332/16,12.92 Bull. 10-92/1.3.74		OJ C 127/19,5.92 COM(92) 145 Bull. 4-92/1.3.78					Withdrawal: Bull. 11-93/1.2.83
<i>Sectoral aspects</i>									
Dec. 93/500/EEC: promotion of renewable energy sources in the Community (Altener programme)	OJ C 179/16,7.92 COM(92) 180 Bull. 5-92/1.1.78 26th CR/708	OJ C 19/25,1.93 Bull. 11-92/1.3.119	OJ C 176/28,6.93 Bull. 5-93/1.2.70	OJ C 210/4,8.93 COM(93) 278 Bull. 7-8-93/1.2.96				OJ L 235/18,9.93 Bull. 11-92/1.3.119 Bull. 6-93/1.2.105 Bull. 9-93/1.2.69	
<i>Transport</i>									
<i>Infrastructure</i>									
Dec. 93/629/EEC: establishment of a combined transport network in the Community	OJ C 282/30,10.92 COM(92) 230 Bull. 6-92/1.3.74 26th CR/649	OJ C 19/25,1.93 Bull. 11-92/1.3.95	OJ C 315/22,11.93 Bull. 10-93/1.2.77					OJ L 305/10,12.93 Bull. 10-93/1.2.77	

	Commission proposal	ESC opinion	EP first* / sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dec. 93/629/EEC: trans-European road network	OJ C 236/15.9.92 COM(92) 231 Bull. 6-92/1.3.73 26th GR/649	OJ C 19/25.1.93 Bull. 11-92/1.3.93	OJ C 315/22.11.93 Bull. 10-93/1.2.75					OJ L 305/10.12.93 Bull. 10-93/1.2.75	
Dec. 93/630/EEC: European inland waterway network	OJ C 236/15.9.92 COM(92) 231 Bull. 6-92/1.3.73 26th GR/649	OJ C 19/25.1.93 Bull. 11-92/1.3.93	OJ C 315/22.11.93 Bull. 10-93/1.2.76					OJ L 305/10.12.93 Bull. 10-93/1.2.76	
Reg. (EEC) No. 1738/93: programme in the field of transport infrastructure aimed at the completion of an integrated transport market	OJ C 236/15.9.92 COM(92) 231 Bull. 6-92/1.3.73 26th GR/649	OJ C 19/25.1.93 Bull. 11-92/1.3.94	OJ C 337/21.12.92 Bull. 11-92/1.3.94; OJ C 113/26.4.93 Bull. 3-93/1.2.67					OJ L 161/27.93 Bull. 3-93/1.2.67 Bull. 6-93/1.2.112	
Multimodal transport									
Prop. for the seventh Dir.: summer time	OJ C 278/16.10.93 COM(93) 439 Bull. 9-93/1.2.71	OJ C 34/2.2.94 Bull. 11-93/1.2.88	OJ C 20/24.1.94 Bull. 12-93						Prop. subject to the co-decision procedure since 1.11.93
Inland transport									
Prop. for a Dir.: licences for railway companies and the distribution of railway infrastructure capacity	COM(93) 678 Bull. 12-93	OJ C 169/6.7.92 Bull. 4-92/1.3.74	OJ C 150/15.6.92 Bull. 5-92/1.1.74	OJ C 172/8.7.92 COM(92) 283 Bull. 6-92/1.3.82				OJ L 279/12.11.93 Bull. 6-93/1.2.113 Bull. 9-93/1.2.71 Bull. 10-93/1.2.82	
Reg. (EEC) No. 3118/93: definitive system under which non-resident carriers may operate domestic road haulage services within a Member State	OJ C 317/7.12.91 COM(91) 377 Bull. 10-91/1.2.54 25th GR/698								

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.: admission to the occupation of road haulage operator and road passenger transport operator	OJ C 286/14.11.90 Bull. 11-90/1.3.189	OJ C 208/8.8.88 Bull. 6-88/2.4.52; OJ C 159/17.6.91 Bull. 4-91/1.2.52; OJ C 197/25.1.93 Bull. 11-92/1.3.99	OJ C 158/26.6.89 Bull. 5-89/2.1.214; OJ C 150/15.6.92 Bull. 5-92/1.1.76; OJ C 21/25.1.93 Bull. 12-92/1.3.129	COM(93) 586 Bull. 12-93				OJ L 279/12.11.93 Bull. 6-93/1.2.111 Bull. 9-93/1.2.70 Bull. 10-93/1.2.81	
Dir. 93/89/EEC: taxes on certain vehicles used for the carriage of goods, tolls and charges	OJ C 79/26.3.88 COM(87) 716 Bull. 12-87/2.1.275 21st GR.631			OJ C 75/20.3.91 COM(90) 540 Bull. 11-90/1.3.182 24th GR.569; OJ C 311/27.11.92 COM(92) 405 Bull. 9-92/1.2.62 26th GR.660					
Prop. for a Dir.: approximation of the laws relating to the carriage of dangerous goods by road	COM(93) 548 Bull. 11-93/1.2.92								
Prop. for a Dir.: uniform procedures for monitoring the carriage of dangerous goods by road	COM(93) 665 Bull. 12-93								
Prop. for a Dir.: weights and dimensions of road vehicles of more than 3,5 tonnes	COM(93) 679 Bull. 12-93								
Dec. 93/704/EEC: databank on road accidents	OJ C 225/20.8.93 COM(93) 348 Bull. 7/8-93/1.2.102							OJ L 329/30.12.93 Bull. 11-93/1.2.91	
Prop. for a Reg. amending Reg. (EEC) No 1101/89 concerning structural improvements in inland waterway transport	OJ C 341/18.12.93 COM(93) 553 Bull. 11-93/1.2.93								
<i>Sea transport</i>									
Prop. for a Dir.: common rules and standards for ship inspection organizations*	OJ C 167/18.6.93 COM(93) 218 Bull. 5-93/1.2.74	OJ C 342/2.94 Bull. 11-93/1.2.96							Prop. subject to the cooperation procedure since 1.11.93

	Commission proposal	ESC opinion	EP first*/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.: minimum level of training for maritime occupations*	OJ C 212/5.8.93 COM(93) 217 Bull. 5-93/1.2.73	OJ C 34/2.2.94 Bull. 11-93/1.2.95							Prop. subject to the cooperation procedure since 1.11.93
Prop. for a Reg.: calibration of ballast tanks on board oil tankers with segregated ballast*	OJ C 5/7.1.94 COM(93) 468 Bull. 12-93								
Prop. for a Dir.: European ship notification system	OJ C 22/26.1.94 COM(93) 647 Bull. 12-93								
Dir. 93/75/EEC: minimum requirements for vessels carrying dangerous goods	OJ C 147/14.6.89 COM(89) 7 Bull. 5-89/1.1.217 23th CR/648	OJ C 39/89 Bull. 10-89/2.1.189	OJ C 173/16.7.90 Bull. 6-90/1.3.248; OJ C 257/20.9.93 Bull. 7/8-93/1.2.103	OJ C 294/24.11.90 COM(90) 452 Bull. 10-90/1.3.192				OJ L 247/5.10.93 Bull. 12-92/1.3.124 Bull. 9-93/1.2.73	
<i>Air transport</i>									
Reg. (EEC) No 95/93: allocation of slots for civil aircraft	OJ C 43/19.2.91 COM(90) 576 Bull. 12-90/1.3.276 24th CR/583	OJ C 339/31.12.91 Bull. 9-91/1.2.50	OJ C 13/20.1.92 Bull. 12-91/1.2.112	OJ C 206/13.8.92 COM(92) 257 Bull. 6-92/1.3.85				OJ L 14/22.1.93 Bull. 12-92/1.3.126 Bull. 1/2-93/1.2.108	
Reg. (EEC) No 3089/93 amending Reg. (EEC) No 2299/89: code of conduct for computerized reservation systems	OJ C 56/26.2.93 COM(92) 404 Bull. 9-92/1.2.63 26th CR/677	OJ C 108/19.4.93 Bull. 1/2-93/ 1.2.109	OJ C 176/28.6.93 Bull. 5-93/1.2.75	OJ C 310/16.11.93 COM(93) 405 Bull. 9-93/1.2.77				OJ L 278/11.11.93 Bull. 9-93/1.2.77 Bull. 10-93/1.2.85	
Dir. 93/65/EEC: air traffic management equipment and systems	OJ C 244/23.9.92 COM(92) 342 Bull. 7-8-92/1.3.93 26th CR/676	OJ C 19/25.1.93 Bull. 11-92/1.3.101	OJ C 194/19.7.93 Bull. 6-93/1.2.117					OJ L 187/29.7.93 Bull. 7/8-93/ 1.2.106	Prop. subject to the cooperation procedure since 1.11.93
Prop. for a Dir.: investigation of civil aviation accidents and incidents*	OJ C 257/22.9.93 COM(93) 406 Bull. 9-93/1.2.78	OJ C 34/2.2.94 Bull. 11-93/1.2.97							

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first*/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Telecommunications, information market and exploitation of research									
<i>Telecommunications policy</i>									
Dir. 93/97/EEC: satellite earth station equipment ¹	OJ C 4/8.1.92 COM(92) 451 Bull. 12-92/1.3.116 26th GR/350	OJ C 161/14.6.93 Bull. 4-93/1.2.86	OJ C 176/28.6.93 Bull. 5-93/1.2.79*	OJ C 177/29.6.93 COM(93) 280 Bull. 6-93/1.2.125	Bull. 6-93/1.2.125; Bull. 7/8-93/1.2.109	OJ C 315/22.11.93 Bull. 10-93/1.2.88		OJ L 290/24.11.93 Bull. 10-93/1.2.88	
Prop. for a Dec.: measures concerning radio frequencies	OJ C 266/1.10.93 COM(93) 38 Bull. 9-93/1.2.81	Bull. 12-93							Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dec.: guidelines concerning the development of ISDN as a trans-European network	OJ C 259/23.9.93 COM(93) 347 Bull. 9-93/1.2.66	Bull. 12-93							Prop. subject to the cooperation procedure since 1.11.93
Prop. for a Dec.: Community action concerning the development of ISDN (TEN-ISDN) ²	OJ C 259/23.9.93 COM(93) 347 Bull. 9-93/1.2.66	Bull. 12-93							Prop. subject to the cooperation procedure since 1.11.93
Prop. for a Dir.: application of open network provision (ONP) to voice telephony	OJ C 265/12.10.92 COM(92) 247 Bull. 7/8-92/1.3.86 26th GR/343	OJ C 19/25.1.93 Bull. 11-92/1.3.92	OJ C 315/26.4.93 Bull. 3-93/1.2.75	OJ C 147/27.5.93 COM(93) 182 Bull. 5-93/1.2.77	Bull. 5-93/1.2.77; Bull. 6-93/1.2.124				Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: mutual recognition of licences to operate telecommunications services	OJ C 248/25.9.92 COM(92) 254 Bull. 7/8-92/1.3.87 26th GR/343	OJ C 42/15.2.93 Bull. 1/2-93/1.2.114							Prop. subject to the co-decision procedure since 1.11.93
<i>Promotion of innovation and technology transfer</i>									
Dec. 94/5/EEC amending Dec. 89/286/EEC: Sprint programme	OJ C 200/24.7.93 COM(93) 306 Bull. 7/8-93/1.2.110	OJ C 34/2.2.94 Bull. 11-93/1.2.102	OJ C 329/6.12.93 Bull. 11-93/1.2.102					OJ L 6/8.1.94 Bull. 12-93	

	Commission proposal	ESC opinion	EP first* / sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Consumer policy									
<i>Protection of consumer health and safety</i>									
Dec. 93/683/EEC: information system on home and leisure accidents (Ehlass)	OJ C 59/2, 3.93 COM(93) 18 Bull. 1/2-93/1.2.116	OJ C 201/26, 7.93 Bull. 5-93/1.2.80	OJ C 194/19, 7.93 Bull. 6-93/1.2.127	OJ C 215/10, 8.93 COM(93) 325 Bull. 7-8-93/1.2.112	Bull. 11-92/1.3.231 Bull. 12-92/1.3.290 26th GR/638	OJ C 150/31, 5.93 Bull. 4-93/1.2.87	COM(93) 239 Bull. 5-93/1.2.82	OJ L 319/21, 12.93 Bull. 10-93/1.2.92	
Dec. 93/580/EEC: Community system for the exchange of information in respect of certain products	OJ C 347/31, 12.92 COM(92) 429 Bull. 11-92/1.3.235 26th GR/636		OJ C 115/26, 4.93 Bull. 3-93/1.2.78	OJ C 349/26, 9.92 COM(92) 364 Bull. 9-92/1.2.148				OJ L 278/11, 11.93 Bull. 10-93/1.2.91	
Dir. 93/35/EEC amending Dir. 76/768/EEC: cosmetic products*	OJ C 52/28, 2.91 COM(90) 488 Bull. 1/2-91/1.2.239 25th GR/683	OJ C 269/14, 10.91 Bull. 7-8-91/1.2.284	OJ C 176/13, 7.92 Bull. 6-92/1.3.197*					OJ L 151/23, 6.93 Bull. 6-93/1.2.126	
<i>Protection of consumers' economic and legal interests</i>									
Dir. 93/13/EEC: unfair terms in consumer contracts*	OJ C 243/28, 9.90 COM(90) 322 Bull. 7-8-90/1.3.150 24th GR/554	OJ C 159/17, 6.91 Bull. 4-91/1.2.139 25th GR/687	OJ C 326/16, 12.91 Bull. 11-91/1.2.194* 25th GR/687*	OJ C 73/24, 3.92 COM(92) 66 Bull. 3-92/1.2.212	Bull. 6-92/1.3.195 Bull. 9-92/1.2.149 26th GR/639	OJ C 21/25, 1.93 Bull. 12-92/1.3.291	COM(93) 11 Bull. 1/2-93/ 1.2.118	OJ L 95/21, 4.93 Bull. 4-93/1.2.89	Council agreement: Bull. 3-93/1.2.79
Prop. for a Dir.: protection of consumers in respect of contracts negotiated at a distance (distance selling)	OJ C 156/23, 6.92 COM(92) 11 Bull. 4-92/1.3.179 26th GR/641	OJ C 19/25, 1.93 Bull. 11-92/1.3.234	OJ C 176/28, 6.93 Bull. 5-93/1.2.81	OJ C 308/15, 11.93 COM(93) 396 Bull. 10-93/1.2.94					Prop. subject to the co-decision procedure since 1.11.93
Prop. for a Dir.: contracts relating to the purchase of a right to utilize one or several immovable properties on a time-share basis	OJ C 222/29, 8.92 COM(92) 220 Bull. 5-92/1.1.189 26th GR/640	OJ C 108/19, 4.93 Bull. 1/2-93/ 1.2.119	OJ C 255/20, 9.93 Bull. 7-8-93/ 1.2.113	OJ C 299/5, 11.93 COM(93) 487 Bull. 10-93/1.2.95					Council agreement on a common position: Bull. 11-93/1.2.106; prop. subject to the co-decision procedure since 1.11.93

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EEC) No 2080/93 applying Reg. (EEC) No 2052/88: FFG	OJ C 121/1.5.93 OJ C 131/11.5.93 COM(93) 124 Bull. 3-93/1.2.81 Bull. 4-93/1.2.90	OJ C 201/26.7.93 Bull. 5-93/1.2.83	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.120	OJ C 217/11.8.93 COM(93) 303 Bull. 6-93/1.2.133	Bull. 7/8-93/1.2.116	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.116	COM(93) 379 Bull. 7/8-93/1.2.120	OJ L 193/31.7.93 Bull. 7/8-93/ 1.2.120	
Reg. (EEC) No 2081/93 amending Reg. (EEC) No 2052/88: tasks of the Structural Funds	OJ C 118/28.4.93 COM(93) 67 Bull. 1/2-93/1.2.121 Bull. 3-93/1.2.80	OJ C 201/26.7.93 Bull. 5-93/1.2.83	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.115	OJ C 217/11.8.93 COM(93) 303 Bull. 6-93/1.2.128	Bull. 7/8-93/1.2.116	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.116	COM(93) 379 Bull. 7/8-93/1.2.115	OJ L 193/31.7.93 Bull. 7/8-93/ 1.2.115	
Reg. (EEC) No 2082/93 amending Reg. (EEC) No 4253/88: coordination of interventions of the Structural Funds*	OJ C 118/28.4.93 COM(93) 67 Bull. 1/2-93/1.2.121 Bull. 3-93/1.2.80	OJ C 201/26.7.93 Bull. 5-93/1.2.83	OJ C 194/19.7.93 Bull. 6-93/1.2.129*	OJ C 217/11.8.93 COM(93) 303 Bull. 6-93/1.2.129	Bull. 7/8-93/1.2.117	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.117	COM(93) 379 Bull. 7/8-93/1.2.116	OJ L 193/31.7.93 Bull. 7/8-93/ 1.2.116	
Reg. (EEC) No 2083/93 amending Reg. (EEC) No 4254/88: ERDF*	OJ C 121/1.5.93 OJ C 131/11.5.93 COM(93) 124 Bull. 3-93/1.2.81 Bull. 4-93/1.2.90	OJ C 201/26.7.93 Bull. 5-93/1.2.83	OJ C 194/19.7.93 Bull. 6-93/1.2.130*	OJ C 217/11.8.93 COM(93) 303 Bull. 6-93/1.2.130	Bull. 7/8-93/1.2.117	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.117	COM(93) 379 Bull. 7/8-93/1.2.118	OJ L 193/31.7.93 Bull. 7/8-93/ 1.2.118	
Reg. (EEC) No 2084/93 amending Reg. (EEC) No 4255/88: ESF	OJ C 121/1.5.93 OJ C 131/11.5.93 COM(93) 124 Bull. 3-93/1.2.81 Bull. 4-93/1.2.90	OJ C 201/26.7.93 Bull. 5-93/1.2.83	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.118	OJ C 217/11.8.93 COM(93) 303 Bull. 6-93/1.2.131			COM(93) 379 Bull. 7/8-93/1.2.118	OJ L 193/31.7.93 Bull. 7/8-93/ 1.2.118	
Reg. (EEC) No 2085/93 amending Reg. (EEC) No 4256/88: EAGGF Guidance Section	OJ C 121/1.5.93 OJ C 131/11.5.93 COM(93) 124 Bull. 3-93/1.2.81 Bull. 4-93/1.2.90	OJ C 201/26.7.93 Bull. 5-93/1.2.83	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.119	OJ C 217/11.8.93 COM(93) 303 Bull. 6-93/1.2.132				OJ L 193/31.7.93 Bull. 7/8-93/1.2.119	
Reg. (EEC) No 3669/93 amending Reg. (EEC) No 2328/91, No 866/90, No 1360/78, No 1035/72 and No 449/69: adjustment of production, processing and marketing structures (reform of the CAP)	OJ C 235/31.8.93 COM(93) 270 Bull. 6-93/1.2.135	Bull. 12-93	OJ C 20/24.1.94 Bull. 12-93	OJ C 317/24.11.93 COM(93) 443 Bull. 9-93/1.2.82				OJ L 338/31.12.93 Bull. 12-93	

Economic and social cohesion: structural measures

Formulation, coordination and launching of policies and actions

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EC) No 3699/93 giving effect to Reg. (EEC) No 2080/93; structural assistance in the fisheries and aquaculture sector and in the industry processing and marketing its products	OJ C 305/11.11.93 COM(93) 481 Bull. 10-93/1.2.98	OJ C 34/2.2.94 Bull. 11-93/1.2.108; Bull. 12-93	OJ C 20/24.1.94 Bull. 12-93					OJ L 346/31.12.93 Bull. 12-93	

Other measures for the regions

Reg. (EEC) No 2019/93; specific measures concerning certain agricultural products in favour of the smaller islands of the Aegean	OJ C 56/26.2.93 COM(92) 569 Bull. 12-92/1.3.165 26th GR/489	OJ C 201/26.7.93 Bull. 5-93/1.2.89	OJ C 194/19.7.93 Bull. 6-93/1.2.142					OJ L 184/27.7.93 Bull. 7/8-93/ 1.2.134	
--	--	---------------------------------------	--	--	--	--	--	--	--

Cohesion Fund

Prop. for a Reg. setting up a cohesion fund and Prop. for a Reg. laying down implementing provisions	COM(93) 699 Bull. 12-93								
Reg. (EEC) No 792/93; cohesion financial instrument	OJ C 38/12.2.93 COM(92) 599 Bull. 12-92/1.2.3 26th GR/450	OJ C 108/19.4.93 Bull. 1/2-93/ 1.2.124	OJ C 115/26.4.93 Bull. 3-93/1.2.83	OJ C 107/17.4.93 COM(93) 130, Bull. 3-93/1.2.83				OJ L 79/14.93 Bull. 3-93/1.2.83	
Prop. for a Reg. extending Reg. (EEC) No 792/93; cohesion financial instrument	COM(93) 529 Bull. 10-93/1.2.97								

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg.: European Cohesion Fund	OJ C 248/25:9.92 COM(92) 339 Bull. 7/8-92/1.2.1 26th GR/450	OJ C 108/19:4.93 Bull. 1/2-93/ 1.2.123		OJ C 38/12:2.93 COM(92) 599 Bull. 12-92/1.2.2					

Measures for the most remote regions

Fisheries

Reg. (EEC) No 1638/93: specific measures in favour of cephalopod producers of the Canary Islands	OJ C 17/22:1.93 COM(92) 567 Bull. 12-92/1.3.286	OJ C 129/10:5.93 Bull. 3-93/1.2.147	OJ C 150/31:5.93 Bull. 4-93/1.2.133					OJ L 158/30:6.93 Bull. 6-93/1.2.222	
Prop. for a Reg.: compensation arrangements for extra costs arising from fishing in outlying areas	OJ C 4/6:1.94 COM(93) 630 Bull. 12/93								

Social dimension

Employment

Prop. for a Dec.: programme to combat exclusion (1994-99)	COM(93) 435 Bull. 9-93/1.2.99	OJ C 34/2:2.94 Bull. 12-93							
---	----------------------------------	-------------------------------	--	--	--	--	--	--	--

	Commission proposal	FSC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
<i>Social security</i>									
Reg. (EEC) No 1945/93, amending Reg. (EEC) No 1408/71 and No 574/72: application of social security schemes to employed persons, self-employed persons and members of their families moving within the Community	OJ C 251/28:92 COM(92) 315 Bull. 7/8-92/1.3.116 26th CR/389	OJ C 332/16:12.92 Bull. 10-92/1.3.82	OJ C 305/23:11.92 Bull. 10-92/1.3.82					OJ L 181/23:7.93 Bull. 6-93/1.2.26	
<i>Living and working conditions</i>									
Prop. for a Dir.: protection of young people at work*	OJ C 84/4:4.92 COM(91) 543 Bull. 1/2-92/1.3.121 26th CR/407	OJ C 313/30:11.92 Bull. 9-92/1.2.79	OJ C 21/25:1.93 Bull. 12-92/1.3.160*	OJ C 77/18:3.93 COM(93) 35 Bull. 1/2-93/1.2.142	Bull. 11-93/1.2.126				Council agreement: Bull. 10-93/1.2.111
Prop. for a Dir.: posting of workers in the framework of the provision of services*	OJ C 225/30:8.91 COM(91) 230 Bull. 6-91/1.2.103 25th CR/452	OJ C 49/24:2.92 Bull. 12-91/1.2.140	OJ C 72/15:3.93 Bull. 1/2-93/1.2.29*	OJ C 187/9:7.93 COM(93) 225 Bull. 6-93/1.2.27					
<i>Health and safety</i>									
Dir. 93/104/EC: organization of working time*	OJ C 254/9:10.90 COM(90) 317 Bull. 7/8-90/1.3.74 24th CR/371	OJ C 60/8:3.91 Bull. 12-90/1.3.100	OJ C 72/18:3.91 Bull. 1/2-91/ 1.2.115*	OJ C 124/14:5.91 COM(91) 130 Bull. 4-91/1.2.65	Bull. 6-93/1.2.148	OJ C 315/22:11.93 Bull. 10-93/1.2.112	COM(93) 578 Bull. 11-93/1.2.125	OJ L 307/13:12.93 Bull. 11-93/1.2.25	

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dir. 93/88/EEC amending Dir. 92/679/EEC: protection of workers from exposure to biological agents*	OJ C 217/24,8,92 COM(92) 261 Bull. 7/8-92/1.3.124 26th GR/404	OJ C 19/25/1,93 Bull. 11-92/1.3.130	OJ C 72/15,3,93 Bull. 1/2-93/ 1.2.143*	OJ C 82/23,3,93 COM(93) 86 Bull. 3-93/1.2.92	Bull EC 4-93/ 1.2.105; Bull EC 5- 93/1.2.93	OJ C 255/20,9,93 Bull. 7/8-93/ 1.2.140		OJ L 268/29,10,93 Bull. 10-93/1.2.113	
Prop. for a Dir.: protection of workers from the risks related to chemical agents at work*	OJ C 165/16,6,93 COM(93) 155 Bull. 5-93/1.2.94	OJ C 34/2,2,94 Bull. 11-93/21.2,28		OJ C 311/22,11,92 COM(92) 409 Bull. 10-92/1.3.84	Bull. 6-93/1.2.150	OJ C 315/22,11,93 Bull. 10-93/1.2.115	COM(93) 581 Bull. 11-93/1.2.127	OJ L 307/13,12,93 Bull. 11-93/1.2.127	
Dir. 93/103/EC: safety and health requirements for work on board fishing vessels*	OJ C 337/31,12,91 COM(91) 466 Bull. 11-91/1.2.92 25th GR/464	OJ C 169/6,7,92 Bull. 4-92/1.3.94	OJ C 241/21,9,92 Bull. 7/8-92/ 1.3.123*	OJ C 294/31,10,93 COM(93) 421 Bull. 10-93/1.2.114					
Prop. for a Dir.: protection of workers from exposure to physical agents*	OJ C 77/18,3,93 COM(92) 560 Bull. 12-92/1.3.158	OJ C 249/13,9,93 Bull. 6-93/1.2.149							
Prop. for a Dir.: safety and health in transport activities*	OJ C 25/28,1,93 COM(92) 234 Bull. 11-92/1.3.129	OJ C 161/14,6,93 Bull EC 4-93/ 1.2.106	OJ C 255/20,9,93 Bull. 7/8-93/ 1.2.141*						
Environment									
<i>Industry and the environment, civil protection</i>									
Reg. (EEC) No 1836/93: Community eco-audit-scheme	Bull. 12-91/1.2.297 OJ C 76/27,3,92 COM(91) 459 25th GR/638 Bull. 3-92/1.2.125	OJ C 332/16,12,92 Bull. 10-92/1.3.100	OJ C 42/15,2,93 Bull. 1/2-93/1.2.149	OJ C 120/30,4,93 COM(93) 97 Bull. 3-93/1.2.95				OJ L 168/10,7,93 Bull. 6-93/1.2.157	Council agreement: Bull. 3-93/1.2.95
Reg. (EEC) No 793/93: evaluation and control of the environmental risks of existing substances*	OJ C 276/5,11,90 Bull. 7/8-90/ 1.3.132 COM(90) 227 24th GR/525	OJ C 102/18,4,91 Bull. 1/2-91/ 1.2.226	OJ C 280/28,10,91 Bull. 10-91/1.2.179	OJ C 334/28,12,91 COM(91) 469 Bull. 12-91/1.2.294	Bull. 12-91/1.2.294 25th GR/635 Bull. 7/8-92/1.3.149	OJ C 337/21,12,92 Bull. 11-92/1.3.156	COM(92) 601 Bull. 12-92/1.3.188	OJ L 84/5,4,93 Bull. 3-93/1.2.97	
Prop. for a Reg. amending Reg. (EEC) No 2455/92: import of certain dangerous chemicals	OJ C 112/22,4,93 COM(93) 120 Bull. 3-93/1.2.96	OJ C 249/13,9,93 Bull. 6-93/1.2.158							Prop. subject to the cooperation procedure since 1.11.93

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Dir.: biocides products*	OJ C 239/3:93 COM(93) 351 Bull. 7-8-93/1.2.5								
Prop. for a Dir.: integrated pollution prevention and control*	COM(93) 423 Bull. 9-93/1.2.103								
Reg. (EEC) No 259/93: supervision and control of shipments of waste within, into and out of the Community*	OJ C 289/17:11.90 COM(90) 415 Bull. 9-90/1.2.85 24th GR/533	OJ C 269/14:10.91 Bull. 7-8-91/1.2.269	OJ C 94/13:4.92 Bull. 3-92/1.2.129*	OJ C 115/6:5.92 COM(92) 121 Bull. 3-92/1.2.129		OJ C 42/15:2.93 Bull. 1/2-93/ 1.2.150		OJ L 30/6:2.93 Bull. 10-92/1.3.99 Bull. 1/2-93/1.2.150	Prop. subject to the cooperation procedure since 1.11.93
Prop. for a Dir. amending Dir. 91/689/EEC: hazardous waste*	OJ C 271/7:10.93 COM(93) 425 Bull. 9-93/1.2.105	OJ C 34/2:2.94 Bull. 11-93/1.2.133	OJ C 329/6:12.93 COM(93) 696 Bull. 11-93/1.2.133*	Bull. 12-93	Bull. 12-93				Prop. subject to the cooperation procedure since 1.11.93
Prop. for a Dir.: landfill of waste	OJ C 190/22:7.91 COM(91) 102 Bull EC 4-91/ 1.2.134 25th GR/645	OJ C 40/17:2.92 Bull. 11-91/1.2.182	OJ C 305/23:11.92 COM(93) 275 Bull. 10-92/1.3.103*	OJ C 212/5:8.93 COM(93) 275 Bull. 6-93/1.2.161					
Prop. for a Dir.: incineration of hazardous waste	OJ C 130/21:5.92 COM(92) 9 Bull. 1/2-92/1.3.149 Bull. 3-92/1.2.128 26th GR/610	OJ C 332/16:12.92 Bull. 10-92/1.3.101	OJ C 115/26:4.93 Bull. 3-93/1.2.99*	OJ C 190/14:7.93 COM(93) 296 Bull. 6-93/1.2.160					Council agreement : Bull. 6-93/1.2.160
Prop. for a Dir.: packaging and packaging waste	OJ C 263/12:10.92 COM(92) 278 Bull. 7-8-92/1.3.144 26th GR/609	OJ C 129/10:5.93 Bull. 3-93/1.2.98	OJ C 194/19:7.93 Bull. 6-93/1.2.159*	OJ C 285/21:10.93 COM(93) 416 Bull. 9-93/1.2.106					Council agreement on a common position: Bull.12-93

Quality of the environment and natural resources

Dir. 93/12/EEC: sulphur content of gasoil*	OJ C 174/5:7.91 COM(91) 154 Bull. 4-91/1.2.135 25th GR/664	OJ C 14/20:1.92 Bull. 10-91/1.2.181	OJ C 94/13:4.92 Bull. 3-92/1.2.119*	OJ C 120/12:5.92 COM(92) 119 Bull. 3-92/1.2.119	Bull. 3-92/1.2.119 Bull. 7-8-92/ 1.3.158	OJ C 337/21:12.92 Bull. 11-92/1.3.158	COM(92) 600 Bull. 1/2-93/1.2.159	OJ L 74/27:3.93 Bull. 3-93/1.2.103	
--	---	--	--	---	--	--	-------------------------------------	---------------------------------------	--

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg.: possession of and trade in specimens of species of wild fauna and flora*	OJ C 26/3.2.92 COM(91) 448 Bull. 11-91/1.2.179 25th GR/655	OJ C 223/31.8.92 Bull. 5-92/1.1.134	OJ C 194/19.7.93 Bull. 6-93/1.2.168*						
Prop. for a Dir. amending Dir. 88/609/EEC: limitations of emissions of certain pollutants from large combustion plants*	OJ C 17/22.1.93 COM(92) 563 Bull EC 12-92/ 1.3.190 26th GR/621	OJ C 201/26.7.93 Bull. 5-93/1.2.100	OJ C 268/4. 10.93 Bull. 9-93/1.2.104*						Prop. subject to the cooperation procedure since 1.11.93

Nuclear safety

Radiation protection

Reg. (Euratom) No 1493/93: shipments of radioactive substances between Member States	Bull. 7/8-92/1.3.160 26th GR/721	OJ C 19/25.1.93 Bull. 11-92/1.3.159	OJ C 150/31.5.93 Bull. 4-93/1.2.111	OJ C 347/31.12.92 COM(92) 520 Bull. 12-92/1.3.199, JOC 174/25.6.93 COM(93) 235 Bull. 5-93/1.2.110				OJ L 148/19.6.93 Bull. 6-93/1.2.176	
Prop. for a Dir.: health protection against the dangers of ionizing radiation	Bull. 7/8-92/1.3.159 26th GR/727	OJ C 108/19.4.93 Bull. 1/2-93/ 1.2.163		OJ C 245/9.9.93 COM(93) 349 Bull. 7/8-93/1.2.146					

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	FSC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Dec. 93/385/EEC: maximum amount eligible for expenditure on the employment of trained agricultural advisers pursuant to Regulation (EEC) No 270/79	OJ C 79/20:3-93 COM(93) 74 Bull. 3-93/1.2.112		OJ C 176/28:6-93 Bull. 5-93/1.2.113					OJ L 166/8:7-93 Bull. 6-93/1.2.182	
Dec.: further temporary national compensation for farmers in Germany	OJ C 97/6:4-93 COM(93) 94 Bull. 3-93/1.2.110		OJ C 150/31:5-93 Bull. 4-93/1.2.115					Bull. 4-93/1.2.115	
Dir. 93/66/EEC: less-favoured farming areas in Greece	OJ C 136/15:5-93 COM(93) 157 Bull. 4-93/1.2.116		OJ C 194/19:7-93 Bull. 6-93/1.2.184					OJ L 184/27:7-93 Bull. 7/8-93/ 1.2.149	
Prop. for a Reg.: agri-monetary aid	COM(93) 297 Bull. 7/8-93/1.2.150								Withdrawal: Bull. 11-93/1.2.140
Prop. for a Dec.: Miriam network	OJ C 158/28:6-90 COM(90) 230 Bull. 6-90/1.3.146 24th CR/434	OJ C 332/31:12-90 Bull. 9-90/1.2.111	OJ C 324/24:12-90 Bull. 11-90/1.3.116	OJ C 113/23:4-93 COM(93) 104 Bull. 3-93/1.2.114					
Prop. for a Reg.: plant variety rights	OJ C 244/28:9-90 COM(90) 347 Bull. 7/8-90/1.3.166 24th CR/436	OJ C 60/8:3-91 Bull. 12-90/1.3.183	OJ C 305/23:11-92 Bull. 10-92/1.3.111						

	Commission proposal	FSC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EEC) No 2054/93: standard qualities for cereals	OJ C 1/2:22:4-93 COM(93) 122 Bull. 3-93/1.2.117	OJ C 201/26:7-93 Bull. 5-93/1.2.116	OJ C 194/19:7-93 Bull. 6-93/1.2.188					OJ L 187/29:7-93 Bull. 7/8-93/1.2.15	
Reg. (EEC) No 364/93: support system for producers of certain arable crops	OJ C 30/3:2-93 COM(93) 4 Bull. 1/2-93/1.2.169		OJ C 72/15:3-93 Bull. 1/2-93/ 1.2.169					OJ L 42/19:2-93 Bull. 1/2-93/1.2.169	
Reg. (EEC) No 1548/93: changes in the common organization of the market in sugar	OJ C 30/3:2-93 COM(92) 573 Bull. 12-92/1.3.226	OJ C 161/14:6-93 Bull. 4-93/1.2.118	OJ C 150/31:5-93 Bull. 4-93/1.2.118					OJ L 154/25:6-93 Bull. 6-93/1.2.189	Council agreement: Bull. 5-93/1.2.117

Management of the common agricultural policy

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first ^{*/} sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EEC) No 1991/93: aid to producers of hops (1992)	OJ C 158/10.6.93 COM(92) 223 Bull. 5-93/1.2.121		OJ C 255/20.9.93 Bull. 7/8-93/1.2.161					OJ L 182/93 Bull. 7/8-93/1.2.161	
Reg. (EEC) No 1987/93: certification of hops	COM(93) 150 Bull. 4-93/1.2.122							OJ L 182/24.7.93 Bull. 7/8-93/1.2.162	Council agreement: Bull. 12-93
Prop. for a Reg.: premiums and processing quotas for leaf tobacco	OJ C 313/19.11.93 COM(93) 507 Bull. 10-93/1.2.143		OJ C 20/24.1.93 Bull. 12-93						
Reg. (EEC) No 1560/93 to 1562/93: quotas and prices in the milk sector (1993-94)	OJ C 112/22.4.93 COM(93) 109 Bull. 3-93/1.2.121		OJ C 150/31.5.93 Bull. 4-93/1.2.123	COM(93) 169 Bull. 4-93/1.2.123				OJ L 154/25.6.93 Bull. 6-93/1.2.187	Council agreement: Bull. 5-93/1.2.122
Reg. (EEC) No 2055/93: allocation of a special reference quantity to certain producers of milk and milk products	OJ C 107/17.4.93 COM(93) 89 Bull. 3-93/1.2.123		OJ C 176/28.6.93 Bull. 5-93/1.2.124					OJ L 187/29.7.93 Bull. 7/8-93/1.2.165	
Reg. (EEC) No 2187/93: compensation of producers ('SLOM')	OJ C 157/9.6.93 COM(93) 161 Bull EC 4-93/1.2.124	OJ C 249/13.9.93 Bull. 6-93/1.2.194	OJ C 255/20.9.93 Bull. 7/8-93/1.2.166					OJ L 196/5.8.93 Bull. 7/8-93/1.2.166	
Prop. for a Reg. amending Reg. (EEC) No 804/68: common organization of the market in milk	OJ C 210/4.8.93 COM(93) 323 Bull. 7/8-93/1.2.163		OJ C 20/24.1.94 Bull. 12-93						
Prop. for a Reg.: abandonment premium for milk production	COM(93) 675 Bull. 12-93			COM(90) 104 COM(93) 211 Bull. 3-90/1.1.131 Bull. 5-93/1.2.123					
Prop. for a Reg.: skimmed milk used as feed	COM(89) 448 Bull. 10-89/2.1.137			OJ C 62/4.3.93 COM(93) 60 Bull. 1/2-93/1.2.172					
Prop. for a Reg.: marketing standards for certain fats	OJ C 36/14.2.92 COM(91) 462 Bull. 11-91/1.2.105	OJ C 223/31.8.92 Bull. 5-92/1.1.160	OJ C 337/21.12.92 Bull. 11-92/1.3.185						

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Reg. (EEC) No 125/93: common organization of the market in beef and veal	OJ C 264/13.10.92 COM(92) 408 Bull. 9-92/1.2.126 26th GR/534		OJ C 337/21.12.92 Bull. 11-92/1.3.208	COM(93) 614 Bull. 11-93/1.2.155				OJ L 18/27.1.93 Bull. 1/2-93/1.2.182	Council agreement: Bull. 12-92/1.3.245
Reg. (EC) No 361/93: changes in the common organization of the market in beef and veal	OJ C 265/30.9.93 COM(93) 418 Bull. 9-93/1.2.122		OJ C 20/24.1.94 Bull. 12-93					OJ L 328/29.12.93 Bull. 12-93	
Reg. (EEC) No 363/93: aid for sheep and goat farming in certain less-favoured areas	OJ C 27/30.1.93 COM(93) 8 Bull. 1/2-93/1.2.183		OJ C 72/15.3.93 Bull. 1/2-93/ 1.2.183					OJ L 42/19.2.93 Bull. 1/2-93/1.2.183	
Prop. for a Reg.: premium for sheepmeat and goatmeat producers	OJ C 265/30.9.93 COM(93) 419 Bull. 9-93/1.2.124	OJ C 34/2.2.94 Bull. 11-93/1.2.157	OJ C 20/24.1.94 Bull. 12-93	COM(93) 614 Bull. 11-93/1.2.157					Council agreement: Bull. 12-93
Reg. (EEC) No 1574/93: changes in the common organization of the market in eggs and poultry	OJ C 326/11.12.92 COM(92) 428 Bull. 11-92/1.3.214	OJ C 129/10.5.93 Bull. 3-93/1.2.125	OJ C 115/26.4.93 Bull. 3-93/1.2.125					OJ L 152/24.6.93 Bull. 6-93/1.2.196	
Reg. (EEC) No 317/93: marketing measures for poultrymeat	COM(92) 468 Bull. 11-92/1.3.213							OJ L 37/13.2.93 Bull. 1/2-93/ 1.2.184	
Prop. for a Reg.: marketing measures for poultrymeat	COM(92) 468 Bull. 11-92/1.3.213			COM(93) 254 Bull. 6-93/1.2.197					
Reg. (CE) No 3528/93: unit of account and conversion rates	OJ C 298/4.11.93 COM(93) 483 Bull. 10-93/1.2.132		OJ C 339/6.12.93 Bull. 11-93/1.2.139					OJ L 320/22.12.93 Bull. 12-93	

Financing the common agricultural policy: the EAGGF

Reg. (EEC) No 1571/93: financing of interventions by the EAGGF, Guarantee Section	OJ C 57/27.2.93 COM(93) 19 Bull. 1/2-93/1.2.185		OJ C 176/28.6.93 Bull. 5-93/1.2.127					OJ L 154/25.6.93 Bull. 6-93/1.2.198	Council agreement: Bull. 5-93/1.2.127
Reg. (EEC) No 1992/93: transfer of the financing of certain aids from the EAGGF Guidance Section to the EAGGF Guarantee Section	OJ C 148/28.5.93 COM(93) 176 Bull. 5-93/1.2.126		OJ C 255/20.9.93 Bull. 7-8-93/1.2.168					OJ L 182/24.7.93 Bull. 7-8-93/ 1.2.168	

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg.: monitoring of refunds	OJ C 218/12.8.93 COM(93) 339 Bull. 7-8-93/1.2.167								
Prop. for a Reg.: refunds applicable to products not covered by annex II	COM(93)357 Bull. 9-93/1.2.127								
Prop. for a Reg.: remote sensing checks	OJ C 282/20.10.93 COM(93) 455 Bull. 9-93/1.2.128		OJ C 20/24.1.94 Bull. 12-93						Council agreement: Bull. 12-93

Fisheries

New common fisheries policy

Reg. (EC) No 3690/93: fishing licences	OJ C 310/16.11.93 COM(93) 496 Bull. 10-93/1.2.154	OJ C 34/2.2.94 Bull. 11-93/1.2.169	OJ C 342/20.12.93 Bull. 12-93					OJ L 341/31.12.93 Bull. 12-93	
Prop. for a Dec.: restructuring in the fisheries sector	OJ C 326/3.12.93 COM(93) 544 Bull. 11-93/1.2.167		OJ C 342/20.12.93 Bull. 12-93					OJ L 10/14.1.94 Bull. 12-93	
Prop. for a Reg.: objectives and management strategies for certain fisheries (1994-97)	OJ C 17/20.1.94 COM(93) 663 Bull. 12-93								
Reg. (EEC) No 2847/93: control system applicable to the common fisheries policy	OJ C 280/29.10.92 COM(92) 392 Bull. 9-92/1.2.35 26th GR/569	OJ C 108/19.4.93 Bull. 1/2-93/ 1.2.195	OJ C 21/25.1.93 Bull. 12-92/1.3.168	OJ C 98/7.4.93 COM(93) 107 Bull. 3-93/1.2.136				OJ L 261/20.10.93 Bull. 10-93/1.2.153	Council agreement: Bull. 6-93/1.2.208
Prop. for a Dec.: contribution by Member States to monitoring expenses	COM(93) 546 Bull. 11-93/1.2.168								

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
<i>Adjustment of Spanish and Portuguese accession arrangements</i>									
Prop. for a Reg. adjustment arrangements in connection with the accession of Spain and Portugal	OJ C 33/07/11.93 COM(93) 493 Bull. 10-93/1.2.152	OJ C 34/2/2.94 Bull. 11-93/1.2.170	OJ C 34/20/12.93 Bull. 12-93						
<i>Internal resources and policy on conservation and monitoring</i>									
Prop. for a Reg. technical measures for Mediterranean fisheries	OJ C 5/9/1.93 COM(92) 533 Bull. 12-92/1.3.272 26th GR/571	OJ C 201/26/7.93 Bull. 5-93/1.2.134	OJ C 255/20/9.93 Bull. 7/8-93/ 1.2.181	COM(93) 500 Bull. 10-93/1.2.157					
<i>External resources</i>									
Prop. for a Reg.: licensing arrangements for fishing within the NAFO area	OJ C 259/8.10.92 COM(92) 394 Bull. 9-92/1.2.144 26th GR/573		OJ C 194/19/7.93 Bull. 6-93/1.2.218	OJ C 275/13.10.93 COM(93) 461 Bull. 9-93/1.2.138					
<i>Market organization</i>									
Prop. for a Reg.: landing of catches by vessels from third countries	OJ C 219/13.8.93 COM(93) 343 Bull. 7-8-93/1.2.190	OJ C 352/30/12.93 Bull. 10-93/1.2.164	OJ C 329/6/12.93 Bull. 11-93/1.2.187						

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg.: trade in bluefin tuna	OJ C 174/25:6.93 COM(93) 242 Bull. 6-93/1.2.217		OJ C 268/4:10.93 Bull. 9-93/1.2.137						
Reg. (EEC) No 697/93: changes in the common organization of the market in fishery products, in the tariff nomenclature and in the common customs tariff	OJ C 28/2:2.93 COM(92) 529 Bull. 12-92/1.3.285	OJ C 108/19:4.93 Bull. 1/2-93/ 1.2.205	OJ C 115/26:4.93 Bull. 3-93/1.2.146					OJ L 76/30:3.93 Bull. 3-93/1.2.146	
Reg. (EEC) No 1891/93: changes in the common organization of the market in fishery products, in the tariff and statistical nomenclature and in the common customs tariff	OJ C 158/25:6.92 COM(92) 313 Bull. 3-92/1.1.186	OJ C 332/16:12.92 Bull. 10-92/1.3.169	OJ C 72/15:3.93 Bull. 1/2-93/1.2.204					OJ L 172/15:7.93 Bull. 7/8-93/ 1.2.189	

A people's Europe

Citizens' rights

Dir. 93/109/EC: right to vote and to stand as a candidate in elections to the European Parliament	COM(93) 291 (draft prop.) Bull. 6-93/1.2.223 OJ C 325/2:12.93 COM(93) 534 Bull. 10-93/1.2.166		OJ C 329/6:12.93 Bull. 11-93/1.2.190					OJ L 329/30:12.93 Bull. 12-93	Council agreement on a draft prop. and a formal prop.: Bull. 10-93/1.2.166
Prop. for a Dir.: protection of individuals in relation to the processing of personal data*	OJ C 277/5:11.90 COM(90) 314 Bull. 7/8-90/1.3.310 24th GR/186	OJ C 159/17:6.91 Bull. 4-91/1.2.140	OJ C 94/13:4.92 Bull. 3-92/1.2.214*	OJ C 311/27:11.92 COM(92) 422 Bull. 10-92/1.3.177					
Prop. for a Dir.: protection of personal data and privacy in the context of public digital telecommunications networks*	OJ C 277/5:11.90 COM(90) 314 Bull. 7/8-90/1.3.313 24th GR/186	OJ C 159/17:6.91 Bull. 4-91/1.2.140 25th GR/240	OJ C 94/13:4.92 Bull. 3-92/1.2.215*						

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first* / sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
<i>Solidarity</i>									
Dec. 93/136/EEC: third Community action programme to assist disabled people (Helios 2) (1992-96)	OJ C 293/12.11.93 COM(93) 350 Bull. 10-9/11.2.71 25th CR/449	OJ C 79/30.3.92 Bull. 1/2-92/1.3.130	OJ C 305/23.11.92 Bull. 10-92/1.3.86	OJ C 25/28.1.93 COM(92) 482 Bull. 11-92/1.3.132				OJ L 56/9.3.93 Bull. 1/2-93/ 1.2.208	
Dec. 93/512/EEC: Technology initiative for disabled and elderly people (TIDE) (1993-94)	OJ C 166/17.6.93 COM(93) 175 Bull. 5-93/1.2.150	OJ C 249/13.9.93 Bull. 6-93/1.2.224	OJ C 255/20.9.93 Bull. 7/8-93/ 1.2.192					OJ L 240/23.9.93 Bull. 9-93/1.2.143	
Information, communication, audiovisual media and culture									
<i>Audiovisual policy</i>									
Dec. 93/424/EEC: action plan for the introduction of advanced television services in Europe	OJ C 139/2.6.92 COM(92) 154 Bull. 4-92/1.3.185 26th CR/348	OJ C 332/16.12.92 Bull. 10-92/1.3.185	OJ C 337/21.12.92 Bull. 11-92/1.3.246					OJ L 196/5.8.93 Bull. 7/8-93/1.2.152	Council agreement: Bull. 6-93/1.2.230
External relations									
Central and Eastern Europe and Independent States of the former Soviet Union									
<i>Independent States of the former Soviet Union</i>									
Reg. (EEC) No 1764/93 amending Reg. (EEC) No 3966/89: economic aid for certain countries of Central Europe	OJ C 110/20.4.93 COM(93) 113 Bull. 3-93/1.3.5		OJ C 176/28.6.93 Bull. 5-93/1.3.6					OJ L 162/3.7.93 Bull. 6-93/1.3.13	

* = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg. on contracts and transactions affected by UN Security Council Resolution 757 (1992) on ex-Yugoslavia	OJ C 187/97, 1993 COM(93) 283 Bull. 6-1993/1.3.31		OJ C 20/24, 194 Bull. 12-93						
Relations with the African, Caribbean and Pacific countries and the overseas countries and territories									
<i>Trade cooperation</i>									
Prop. for a Reg. amending Reg. (EEC) No 715/90: arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the ACP States	COM(93) 533 Bull. 10-93/1.3.47								
Prop. for a Reg. amending Reg. (EEC) No 715/90: arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the ACP States	COM(93) 597 Bull. 11-93/1.3.41								
Prop. for a Reg.: special system of assistance for traditional ACP suppliers of bananas	OJ C 344/29, 12.92 COM(92) 465 Bull. 11-92/1.4.44 26th GR/900	OJ C 108/19, 4.93 Bull. 172-93/1.3.44	OJ C 115/26, 4.93 Bull. 3-93/1.3.42						
<i>Overseas countries and territories</i>									
Prop. for a Dec. amending Dec. 91/482/EEC: association of the overseas countries and territories with the EEC	COM(93) 555 Bull. 11-93/1.3.44								

⁹ = Cooperation procedure used (situation as at 1.11.1993).

	Commission proposal	ESC opinion	EP first*/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
General developed cooperation									
<i>Generalized tariff preferences</i>									
Reg. (EC) No. 3668/93 amending Reg. (EEC) No. 3917/92: extension of the GSP (until 30.6.1994)	OJ C. 314/20.11.93 COM(93) 511 Bull. 10-93/1.3.60		OJ C. 20/24.1.94 Bull. 12-93					OJ L. 338/31.12.93 Bull. 12-93	
<i>Protecting the environment</i>									
Prop. for a Reg.: tropical forests*	OJ C. 78/19.3.93 COM(93) 53 Bull. 1/2-93/1.2.157	OJ C. 249/13.9.93 Bull. 6-93/1.2.166	OJ C. 315/22.11.93 Bull. 10-93/1.2.128*						Prop. subject to the co-decision procedure 1.11.93
Commercial policy									
<i>General matters</i>									
Prop. for a Reg.: counterfeit and pirated goods	OJ C. 238/2.9.93 COM(93) 329 Bull. 7/8-93/1.3.64	Bull. 12-93							
Prop. for a Reg.: control of exports of certain dual-use goods	OJ C. 353/30.9.92 COM(92) 317 Bull. 7/8-92/1.3.13 26th GR/77		OJ C. 268/4.10.93 Bull. 9-93/1.3.58						
Reg. (EEC) No. 343/93: tariff measures to take account of German unification	OJ C. 46/18.2.93 COM(93) 5 Bull. 1/2-93/1.3.62		OJ C. 150/31.5.93 Bull. 4-93/1.3.62					OJ L. 133/2.6.93 Bull. 5-93/1.3.55	

	Commission proposal	ESC opinion	EP first/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg.: economic outward processing for textiles	COM(93) 259 Bull. 7/8/93/1.3.100								
Prop. for a Reg.: arrangements for economic outward processing (textiles and clothing products)	COM(93) 10 Bull. 1/2/93/1.3.61								
Prop. for a Reg.: deadlines for investigations concerning commercial defence	COM(93) 541 Bull. 11/93/1.3.60								
Reg. (EC) No 3448/93; trade arrangements for processed agricultural products	OJ C 126/7-5.93 COM(93) 135 Bull. 4/93/1.3.62	OJ C 304/10/11.93 Bull. 9/93/1.3.57	OJ C 315/22/11.93 Bull. 10/93/1.3.68	COM(93) 573 Bull. 11/93/1.3.59				OJ L 318/20/12.93 Bull. 12/93	Council agreement: Bull. 12/93
Prop. for a Dec.: budgetary discipline	OJ C 68/11.3.93 COM(93) 20 Bull. 1/2/93/1.3.2		OJ C 329/6/12.93 Bull. 11/93/1.6.7						
Prop. for a Reg.: Guarantee Fund to cover risks incurred as a result of guarantees under the general budget	OJ C 68/11.3.93 COM(93) 20 Bull. 1/2/93/1.3.3								
Prop. for a Reg. amending the Financial Regulation of 21 December 1977	OJ C 68/11.3.93 COM(93) 20 Bull. 1/2/93/1.3.4		OJ C 329/6/12.93 Bull. 11/93/1.6.9						

* = Cooperation procedure used (situation as at 1.11.1993).

Community institutions and financing

Financing Community activities

Budgets

	Commission proposal	ESC opinion	EP first/sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
Prop. for a Reg. amending Reg. (EEC) No 1552/89; system of the Communities' own resources	OJ C 68/11.3.93 COM(93) 20 Bull. 1/2-93/1.5.5		OJ C 329/6.12.93 Bull. 11-93/1.6.10						
Prop. for a Reg. amending financial regulation of 21.12.1997	OJ C 221/17.8.93 COM(93) 328 Bull. 7/8-93/1.5.2								
Prop. for a Reg. amending Reg. (EEC) No 1552/89; system of the Communities' own resources	COM (93) 683 Bull. 12-93								
Prop. for a Dec. replacing Decision 88/376/EEC/Euratom on own resources	COM(93) 438 Bull. 9-93/1.5.3	Bull. 12-93							
Reg. No 3464/93 implementing Dec. 88/376/EEC/Euratom: system of own resources	OJ C 199/23.7.93 COM(93) 213 Bull. 5-93/1.5.1		OJ C 329/6.12.93 Bull. 11-93/1.6.11					OJ L 317/18.12.93 Bull. 12-93	
Prop. for a Reg. amending the Financial Regulation of 21 December 1977	OJ C 354/1.10.92 COM(92) 358 Bull. 9-92/1.5.3 26th GR/1190		OJ C 329/6.12.93 Bull. 11-93/1.6.8						
Prop. for a Reg. amending Reg. (EEC) No 1552/89; system of the Communities' own resources	OJ C 26/29.1.93 COM(92) 519 Bull. 12-92/1.6.2		OJ C 329/6.12.93 Bull. 11-93/1.6.12						
Prop. for a Reg. amending Reg. (EEC, Euratom) No 1533/89; uniform arrangements for the collection of VAT	OJ C 35/9.2.92 COM(92) 380		OJ C 329/6.12.93 Bull. 11-93/1.6.13						

	Commission proposal	ESC opinion	EP first*/ sole reading	Amended Commission proposal	Council common position	EP second reading	Re-examined Commission proposal	Adoption by Council	Comments
<i>Action to combat fraud</i>									
Prop. for a Reg.: mutual assistance between Member State administrations and between these administrations and the Commission*	OJ C 56/26, 2.93 COM(92) 344 Bull. 12-92/1.3.24 26th GR/73	OJ C 161/14, 6.93 Bull. 4-93/1.3.61	OJ C 20/24, 1.94 Bull. 12-93*	OJ C 262/28, 9.93 COM(93) 350 Bull. 9-93/1.3.55					
<i>Borrowing and lending operations</i>									
Dec. 93/67/EFC: loan of ECU 8 billion to Italy	COM(93) 17 Bull. 1/2-93/1.2.43							OJ L 22/30, 1.93 Bull. 1/2-93/1.2.43	Agreement: Bull. 6-93/1.5.6
Prop. for a Dec. amending Dec. 77/270/Euratom: Euratom borrowings for improving the safety of nuclear power stations in certain third countries	OJ C 22/26, 1.93 COM(92) 467 Bull. 12-92/1.6.7 26th GR/1207								

* = Cooperation procedure used (situation as at 1.11.1993).

International agreements

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion* / EP assent**	Council Regulation (or Decision)	Comments
--	---------------------------	---	----------	-----------	------------------------------------	-------------	------------------------------	-------------------------------------	----------

The single market and the Community economic and social area

Internal market

Free movement of goods

Convention: European Pharmacopoeia					COM(93) 68 Bull. 1/2-93/1.2.7				
---------------------------------------	--	--	--	--	----------------------------------	--	--	--	--

Free movement of persons

Draft Agreement with Switzerland on the free movement of persons	Bull. 12-93								
--	-------------	--	--	--	--	--	--	--	--

* Agreements requiring Parliament's opinion (situation as at 1.11.1993).

** Agreements requiring Parliament's assent (situation as at 1.11.1993).

NB: Agreements that do not require consultation of Parliament are not followed by an asterisk (situation as at 1.11.1993).

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion*/ EP assent**	Council Regulation (or Decision)	Comments
Amendment of the Agreement with Norway and Sweden on civil aviation ⁸	COM(93) 265 Bull. 6-93/1.2.118	Bull. 6-93/1.2.118					OJ C 253/20.9.93 Bull. 7/8-93/ 1.2.107*	Dec. 93/453/EEC OJ L 212/23.8.93 Bull. 7/8-93/1.2.107	
Environment									
<i>Quality of the environment and natural resources</i>									
Convention on the control of transboundary movements of hazardous wastes (Basle Convention)				Bull. 3-89/2.1.113				Dec. 93/98/EEC Bull. 12-92/1.3.192; OJ L 39/16.2.93 Bull. 1/2-93/ 1.2.151	
Cooperation Agreement on the protection of the coasts of the North-East Atlantic against pollution (Lisbon Agreement) ⁸	Bull. 9-90/1.2.88 24th GR-513	Bull. 10-90/1.3.79		Bull. 10-90/1.3.79	OJ C 56/26.2.93 COM(92) 564 Bull. 12-92/1.3.93 26th GR-614	OJ C 201/26.7.93 Bull. 5-93/1.2.102	OJ C 176/28.6.93 Bull. 5-93/1.2.102*	Bull. 10-93/1.2.124	
Agreement for cooperation in dealing with pollution of the North Sea by oil and other harmful substances (Bonn Agreement) ⁸					OJ C 114/5.5.92 COM(92) 133 25th GR-614	OJ C 287/4.11.92 Bull. 7/8-92/ 1.3.152	OJ C 42/15.2.93 Bull. 1/2-93/ 1.2.152*	Dec. 93/540/EEC OJ L 263/22.10.93 Bull. 10-93/1.2.123	Subject: amending the Convention
Protocol to the Convention of 8.10.1990 on the protection of the Elbe ⁸					OJ C 185/22.7.92 COM(92) 212 Bull. 5-92/1.1.130 26th GR-613	OJ C 287/4.11.92 Bull. 7/8-92/ 1.3.151	OJ C 305/23.11.92 Bull. 10-92/1.3.104*	Dec. 93/14/EEC OJ L 45/23.2.93 Bull. 1/2-93/1.2.154	
Draft Convention on the protection and use of transboundary watercourses and international lakes ⁸	Bull. 1/2-92/1.3.155			Bull. 3-92/1.2.131	COM(93) 271 Bull. 6-93/1.2.163				
Convention on the protection of the marine environment of the Baltic Sea area (Helsinki Convention, 1974) ⁸					OJ C 222/18.8.93 COM(93) 284 Bull. 7-8-93/1.2.143	OJ C 315/22.11.93 Bull. 10-93/1.2.125*			Subject: Accession of the Community

⁸ Agreements requiring Parliaments opinion (situation as at 1.11.1993).

⁸⁸ Agreements requiring Parliaments assent (situation as at 1.11.1993).

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion*/ EP assent**	Council Regulation (or Decision)	Comments
Convention on the protection of the marine environment of the Baltic Sea area (revised Helsinki Convention, 1992)*					OJ C 226/18.8.93 COM(93) 284 Bull. 7/8-93/1.2.144		OJ C 315/22.11.93 Bull. 10-93/ 1.2.126*		Subject: Accession of the Community
Convention on long-range transboundary air pollution (Geneva Convention)*					OJ C 230/4.9.91 COM(91) 268 Bull. 7/8-91/ 1.2.262; OJ C 248/ 25.9.92 COM(92) 382 Bull. 9-92/1.2.106	OJ C 40/17.2.92 Bull. 11-91/1.2.180	OJ C 150/15.6.92 Bull. 5-92/1.1.136*	Dec. 93/361/EEC OJ L 149/21.6.92 Bull. 5-93/1.2.105	Subject: Accession of the Community
Second Protocol to the Convention on long-range air pollution (control of sulphur emissions and their transboundary fluxes)	Bull. 12-92/1.3.196	Bull. 11-93/1.2.132							
Convention on biological diversity*	Bull. 5-91/1.2.153	Bull. 7/8-91/1.2.272		Bull. 6-92/1.3.129	COM(92) 509 Bull. 12-92/1.3.194	OJ C 249/13.9.93 Bull. 6-93/1.2.167	OJ C 194/19.7.93 Bull. 6-93/1.2.167*	Bull. 10-93/1.2.127	Proposals for Decisions concerning the signature: COM(92) 186; Bull. 5-92/1.1.118; Political agreement on the conclusion: Bull. 6-93/1.2.167
Draft Convention on environmental impact assessment in a transboundary context (EEC-UNO)*	Bull. 1/2-91/1.2.238 25th GR/627	Bull. 1/2-91/1.2.238		Bull. 1/2-91/1.2.238	OJ C 104/24.4.92 COM(92) 93 Bull. 3-92/1.2.122; OJ C 112/22.4.93 COM(93) 131 Bull. 3-93/1.2.94	OJ C 313/30.11.92 Bull. 9-92/1.2.100	OJ C 72/15.3.93 Bull. 1/2-93/ 1.2.147*		
Amendment to the Montreal Protocol on substances which deplete the ozone layer					OJ C 103/14.4.93 COM(93) 102 Bull. 3-93/1.2.105	OJ C 201/26.7.93 Bull. 5-93/1.2.109		Bull. 12-93	
Framework Convention on climate change*	Bull. 1/2-91/1.2.223			Bull. 6-92/1.3.128	OJ C 44/16.2.93 COM(92) 508 Bull. 12-92/1.3.198	OJ C 201/26.7.93 Bull. 5-93/1.2.108	OJ C 194/19.7.93 Bull. 6-93/1.2.175*	Bull. 12-93	Council Dec. on the signature: Bull EC 6-92/1.3.129; Political agreement on the conclusion: Bull. 6-93/1.2.167

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion ^a / EP assent ^{a*}	Council Regulation (or Decision)	Comments
Nuclear safety									
<i>International action</i>									
Draft Convention on nuclear safety (IAEA) ^b	Bull. 9-93/1.2.112								
Draft Agreement on the contribution to the nuclear safety account of the EBRD ^c	Bull. 3-93/1.2.107	Bull. 4-93/1.2.114			COM(93) 515 Bull. 10-93/1.2.131				
Agricultural policy									
<i>Management of the common agricultural policy</i>									
Protocol to the International Agreement on olive oil and table olives, 1986	Bull. 10-92/1.3.128	Bull. 11-92/1.3.184			COM(93) 514 Bull. 10-93/1.2.137			Dec. 93/622/EC OJ L 298/3.12.93 Bull. 11-93/1.2.149	
Agreements with Argentina, Brazil, Canada, Poland, Sweden and Uruguay on oilseeds	Bull. 6-93/1.2.193	Bull. 10-93/1.2.138			COM(93) 536 Bull. 11-93/1.2.147			Bull. 12-93	
Draft Agreement on bananas (Article XXVIII of GATT)	Bull. 1/2-93/1.2.178								
Draft Agreement with the United States on spirits ^{a*}	Bull. 12-93 COM(93) 714								
Agreement with Australia on trade in wine	Bull. 12-92/1.3.232	Bull. 12-92/1.3.232			COM(93) 304 Bull. 7/8-93/1.2.158				
^a Agreements requiring Parliaments opinion (situation as at 1.11.1993).									
^{a*} Agreements requiring Parliaments assent (situation as at 1.11.1993).									

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinions/ EF assent**	Council Regulation (or Decision)	Comments
Draft Agreements with Bulgaria, Hungary and Romania on wine	Bull. 1/2-93/1.2.177				COM(93) 358 COM(93) 359 Bull. 9-93/1.2.120			Dec. 93/73/EC, Dec. 93/73/EC, Dec. 93/75/EC, OJ L 337/31.12.93 Bull. 11-93/1.2.152	Dec. on the conclusion
Voluntary Restraint Agreements with certain third countries (sheepmeat and goatmeat)	Bull. 11-93/1.2.158	Bull. 12-93			COM(93) 653 COM(93) 655 Bull. 12-93			Bull. 12-93	

Fisheries

External resources

Fisheries Agreements with Estonia, Latvia and Lithuania*	Bull. 5-92/1.1.184	Bull. 6-92/1.3.189	Bull. 7/8-92/1.3.233	Bull. 5-93/1.2.136	OJ C 304/21.11.92 COM(92) 431 Bull. 10-92/1.3.163		OJ C 72/15.3.93 Bull. 1/2-93/ 1.2.199*	Reg. (EEC) Nos 519/93 to 521/93 OJ L 56/9.3.93 Bull. 3-93/1.2.139	
Fisheries Agreement with Iceland*			Bull. 11-92/1.3.226		OJ C 346/30.11.92 COM(92) 531 Bull. 12-92/1.3.276		OJ C 150/31.5.93 Bull. 4-93/1.2.130*	Reg. (EEC) No 1737/93 OJ L 161/2.7.93 Bull. 6-93/1.2.215	
Fisheries Agreement with Argentina*			Bull. 11-92/1.3.222		OJ C 64/6.3.92 COM(93) 12 Bull. 1/2-93/1.2.198		OJ C 194/19.7.92 Bull. 6-93/1.2.212*	Reg. (EEC) No 3447/93 OJ L 318/20.12.93 Bull. 9-93/1.2.135	
Fisheries Agreement with Dominica*					OJ C 183/6.7.93 COM(93) 266 Bull. 6-93/1.2.214		OJ C 329/6.12.93 Bull. 11-93/1.2.176*	Reg. (EC) No 3329/93 OJ L 299/4.12.93 Bull. 11-93/1.2.176	
Fisheries Agreement with Canada*	Bull. 12-92/1.3.266	Bull. 12-92/1.3.266	Bull. 12-92/1.3.266		OJ C 167/18.6.93 COM(93) 214 Bull. 5-93/1.2.135		OJ C 329/6.12.93 Bull. 11-93/1.2.175*	Reg. (EC) No 3675/93 OJ L 340/31.12.93 Bull. 12-93	

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion*/ EP assent**	Council Regulation (or Decision)	Comments
Protocol to the Fisheries Agreement with São Tomé and Príncipe*					OJ C 148/28.5.93 COM(93) 177 Bull. 5-93/1.2.139		OJ C 296/1.11.93 Bull. 10-93/1.2.162*	Reg. (EC) No 3221/93 OJ L 292/22.11.93 Bull. 11-93/1.2.184	
Protocol to the Fisheries Agreement with Mauritania*					COM(93) 370 Bull. 7-8-93/1.2.184			Dec. 93/605/EC OJ L 290/24.11.93 Bull. 11-93/1.2.183	
Protocol to the Fisheries Agreement with Guinea-Bissau*					OJ C 198/22.7.93 COM(93) 292 Bull. 7-8-93/1.2.183			Dec. 93/568/EEC OJ L 274/29.10.93 Bull. 10-93/1.2.160	
Protocol to the Fisheries Agreement with the Gambia*					COM(93) 338 Bull. 7-8-93/1.2.182			Dec. 93/567/EEC OJ L 274/29.10.93 Bull. 10-93/1.2.159	
Protocol to the Fisheries Agreement with the Seychelles*					OJ C 100/8.4.93 COM(93) 90 Bull. 3-93/1.2.143		OJ C 194/19.7.93 Bull. 6-93/1.2.216*	Reg. (EEC) No 2718/93 OJ L 246/2.10.93 Bull. 9-93/1.2.136	
Protocol to the Fisheries Agreement with Senegal*			Bull. 10-92/1.3.168		OJ C 355/18.12.92 COM(92) 449 Bull. 11-92/1.3.227			Reg. (EEC) No 2296/93 OJ L 212/23.8.93 Bull. 7-8-93/1.2.186	
Protocol to the Fisheries Agreement with Madagascar*					OJ C 201/8.8.92 COM(92) 308 Bull. 7-8-92/1.3.234		OJ C 115/26.4.93 Bull. 3-93/1.2.140*	Reg. (EEC) No 983/93 OJ L 106/30.4.93 Bull. 4-93/1.2.131	
Protocol to the Fisheries Agreement with Mozambique*					COM(92) 12 Bull. 1/2-92/ 1.3.245		OJ C 72/15.3.93 Bull. 1/2-93/ 1.2.200*	Reg. (EEC) No 593/93 OJ L 64/16.3.93 Bull. 3-93/1.2.141	
Protocol to the Fisheries Agreement with Angola*					OJ C 188/25.7.92 COM(92) 289 Bull. 7-8-92/1.3.231		OJ C 72/15.3.93 Bull. 1/2-93/ 1.2.197*	Reg. (EEC) No 594/93 OJ L 64/16.3.93 Bull. 3-93/1.2.138	

* Agreements requiring Parliaments opinion (situation as at 1.11.1993).

** Agreements requiring Parliaments assent (situation as at 1.11.1993).

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion*/ EP assent**	Council Regulation (or Decision)	Comments
Draft Fisheries Agreement with Russia*	Bull. 3-93/1.2.142								
Draft Fisheries Agreement with Namibia*	Bull. 5-93/1.2.138								
Planned accession of the Community to the General Fisheries Council for the Mediterranean (GFCM)	Bull. 1/2-93/1.2.203								

External relations

Central and Eastern Europe and Independent States of the former Soviet Union

Central and Eastern Europe

Europe Association Agreement with Hungary**	Bull. 11-90/1.4.1	Bull. 12-90/1.4.6 Bull. 9-91/1.3.16	Bull. 11-91/1.3.9	Bull. 12-91/1.3.2	Bull. 12-91/1.3.2		O J C 284/2.11.92 Bull. 9-92/1.3.11 26th GR/746**	Bull. 12-93	Council agreement: Bull. 12-91/1.3.2
Europe Association Agreement with Poland**	Bull. 11-90/1.4.1	Bull. 12-90/1.4.6 Bull. 9-91/1.3.16	Bull. 11-91/1.3.9	Bull. 12-91/1.3.2	Bull. 12-91/1.3.2		O J C 284/2.11.92 Bull. 9-92/1.3.11 26th GR/746**	Bull. 12-91/1.3.2	Council agreement: Bull. 12-91/1.3.2
Draft Europe Association Agreement with Romania**	Bull. 1/2-92/1.4.7	Bull. 5-92/1.2.12 26th GR/746	Bull. 11-92/1.4.12 26th GR/746	Bull. 1/2-93/1.3.9	COM(92) 511 Bull. 12-92/1.4.14 26th GR/746		O J C 315/22.11.93 Bull. 10-93/ 1.3.16**		Council Dec. on the signature: Bull. 1/2-93/1.3.9
Draft Europe Association Agreement with Bulgaria**	Bull. 1/2-92/1.4.7	Bull. 5-92/1.2.12 26th GR/746	Bull. 12-92/1.4.11 26th GR/746	Bull. 3-93/1.3.8	COM(93) 45 Bull. 1/2-93/1.3.7		O J C 315/22.11.93 Bull. 10-93/ 1.3.12**		Council Dec. on the signature: Bull. 3-93/1.3.8
Interim Agreement with Romania			26th GR/746	Bull. 1/2-93/1.3.10	COM(92) 510 Bull. 12-92/1.4.15 26th GR/746		O J C 72/15.3.93 Bull. 1/2-93/1.3.10*	Dec. 93/186/EEC and 93/187/EEC O J L 81/2.4.93 Bull. 3-93/1.3.10	

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion/ EP assent**	Council Regulation (or Decision)	Comments
Interim Agreement with Bulgaria ⁸			Bull. 12-92/1.4.12 Zech GR/746	Bull. 3-93/1.3.9	COM(93) 46 Bull. 1/2-93/1.3.8		OJ C 150/31.5.93 Bull. 4-93/1.3.9*	Dec. 93/690/EC and 93/691/ECSC OJ L 323/23.12.93 Bull. 12-93	Council Dec. on the signature: Bull. 3-93/1.3.9
Draft Europe Association Agreement with the Czech Republic ^{8*}	Bull. 1/2-93/1.3.2	Bull. 4-93/1.3.16	Bull. 6-93/1.3.17	Bull. 10-93/1.3.14	COM(93) 386 Bull. 7/8-93/1.3.13		OJ C 315/22.11.93 Bull. 10-93/1.3.14**		ECSC Consultative Committee Opinion: Bull. 9-93/1.3.10; Council Dec. on the signature: Bull. 10-93/1.3.14
Draft Europe Association Agreement with the Slovak Republic ^{8*}	Bull. 1/2-93/1.3.2	Bull. 4-93/1.3.16	Bull. 6-93/1.3.17	Bull. 10-93/1.3.14	COM(93) 386 Bull. 7/8-93/1.3.13		OJ C 315/22.11.93 Bull. 10-93/1.3.14**	Bull. 12-93	Opinion of the ECSC Consultative Committee: Bull. 9-93/1.3.10; Council Dec. on the signature: Bull. 10-93/1.3.14
Draft Additional Protocol with the Czech Republic to the Interim Agreement with the former Czech and Slovak Federal Republic				Bull. 12-93	Bull. 9-93/1.3.11			Bull. 12-93	Opinion of the ECSC Consultative Committee: Bull. 10-93/1.3.15
Additional Protocol with the Slovak Republic to the Interim Agreement with the former Czech and Slovak Federal Republic				Bull. 12-93	Bull. 9-93/1.3.11			Bull. 12-93	Opinion of the ECSC Consultative Committee: Bull. 10-93/1.3.15
Draft Free Trade Agreements with the Baltic States ⁸	Bull. 12-93								
Draft Additional Protocols to the Interim Agreement and Europe Agreement with Poland					COM(93) 404 Bull. 7/8-93/1.3.11			Bull. 12-93	Opinion of the ECSC Consultative Committee: Bull. 9-93/1.3.9
Draft Additional Protocols to the Interim Agreement and Europe Agreement with Hungary				Bull. 12-93	COM(93) 404 Bull. 7/8-93/1.3.11			Bull. 12-93	Opinion of the ECSC Consultative Committee: Bull. 9-93/1.3.9

* Agreements requiring Parliaments opinion (situation as at 1.11.1993).

** Agreements requiring Parliaments assent (situation as at 1.11.1993).

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion/ EP assent**	Council Regulation (or Decision)	Comments
--	---------------------------	---	----------	-----------	------------------------------------	-------------	----------------------------	-------------------------------------	----------

European Free Trade Association

Relations with EFTA

Agreement (and Adjustment Protocol to the Agreement) creating the EEA ^o	Bull. 1/2-93/1.3.3	Bull. 1/2-93/1.3.3	Bull. 1/2-93/1.3.3		COM(93) 98 Bull. 3-93/1.3.2		OJ C 194/19.7.93 Bull. 6-93/1.3.8*		Dec. 94/1 and 94/2 ECSC, EC, OJ L 1/ 3.1.94, Bull. 12-93
--	--------------------	--------------------	--------------------	--	--------------------------------	--	---------------------------------------	--	--

Relations with the United States, Japan and other industrialized countries

United States

Agreement in the form of a memorandum of understanding with the United States of America on government procurement					Bull. 5-93/1.2.23			Dec. 93/323/EEC OJ L 189/29.7.93 Bull. 5-93/1.2.23	
--	--	--	--	--	-------------------	--	--	--	--

Relations with Mediterranean and Middle East countries

Mediterranean countries

Trade and Economic Cooperation Agreement with Slovenia ^a	Bull. 6-92/1.4.14	Bull. 7/8-92/1.4.26	Bull. 11-92/1.4.31	Bull. 4-93/1.3.22	COM(92) 487 Bull. 11-92/1.4.31		OJ C 194/19.7.93 Bull. 6-93/1.3.27*	Dec. 93/407/EEC OJ L 189/29.7.93 Bull. 7/8-93/1.3.25	
Financial Protocol with Slovenia ^a	Bull. 9-92/1.3.23	Bull. 9-92/1.3.23		Bull. 4-93/1.3.23	OJ C 74/16.3.93 COM(93) 56 Bull. 1/2-93/1.3.21		OJ C 194/19.7.93 Bull. 6-93/1.3.28*	Dec. 93/408/EEC OJ L 189/29.7.93 Bull. 7/8-93/1.3.26	

^o Agreements requiring Parliaments' opinion (situation as at 1.11.1993).

^{**} Agreements requiring Parliaments' assent (situation as at 1.11.1993).

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion*/ EP assent**	Council Regulation (or Decision)	Comments
Draft ECSC Agreement with Slovenia	Bull. 6-92/1.4.14	Bull. 7/8-92/1.4.26	COM(92) 487 Bull. 11-92/1.4.31	Bull. 4-93/1.3.22				Dec. Commission: Bull. 7/8-93/1.3.24	Council Dec. on the signature: Bull. 4-93/1.3.22; Council Assent No 5/93; OJ C 210/4.8.93; Bull. 7/8-93/1.3.24
Draft New Agreement with Morocco**	Bull. 12-92/1.4.20 Bull. 6-93/1.3.25	Bull. 12-93							
New Draft Agreement with Tunisia	Bull. 11-93/1.3.26	Bull. 12-93							
Draft Association Agreement with Israel**	Bull. 9-93/1.3.24	Bull. 12-93							
Draft Fourth Financial Protocol with Syria**			Bull. 5-91/1.3.39	Bull. 6-91/1.3.33 Bull. 7/8-91/1.3.29	OJ C 162/21.6.91 COM(91) 203 Bull. 5-91/1.3.39		OJ C 39/17.2.92 Bull. 1/2-92/1.4.32 OJ C 305/24.11.92 Bull. 10-92/1.4.31; OJ C 115/26.4.93 Bull. 3-93/1.3.26 OJ C 20/24.1.94 Bull. 12-93**	Agreement in principle of the Council: Bull. 10-93/1.3.27 Negative opinions of the EP	

Middle East countries

Draft Agreement amending the Cooperation Agreement with Yemen	Bull. 5-92/1.2.26	Bull. 6-92/1.4.21			OJ L 310/16.11.93 COM(93) 304 Bull. 10-93/1.3.31				
---	-------------------	-------------------	--	--	--	--	--	--	--

Relations with the countries of Asia and Latin America

Asia

Draft Cooperation Agreement with India*	Bull. 9-92/1.3.33	Bull. 10-92/1.4.34 26th GR/864	Bull. 12-92/1.4.37 26th GR/864	Bull. 12-93	OJ C 103/14.4.93 COM(93) 82 Bull. 3-93/1.3.35				Council Dec. on the signature: Bull. 6-93/1.3.39
---	-------------------	-----------------------------------	-----------------------------------	-------------	---	--	--	--	--

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinions/ EP assent ⁸⁶	Council Regulation (or Decision)	Comments
Draft Cooperation Agreement with Sri Lanka ⁸⁶		Bull. 1/2-93/1.3.37	Bull.12-93						
Draft Agreement with the ASEAN countries on the control of drugs precursors		Bull. 9-93/1.3.37							
Draft Framework Trade and Cooperation Agreement with Viet-Nam	Bull. 7-8-93/1.3.47	Bull. 10-93/1.3.41							
Trade and Economic Cooperation Agreement with Mongolia ⁸⁷	Bull. 7-8-91/1.3.39	Bull. 11-91/1.3.43		Bull. 3-92/1.3.36 Bull. 6-92/1.4.28 26th GR/878	OJ C 71/20.3.92 COM(92) 50 Bull. 1/2-92/1.4.46 26th GR/878		OJ C 42/15.2.93 Bull. 1/2-93/1.3.36 ⁸⁶	Dec. 93/101/EEC OJ L 41/18.2.93 Bull. 1/2-93/1.3.36	

Latin America

Draft Cooperation Agreement with the Cartagena Agreement and its Member States ⁸⁸	Bull. 3-92/1.3.33	Bull. 5-92/1.2.31	Bull. 6-92/1.4.31 26th GR/883	Bull. 4-93/1.3.39	OJ C 25/28.1.93 COM(92) 463 Bull. 11-92/1.4.42 26th GR/883		OJ C 255/20.9.93 Bull. 7/8-93/1.3.30 ⁸⁶		
Draft Framework Cooperation Agreement with the countries of the Central American Isthmus (and Panama) ⁸⁹	Bull. 7-8-92/1.4.39	Bull. 11-92/1.4.36 26th GR/882	Bull. 1/2-93/1.3.41	Bull. 1/2-93/1.3.41	OJ C 77/18.3.93 COM(93) 52 Bull. 1/2-93/1.3.41		OJ C 255/20.9.93 Bull. 7/8-93/1.3.49 ⁸⁶		

Relations with the African, Caribbean and Pacific countries and the overseas countries and territories Implementation of the fourth Lomé Convention

Fourth Lomé Convention: half-way stage of partial revision	Bull. 9-93/1.3.44								
--	-------------------	--	--	--	--	--	--	--	--

⁸⁶ Agreements requiring Parliaments opinion (situation as at 1.11.1993).

⁸⁹ Agreements requiring Parliaments assent (situation as at 1.11.1993).

	Commission recommendation	Council Decision/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion/ EP assent**	Council Regulation (or Decision)	Comments
<i>Sugar Protocol</i>									
Agreements with the ACP countries and India on the guaranteed prices for sugar, 1992-93*		Bull. 7/8-1992/ 1.4.48			COM(93) 9 Bull. 1/2-93/1.3.46			Bull. 4-93/1.3.44	
General development cooperation									
<i>Commodities and world agreements</i>									
International Coffee Agreement, 1983, as extended to 30.9.1994					COM(93) 316 Bull. 7/8-93/1.3.57			Dec. 93/505/EEC O J L 237/22.9.93 Bull. 9-93/1.3.51	Proposal concerning the signing of the Agreement and its implementation: COM(93) 513
International Cocoa Agreement					COM(93) 513 Bull. 10-93/1.3.61				
Humanitarian aid									
Convention with UNRWA ^e					O J C 298/4.11.93 COM(93) 503 Bull. 10-93/1.3.67		O J C 342/20.12.93 Bull. 12-93*	Dec. 94/13/EC O J L 5/13.1.94 Bull. 12-93	

	Commission recommendation	Council Decisions/ Negotiating Directives	Initials	Signature	Commission proposal/ Conclusion	ESC opinion	EP opinion*/ EP assent**	Council Regulation (or Decision)	Comments
Commercial policy									
General matters									
Convention on temporary admission (Istanbul Convention)				Bull. 6-90/1.3.14	COM(92) 537 Bull. 12-92/1.3.25			Dec. 93/329/EEC OJ L 130/27.5.93 Bull. 3-93/1.3.55	Subject: Accession of the Community
Draft Convention on an international customs transit procedure for goods carried by rail	Bull. 1/2-93/1.3.60	Bull. 1/2-93/1.3.60			COM(93) 498 Bull. 10-93/1.3.69				
Conventions on the temporary importation of private road vehicles (New York, 1954) and commercial road vehicles (Geneva, 1956)									
Individual sectors									
Draft Arrangements with Russia, Ukraine and Kazakhstan on the importation of steel products (1994-95)	Bull. 12-93								
Bilateral Agreements with third countries concerning the Multi-fibre Arrangement	Bull. 7/8-92/1.4.95	Bull. 10-92/1.4.56						Bull. 12-93	
Draft Textile Agreements with Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan and Ukraine (extensions)				Bull. 7/8-93/1.3.101	OJ C 110/20.4.93 COM(93) 101 Bull. 3-93/1.3.68				

* Agreements requiring Parliaments opinion (situation as at 1.11.1993).

** Agreements requiring Parliaments assent (situation as at 1.11.1993).

Annex to Chapter VIII

Activities of the Court of Justice

TABLE 1
Cases analysed by subject-matter
1993

	ECSC	EC										Privileges and immunities Article 220 Conventions	Staff cases	Total			
		Free movement of goods	Customs	Agriculture	Fisheries	Right of establishment and freedom to supply services	Free movement of workers and social security	Transport	Competition	State aid	Taxation				Commercial policy and trade protection	Environment	Other
Actions brought (appeals)	—	37	21	209 (1)	1	20	59	10	24 (6)	11	21	10	11	33	9	10 (10)	486 ¹ (17)
Cases not resulting in a judgment (appeals)	—	3	—	14	3	2	8	3	11 (1)	—	6	—	5	5	—	1 (1)	61 (2)
Cases decided (appeals)	1 (1)	17	14	60	4	11	42	17	28	9	19	5	7	24	5	7 (7)	272 (8)

¹ Of which 188 were transferred to the Court of First Instance (Council Decision of 8 June 1993).

TABLE 2
Cases analysed by type (EC Treaty)¹
1993

	Proceedings brought under										Total	
	Art. 93(2)	Art. 169	Art. 173			Art. 175	Art. 177	Arts 178 and 215	Art. 181	Art. 220 Conven- tions		Appeals
			By gov- ern- ments	By Com- munity insitu- tions	By individ- uals							
Actions brought	3	36	13	7	42	2	194	161	2	9	17	486
Cases not resulting in a judgment	—	22	6	1	1	—	29	—	—	—	2	61
Cases decided	1	36	11	3	42	3	160	2	2	3	7	269
In favour of applicant	1	33	2	—	15	—	—	—	1	—	1	53
Dismissed on the merits	—	2	7	1	8	1	—	2	1	—	6	28
Rejected as inadmissible	—	—	2	2	19	2	—	—	—	—	—	25

¹ ECSC: one case dismissed on the merits.

Euratom: one case decided in favour of the applicant; one case dismissed on the merits.

Activities of the Court of First Instance

TABLE 1
Cases analysed by subject-matter
1993

	ECSC	Eur-atom	EC										Staff cases	Total				
			Free movement of goods	Customs	Agriculture	Fisheries	Right of establishment and freedom to supply services	Free movement of workers and social security	Transport	Competition	State aid	Taxation			Environment	Other	Privileges and immunities	
Actions brought	—	2	1	1	420	5	1	1	14	1	1	28	13	3	16	—	84	589 ¹
Cases not resulting in a judgment	—	—	—	—	—	—	—	—	—	—	—	9	—	—	—	—	16	25
Cases decided	—	—	1	—	2	—	—	—	—	—	—	6	1	—	1	1	64	76

¹ Of which 452 were transferred from the Court of Justice to the Court of First Instance (Council Decision of 8 June 1993).

TABLE 2
Cases analysed by type (EC Treaty)¹
1993

	Proceedings brought under					Total
	Art. 173 (individuals)	Art. 175 (individuals)	Arts 178 and 215	Art. 179	Art. 181	
Actions brought	89	3	412	83	—	587
Cases not resulting in a judgment	8	1	—	16	—	25
Cases decided	10	1	—	64	—	76
In favour of applicant	1	—	—	17	—	19
Dismissed on the merits	2	—	—	28	—	30
Rejected as inadmissible	7	1	—	19	—	27

¹ Euratom: 2 actions brought.

Institutions and other bodies

European Parliament

Secretariat
Centre européen, Plateau du Kirchberg
L-2929 Luxembourg
Tel.: 43 001

Council of the European Union

General Secretariat
Rue de la Loi 170
B-1048 Brussels
Tel.: 234 61 11

Commission of the European Communities

Rue de la Loi 200
B-1049 Brussels
Tel.: 299 11 11

Court of Justice of the European Communities

Boulevard Konrad Adenauer
L-2925 Luxembourg
Tel.: 43 031

Court of Auditors of the European Communities

12 rue Alcide de Gasperi
L-1615 Luxembourg
Tel.: 43 981

Economic and Social Committee

Rue Ravenstein 2
B-1000 Brussels
Tel.: 519 90 11

Committee of the Regions

Rue Ravenstein
B-1000 Brussels
Tel.: 519 90 11

European Investment Bank

100, boulevard Konrad Adenauer
L-2950 Luxembourg
Tel.: 43 791

List of abbreviations

ACP	African, Caribbean and Pacific countries party to the Lomé Convention
AGREP	Inventory of agricultural research projects
AIM	Advanced informatics in medicine (information technology and telecommunications applied to health care)
Al-Invest	Framework industrial cooperation and investment promotion programme for the countries of Latin America
Altener	Specific actions for greater penetration for renewable energy sources
Aproma	Association of Market Production, European Community/Africa-Caribbean-Pacific
ASEAN	Association of South-East Asian Nations
ASSET	Assessment of safety significant event team
ATA	Temporary admission — ‘admission temporaire’
Atlantis	Pilot measure to promote economic development and the environment in the Community’s Atlantic regions
Avicenne	Science and technology cooperation with the Maghreb and other Mediterranean countries
BC-Net	Business Cooperation Network
BCC	Business Cooperation Centre
BCR	Community Bureau of References
BEMA	Biogenic emissions in the Mediterranean area
Bridge	Biotechnology research for innovation, development and growth in Europe

BRITE/EURAM	European research on advanced materials (specific research and technological development programme in the fields of industrial manufacturing technologies and advanced materials applications)
Caddia	Cooperation in automation of data and documentation for imports/exports and agriculture
CAP	Common agricultural policy
CARE	Community database on road accidents
CCC	Consumers Consultative Council
CECAF	Fishery Committee for the Eastern Central Atlantic
Cedefop	European Centre for the Development of Vocational Training
CEN	European Committee for Standardization
Cenelec	European Committee for Electrotechnical Standardization
CFSP	Common foreign and security policy
CIS	Commonwealth of Independent States
CIS	Customs Information System
CN	Combined Nomenclature
Coleacp	Europe-ACP Liaison Committee for the Promotion of Tropical Fruit, Out-of-Season Vegetables, Flowers, Pot Plants and Spices
Comett	Community action programme in education and training for technology (programme on cooperation between universities and enterprises regarding training in the field of technology)
COST	European cooperation on scientific and technical research
CRAFT	European cooperative research action for technology
CSCE	Conference on Security and Cooperation in Europe
CSF	Community support framework
CSO	Committee of Senior Officials (CSCE)
DAC	Development Assistance Committee (OECD)
DDR	Differentiated discount rate

EAGGF	European Agricultural Guidance and Guarantee Fund
EBRD	European Bank for Reconstruction and Development
ECCD	European Committee to Combat Drugs
ECE	Economic Commission for Europe (UN)
ECHO	European Community Humanitarian Office
ECHO	European Commission Host Organization
ECIP	EC International Investment Partners
Eclair	European collaborative linkage of agriculture and industry through research (multiannual programme for biotechnology-based agro-industrial research and technology development)
ECOS	European city cooperation system
EDA	Engineering design activities
EDF	European Development Fund
EDI	Electronic data interchange
Edicom	Commerce electronic data interchange
Edifact	Electronic data interchange for administration, commerce and transport
EDU	Europol Drugs Unit
EEA	European Economic Area
EEIG	European economic interest grouping
EFICS	European forestry information and communication system
EFTA	European Free Trade Association
Ehlass	Community system of information on home and leisure accidents
EIB	European Investment Bank
EIC	Euro-Info Centre
EIF	European Investment Fund
Einecs	European inventory of existing commercial chemical substances
EMI	European Monetary Institute

EMS	European Monetary System
EMU	Economic and monetary union
Enrich	European network for research in global change
EPHOS	European Procurement Handbook for Open Systems
Erasmus	European Community action scheme for the mobility of university students
ERDF	European Regional Development Fund
ESA	European Space Agency
ESF	European Social Fund
ESSI	European software and systems initiative
ETAN	European technology assessment network
ETSI	European Telecommunications Standards Institute
Euragris	European agricultural research information system
EURET	European research for transport (Specific research and technological development programme in the field of transport)
Eurocontrol	European Organization for the Safety of Air Navigation
Eurolib	European library project
Eurotech Capital	European technology private capital
Eurotecnet	Community action programme in the field of vocational training and technological change
FADN	EEC farm accountancy data network
FAO	Food and Agriculture Organization of the United Nations
FIFG	Financial instrument for fisheries guidance
FLAIR	Food-linked agro-industrial research (specific research and technological development programme in the field of food science and technology)
FORCE	Action programme for the development of continuing vocational training
GATT	General Agreement on Tariffs and Trade (UN)
GCC	Gulf Cooperation Council
GFCM	General Fisheries Council for the Mediterranean

GSP	Generalized system of preferences
HCCNM	High Commissioner on National Minorities
Helios	Community action programme for disabled people (handicapped people in the European Community living independently in an open society)
IAEA	International Atomic Energy Agency (UN)
IBC	Integrated broadband communications
IBRD	International Bank for Reconstruction and Development (World Bank) (UN)
IBSFC	International Baltic Sea Fishery Commission
ICCAT	International Convention for the Conservation of Atlantic Tunas
ICES	International Council for the Exploration of the Sea
IDA	Interchange of data between administrations
IEC	International Electrotechnical Commission
IEFR	International Emergency Food Reserve
IMF	International Monetary Fund (UN)
IMP	Integrated Mediterranean programme
Impact	Information market policy actions (plan of action for setting up an information services market)
INRO	International Natural Rubber Organization
INSIS	Community interinstitutional integrated information system
INTAS	International Association for the Promotion of Cooperation with Scientists from the Independent States of the former Soviet Union
Interprise	Initiatives to encourage partnership between industries and services in Europe
Interreg	Community initiative concerning border areas
ISDN	Integrated services digital network
ITC	International Trade Commission (United States)
ITER	International thermonuclear experimental reactor
ITTO	International Tropical Timber Organization

IWC	International Whaling Commission
JESSI	Joint European submicron silicon initiative
JET	Joint European Torus
JICS	Joint Interpreting and Conference Service
JOPP	Joint venture PHARE programme
JOULE	Joint opportunities for unconventional or long-term energy supply (specific research and technological development programme in the field of energy — non-nuclear energies and rational use of energy)
JRC	Joint Research Centre
Konver	Programme to assist areas affected by the rundown of production for military purposes and of military installations
LIFE	Financial instrument for the environment
Lingua	Programme to promote foreign language competence in the European Community
MAST	Marine science and technology (specific research and technological development programme)
Matthaeus	Specific common programmes for the vocational training of customs officials, with regard to inward processing, temporary admission and transit
MED-Campus	Programme to support development cooperation schemes between the universities and higher educational establishments of Europe and the Mediterranean non-member countries (MNCs)
MED-Media	Programme to support cooperation between media institutions, organizations and companies in the Community and in the Mediterranean non-member countries (MNCs)
MED-Urbs	Programme to support cooperation between local authorities in the Community and those in Mediterranean non-member countries (MNCs)
MEDIA	Action programme to promote the development of the European audiovisual industry
MFA	Multifibre Arrangement (arrangement regarding international trade in textiles)

Monitor	Community programme in the field of strategic analysis, forecasting and evaluation in matters of research and technology
MOU	Memorandum of understanding
NAFO	Northwest Atlantic Fisheries Organization
NAFTA	North American Free Trade Agreement
NASCO	North Atlantic Salmon Conservation Organization
NATO	North Atlantic Treaty Organization
NCI	New Community Instrument
NET	Next European Torus
NGO	Non-governmental organization
NIP	National indicative programme
NPT	Treaty on the non-proliferation of nuclear weapons
OCTs	Overseas countries and territories
ODIHR	Office for Democratic Institutions and Human Rights
OECD	Organization for Economic Cooperation and Development
OICVP	Veterinary and Phytosanitary Inspections Office
ONP	Open network provision
OPET	Organization for the promotion of energy technologies
Ouverture	Cooperation network with East European regions
PEDIP	Financial assistance for Portugal for a specific industrial development programme
PETRA	Action programme for the vocational training of young people and their preparation for adult and working life
PHARE	Poland and Hungary — aid for economic restructuring
PISC	Project for inspection of steel components
Poseican	Programme of options specific to the remote and insular nature of the Canary Islands
Poseidom	Programme of options specific to the remote and insular nature of the overseas departments

Poseima	Programme of options specific to the remote and insular nature of Madeira and the Azores
PRO	Protracted refugee operation (UN)
R&TD	Research and technological development
RACE	Research and development in advanced communications technologies in Europe
Rechar	Community initiative concerning the economic conversion of coal-mining areas
Recite	Regions and cities of Europe
REGIS	Community initiative concerning the most remote regions
Renaval	Community programme to assist the conversion of ship-building areas
RETEX	Community initiative for regions heavily dependent on the textiles and clothing sector
SAVE	Specific actions for vigorous energy efficiency
SCENT	System for a customs enforcement network
SDC	Sustainable Development Commission (UN)
SDRs	Special drawing rights (IMF)
SIGL	Integrated licensing system
SPA	Special programme of assistance for sub-Saharan Africa
SPEAR	Support programme for a European assessment of research
Sprint	Strategic programme for innovation and technology transfer
Stabex	System for the stabilization of ACP and OCT export earnings
Sysmin	System for the stabilization of export earnings from mining products
Systran	Computer translation system (system translation)
TAC	Total allowable catch
TACIS	Programme for technical assistance to the Commonwealth of Independent States

TAM	Trade assessment mechanism
TARIC	Integrated Community tariff
TEDIS	Communications network Community programme on trade electronic data interchange systems
Teleman	Research and training programme on remote handling in hazardous or disordered nuclear environments
Tempus	Trans-European mobility scheme for university studies
TENs	Trans-European networks
Thermic	Projects for the promotion of energy technology
TIDE	Technology for the socioeconomic integration of the disabled and elderly people
TNA	Telematics networks between administrations
TPA	Third-party access (to gas and electricity distribution networks)
UDEAC	Central African Customs and Economic Union
UMOA	West African Monetary Union
UN	United Nations
UNCED	United Nations Conference on Environment and Development
Unctad	United Nations Conference on Trade and Development
UNEP	United Nations Environment Programme
Unesco	United Nations Educational, Scientific and Cultural Organization
UNHCR	United Nations High Commissioner for Refugees
UNIDCP	United Nations International Drug Control Programme
UNIDO	United Nations Industrial Development Organization
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
VALUE	Specific programme for the dissemination and utilization of research results (valorization and utilization for Europe)
WEU	Western European Union
WFP	World Food Programme (UN)

WHO	World Health Organization (UN)
WIPO	World Intellectual Property Organization (UN)

Publications cited in this Report

General Report on the Activities of the European Communities
(abbr.: General Report), published annually by the Commission

Works published in conjunction with the General Report:

- *The Agricultural Situation in the Community*
(abbr.: Agricultural Report), published annually
- *Report on Competition Policy*
(abbr.: Competition Report), published annually

Bulletin of the European Communities
(abbr.: Bull. EC), published monthly by the Commission

Supplement to the Bulletin of the European Communities
(abbr.: Supplement ... — Bull. EC), published at irregular intervals by the Commission

- 1/93 Address by Jacques Delors, President of the Commission, to the European Parliament on the occasion of the investiture debate of the new Commission
The Commission's work programme for 1993-94
The Commission's legislative programme for 1993
Joint declaration on the 1993 legislative programme
- 2/93 The challenge of enlargement — Commission opinion on Norway's application for membership
- 3/93 *The future development of the common transport policy*
- 4/93 The challenge of enlargement — Commission opinion on Malta's application for membership
- 5/93 The challenge of enlargement — Commission opinion on the application by the Republic of Cyprus for membership
- 6/93 *Growth, competitiveness, employment — The challenges and ways forward into the 21st century — White Paper*

Official Journal of the European Communities
Legislation series (abbr.: OJ L)
Information and notices series (abbr.: OJ C)
Supplement on public works and supply contracts (abbr.: OJ S)

Reports of Cases before the Court

(abbr.: ECR), published by the Court of Justice in annual series, parts appearing at irregular intervals throughout the year

**All the above publications are printed and distributed through
the Office for Official Publications of the European Communities,
L-2985 Luxembourg**

Annual Report of the European Investment Bank

published and distributed by the EIB,
100, boulevard Konrad Adenauer
L-2950 Luxembourg

European Communities—Commission

Twenty-seventh General Report on the Activities of the European Communities—1993

Luxembourg: Office for Official Publications of the European Communities

1994 — XXVII, 518 pp. — 16.2 × 22.9 cm

ISBN 92-826-7187-9

Price (excluding VAT) in Luxembourg: ECU 25

The General Report on the Activities of the European Communities is published annually by the Commission as required by Article 156 of the EC Treaty, Article 17 of the ECSC Treaty and Article 125 of the EAEC Treaty.

The Report is presented to the European Parliament and provides a general picture of Community activities over the past year.