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## Foreword

The years ahead will be decisive for the European Communities, and for the Economic and Social Committee, as 1 January 1993 is moving ever closer.

For the Economic and Social Committee, completion of the single internal market is a matter of prime importance. If the appropriate measures are taken, completion of the internal market will inevitably boost economic growth and competitiveness in the Community. However, not only the more affluent sectors, regions and professions must benefit from this, but also employment, consumer protection and development in the less-favoured regions and those grappling with adaptation problems.

In Hanover the 'social dimension' of the internal market was for the first time a central subject for discussion by the European Council, and social back-up measures are now recognized as one of the focal points of debate. This necessarily means involving the social partners in the building of the internal market, as its aims and the necessary social back-up measures cannot be realized without comprehensive cooperation from those components of society which the Committee represents. To this end I am determined to consolidate the role of the Economic and Social Committee in the EC's institutional structure and to use all the powers vested in it by the Single Act and the Treaties of Rome to enhance its influence.

But the internal market is only one of the challenges facing the Committee. Another is the need to create a 'social area' through which the serious problem of unemployment—above all, youth and long-term unemployment—can be alleviated, if not altogether cured. The introduction of new technologies must not impede job creation; nor must industrial development stand in the way of environmental policy.

The further development of a balanced agricultural policy, continued work on an external trade policy which does not compromise domestic production, Community developments in the field of energy, research and new

technologies, the support of small and medium-sized firms, and further steps on the road to an economic and monetary union are also tasks of overriding importance to which the Committee must devote itself over the next two years.

The biannual meetings with the EFTA Consultative Committee and the annual meeting with the ACP countries' economic and social interest groups are also part and parcel of the ESC's wish to pursue a consistent, open external relations policy.

After the Euro-pessimism of the last few years the new mood of optimism and tangible enthusiasm for a Europe which is breaking out of stagnation must not be frustrated. This makes the task of achieving a 'citizens' Europe' all the more important for the Committee. This is essential if we are to build an effective European Community on the basis of social consensus.

Our proposals for a Community action programme for 1989-92 should contribute to the balanced and dynamic completion of the internal market. And for this back-up policies are needed, i.e. growth-orientated policies in the Member States, coupled with a tangible increase in private and public-sector job-creating investment, and real progress on taxes, especially as regards approximation of VAT and consumer taxes. Rules also need to be established for a 'European company' which will appeal to employers. And here arrangements must be made for keeping workers informed and giving them a say in the proceedings; at the same time existing national arrangements must be borne in mind.

The integration of young people into the life of the Community and a common vocational training policy are also necessary steps along the road to a dynamic, forward-looking internal market.

Institutional changes are needed: extension of the powers of the European Parliament, more concrete and effective involvement of the Economic and Social Committee in the Community legislative process, strengthening of the role of the social partners in the social dialogue, thus enabling citizens to be more actively involved at all levels. Our Resolution and the Commission President's request for a Committee Opinion on the Community Charter of Basic Social Rights illustrate the growing, vital importance of active integration of the social partners into the Community decision-making process and should inspire us to contribute with renewed commitment to the construction of a United Europe.

Alberto MASPRONE  
Chairman

Compared with previous years, 1988 has been a successful year. In the world as a whole there have been clear signs of reduced tension, and progress on European integration has also exceeded expectations.

After the disappointment of the Copenhagen Summit, the main obstacles to renewed progress by the Community were removed at the extraordinary summit held in Brussels on 11 February.

The crowning success of the German Presidency came at the Hanover Summit, where the main components of a new overall policy were approved: completion of the internal market, reform of the common agricultural policy, doubling of the resources of the structural Funds and an increase in the Community's budget.

The 30th anniversary of the Economic and Social Committee, celebrated on 1 June, was the occasion for a number of optimistic speeches, in which the heads of the Community institutions stressed the importance of social consensus for the success of Community policy, an area where the Economic and Social Committee has a major role to play.

The favourable prospects held out by the Cecchini report, which was presented on the same occasion and questions arising in connection with 1992 caused the Committee to adopt a resolution proposing a Community action programme for the period 1989-92 to meet the challenges and opportunities connected with completion of the internal market.

During 1988 all sections of the population became familiar with the prospect of a 'Europe without internal frontiers', thanks in part to the evocative power of the target date, 1992. Draft Community legislation paving the way for the internal market meant a growing number of referrals to the Committee. Thanks to the combined efforts of members and the Secretariat, the Committee was able to produce all its opinions on time. This is of course vital if the Committee is to play an effective part in the Community decision-making process under the new procedure introduced by the Single Act. The Committee's opinions on tax harmonization proposals have had a particular impact.

The interest in '1992' has been reflected in a large increase in the number of delegations—both from inside and outside the Community—received by the Committee and in the Committee's participation in numerous national and regional symposia and briefing sessions for socio-economic organizations, institutions and interested citizens.

The internal market discussions have not been restricted to the economic aspects of European integration. More and more attention has been paid



this year to social dialogue. Despite the signs of economic recovery the Community is still faced with high unemployment. This raised the issue of a policy giving priority to jobs and aroused concern among workers as to the possible impact of a single market on employment in sectors and regions where adaptation and increased competition could pose problems.

Although the Committee's members represent highly diverse interests, in many cases opinions on specific policy proposals were adopted unanimously or by a large majority.

Although there was praise for the quality of the Committee's opinions from the other Community institutions, the Committee is still not getting its message across sufficiently to the public at large. None the less, there was significant progress in this area in the course of the year.

The Committee's external relations, e.g. with EFTA, the ACP and other non-Community countries, also reflected the worldwide interest in completion of the internal market.

In the years to come there will be many more problems for Europe to solve and a continuing need for cohesion and dialogue.

Thanks to the commitment of its members and the quality of its Secretariat, the Economic and Social Committee has proved that it can make a major contribution to this process. If it is given resources and is able to make the impact needed for its task, the Committee, as the forum for the economic and social interest groups, will play a dynamic part in the building of a 'citizens' Europe'.

Fons MARGOT  
Chairman 1986-88

## CHAPTER I

# Role and influence of the Committee

### MAIN EVENTS

The transition from 1988 to 1989 marks a watershed in the ESC's history. On 9 November 1988, Commission President, Jacques Delors, wrote to the Committee asking it to adopt an opinion in early 1989 containing proposals to the Community institutions for the establishment of a Community Charter of Basic Social Rights. Explaining his initiative to the European Parliament, Mr Delors said that the ESC was 'the forum *par excellence* for consultation between the social partners'.

In response to the Commission President's challenge, the ESC set up a subcommittee chaired by Mr Ceyrac (Employers, France). François Staedelin (Chairman of the Workers' Group, France) was appointed rapporteur.

This development was made all the more relevant by the statement which Mr Blanchard, Director-General of the ILO, made to the Plenary Session on 15 December. Mr Blanchard warned the ESC against drawing up a social charter falling short of existing international labour conventions. He would prefer to see a Committee proposal based on certain standards contained in the ILO conventions and in the Council of Europe's social charter, accompanied by a solemn Community declaration.

Even as Jacques Delors was giving the ESC a historic opportunity to increase its influence, the Committee was itself taking the initiative. At its 260th Plenary Session, on 23 November, the Committee adopted a resolution on an EEC action programme for 1989-92 (voting was 120 votes for, 23 against and 9 abstentions). The rapporteur was Mr Ceyrac.

The ESC identified as the highest priority an employment policy accompanied by a reorganization, or even a reduction, of working time, provided that this did not affect business profitability. The resolution also called for substantial progress on taxation, *inter alia* with regard to the approximation of VAT and excise duty rates; European company rules on infor-

mation, consultation and participation rights for workers which would take account of the diversity of national practices and conditions; forecasting of the demand for labour; and a genuine policy for rural areas as a backup to the common agricultural policy, etc.

But the resolution went further than this in identifying the institutional repercussions of these priorities, for example an increase in the powers of the European Parliament.

Speaking in the debate on the resolution, Mr Delors called on the ESC 'to play a greater role as regards technical expertise, but also as regards expertise in the most noble sense of the term, the result of comparing several points of view'.

It should be noted that in January 1988 the ESC adopted a resolution (by 85 votes for, 27 against and 14 abstentions) calling on the Heads of State and/or Government not to jeopardize by further delays the completion of the internal market. This followed the failure of the Copenhagen Summit—and preceded the success of the extraordinary Brussels Summit.

### **Relations with the institutions**

Several Ministers and Presidents-in-Office of the Council presented their programme to the Committee or took stock of their respective presidencies.

On 24 February, the German Secretary of State for the Economy, Mr von Wartenberg, gave an account of the extraordinary Brussels Summit and outlined the German Presidency's programme.

On 6 July, Mr Bangemann, German Minister for Economic Affairs, reviewed the German Presidency, stressing the role played by the ESC in ensuring that the social dimension of the internal market finally was a major item on the agenda for a European Council (the Hanover Summit). He was immediately followed by the Greek Minister for Labour, Mr Yenimatas, who had come to present the Greek Presidency's programme, which was subsequently reviewed by the Deputy-Minister for Labour, Mr Moralis in his capacity as President-in-Office of the Council.

The ESC was also gratified, however, to receive visits from members of the Commission. At the February Plenary Session, Mr Marin outlined what he saw as the repercussions of the extraordinary Brussels Summit for the European social area, referring in passing to the role played by the Beretta report, adopted by the Committee in 1987. In March, Lord

Cockfield spoke in the debate on progress towards the internal market. In April, it was Mr Andriessen's turn to speak during a debate on farm prices. In June, Mr Schmidhuber contributed to the discussion on the economic situation in the Community. Mr Sutherland took part in a debate on control of concentrations. On 11 November, Mr Cheysson addressed the Section for External Relations. He was followed by Mr Mallet, Chairman of the European Parliament's Committee on External Economic Relations, evidence of the closer ties between the Parliament and the ESC. In January, the President of the European Parliament, Lord Plumb, addressed the Committee after Mr Delors had presented the Commission's programme for 1988.

### **Key events**

Together with the German Minister for the Environment, Mr Töpfer, Lord Plumb and Mr Delors also attended the ceremony held at the June Plenary Session to celebrate the ESC's 30th anniversary.

On this occasion, the ESC Chairman, Mr Margot, expressed the hope that the ESC might be recognized as a full institution: 'Now that the Parliament is elected by universal suffrage, and is in the process of becoming a fully-fledged legislative body, it is fair to ask whether the time is not ripe to recognize the Committee as a full consultative council in all European institutions, granting its members the status commensurate with their duties and responsibilities.'

Speaking in the debate, Lord Plumb said: 'In June 1989, the citizens of the European Community will be called on once again to elect the Members of the European Parliament, and thus to express their support for the objectives which the Commission, Council and Parliament have together defined for the Community. I am convinced that the economic and social interests which you represent share these objectives, with the implementation of which you are institutionally associated.'

Mr Delors said that the ESC was playing an irreplaceable role in the search for dynamic compromise. The question of the Committee's status would no doubt be raised again in the institutional deliberations between now and 1993.

Mr Cecchini, author of the report on the cost of 'non-Europe' and the advantages of the single market in 1992, was also present at the ceremony, having already presented his report.

## **Main opinions and reports**

Two series of opinions attracted particular press coverage: the opinions on tax in July and the social opinions in September.

**Tax:** Approximation of the rates and harmonization of the structure of indirect taxation; approximation of VAT rates; convergence of VAT rates; a VAT clearing mechanism for intra-Community sales; removal of tax frontiers; consumer taxes on cigarettes and tobacco and rates of excise duties on mineral oils and alcoholic beverages.

**Social:** Safety and health of workers using machines; personal protective equipment; safety of VDU users; the handling of heavy loads involving the risk of back injury for workers.

Numerous own-initiative opinions were also adopted: trans-frontier problems affecting the labour market; Community transport and transit through Austria, Yugoslavia and Switzerland; the general safety requirement for products; upland areas; relations between the EEC and the State-trading countries, etc. Several reports were adopted including one on the debt problems of the ACP countries.

## **New Chairman**

Mr Masprone (Employers, Italy) was elected Committee Chairman at the October Plenary Session. Mr Masprone is a long-standing Deputy-Director of the Confederation of Italian Industry (Cofindustria). Mr Jenkins (Workers, United Kingdom), Deputy-Secretary of the International Department of the TUC and Mr Hovgaard-Jakobsen (Denmark, Various Interests) were elected Vice-Chairmen.

## Work of the Committee

### 1. AGRICULTURAL AND FISHERIES POLICY

#### **Agricultural policy**

During 1988, the Commission further developed its strategy of CAP reform, in accordance with the guidelines which aim essentially to:

- (i) implement a restrictive pricing policy designed to solve the budgetary problems caused by increases in the cost of the common agricultural policy;
- (ii) help to contain the burgeoning agricultural production by reducing the level of guarantee, confirming the application of quota mechanisms for some crops, withdrawing agricultural land from production, and extensifying and converting production towards products for which real market demand exists;
- (iii) restore to the Community intervention mechanism its original function as a tuning instrument for short-term trends, by correcting its tendency—which has become increasingly pronounced over the years—to operate as an absorption mechanism which generates surpluses.

This is a turning-point which will have significant effects on the socio-economic balance in the Community's agricultural and rural areas; the change was made inevitable by the steadily declining situation on the international markets, the persistence of serious disagreements with the United States of America, and the fear within the Community that agricultural expenditure was developing an explosive momentum of its own.

The Committee, which in previous years had endorsed the Commission's analysis of the situation and the general thrust of its proposed strategy, continued to discuss the subject, examining the ways in which these objectives were to be achieved and mediating between the very different views on the subject which those involved often hold.

It is therefore in the perspective of this coherent long-term project—advocated for a number of years and to be carried out in the context of the objectives and principles of the CAP—that the Committee, in two successive Opinions, has assessed the system of 'financial stabilizers', coming out in favour—by a large majority—of the adoption of effective measures to contain and control surplus production and agricultural expenditure.

Realizing that the surplus situation which now besets a number of products requires new and bold decisions, the Committee argued essentially for a careful, modulated use of the stabilizer instrument, i.e. one which takes account of the actual market situation for individual products and of the social and economic effects of such measures on farm producers and workers.

As the reform package emerged more clearly with the proposals on the fixing of common prices for the 1988-89 season and related measures, the Committee saw its reservations confirmed by measures which, above and beyond the stabilization of expenditure and market balance, penalize farmers by a restrictive pricing policy (freezing of intervention prices and implementation of production ceilings) which causes excessive loss of income.

In the Committee's view :

- (i) the stabilizer instrument should be more flexible, allowing measures to balance out the surplus and deficit products of different seasons;
- (ii) prompt measures are needed to improve the quality of food products;
- (iii) the Commission must meet the European Council's call to make provision, in the context of the Uruguay Round and in accordance with the GATT, for an adequate solution to the problems facing the Community as a result of the import of cereal substitutes, oilseeds and protein plants;
- (iv) greater encouragement must be given for marketing and processing structures, the transport system, infrastructure, agricultural credit and the best alternative use for agricultural resources no longer necessary for food production;
- (v) it is necessary to encourage closer cooperation in economic and monetary policy so that exchange rate fluctuations do not prejudice the common level of farm prices.

Similar concerns underpinned a Committee Opinion on the proposed amendments to the market organization for sheep and goatmeat and beef and veal.

The Committee did not neglect to endorse the implementing provisions for Regulation (EEC) No 2052/88, as regards the Guidance Section of the EAGGF.

Notwithstanding the fact that the EAGGF Guidance Section, closely coordinated with other structural Funds, must remain an integral part of the CAP and continue to reflect the general political objectives of that policy, stress is also placed on its function as a vehicle for redistributing resources in the Community and therefore as an intervention instrument designed mainly to help farmers in the most disadvantaged regions.

In this context, the Committee approved the aims underpinning the research programme on competitiveness of agriculture and better management of agricultural resources. Measures to encourage agriculture in disadvantaged areas form part of the broader backcloth of European cohesion, rectifying the imbalance between favoured and less-favoured regions.

However, as the ongoing reform of the CAP affects all regions of the Community, it is necessary to ensure that the traditional functions of the EAGGF remain at an adequate level.

Concern that rural areas might suffer a decline in agricultural activity—with job losses in agriculture and related sectors, as well as the risk of irreparable environmental damage—lay behind the Committee's highly critical Opinion, adopted by 107 votes for, 2 against and 19 abstentions, on the set-aside of agricultural land as part of the CAP reform measures. The Brussels European Council regarded this measure as a necessary complement of the stabilizer mechanisms. The Committee, however, felt that it was of dubious corrective value, unless accompanied by (a) adequate premiums for the set-aside of land with high productive potential, (b) a proper procedure for rotation of the arable land set aside, and (c) the introduction of adequate controls which would, however, be extremely difficult and burdensome for the Member States. In the absence of such controls, even the possible corrective effect of set-aside would be vitiated by more intensive farming of the land which continued to be cultivated.

In southern Europe, production of nuts could offer a useful alternative to surplus crops, and would also help protect the environment and conserve the rural landscape. The Committee's Own-initiative Opinion on the subject stressed that this would however depend on the Commission



encouraging production of the varieties which the market and the processing industry demands. Steps would also be needed to strike a fair balance between Community production and imports from third countries.

In the animal health field, the Committee came out in favour of the Commission's proposed measures to combat enzootic bovine leukosis and facilitate intra-Community trade in cattle. Among other things, it called for further efforts to develop cheap, reliable and sensitive tests to eliminate the unfair competition between Member States with large herds and those with smaller herds.

The Committee supported the idea of eliminating veterinary checks at internal frontiers, and replacing them with checks at the point of departure and the place of destination. This was consistent with the aim of dismantling veterinary barriers to trade. However, the widely differing animal health situations within the Community and the financial implications meant that caution was needed.

Lastly, the Committee felt that more binding Community provisions on the marketing of compound animal feedingstuffs were vital in the run-up to the internal market, in order to open up trade in these products, with free competition and proper information for users.

The Committee had occasion to confirm its basic principles on the wine-growing policy to be followed in the Community: upholding quality, stepping up the drive to harmonize production conditions so as to iron out distortions of competition among the producer regions of the Community, and safeguarding traditional production conditions which are responsible for the quality and reputation of Community wines in Europe and throughout the world.

Using these principles as its yardstick, the Committee largely approved the Commission's amendments to the provisions regulating the market in quality wines produced in specific regions, and made a series of recommendations to strengthen the basis of the three specific criteria for production of such wines: region of production, production methods and vineyard yields.

To this end, the Committee also called for steps to improve monitoring methods at both Community and national levels, based on close cooperation among the bodies responsible.

The accession of Spain and Portugal to the Community provided an opportunity to review the demarcation of wine-growing areas in the Community. In an Own-initiative Opinion adopted with no votes against and only two abstentions, the Committee sought to point out to the Commission, as of now, the assessment criteria it regards as necessary to arrive at an appropriate demarcation, and the ideas which in its view should underpin this operation. The Committee essentially recommended that it be based on the fundamental principles which have guided the present classification, extending it to the new Member States and refining the criteria to take account of the features peculiar to Spain and Portugal.

### **Fisheries policy**

Despite the fact that fishing is a vital activity for about 250 000 fishermen operating in the Community, and that the sector as a whole is particularly complex and therefore different from any other activity, the common fisheries policy is still incomplete, and above all lacking in social aspects.

Measures to maintain fishery resources (fishing bans), the setting of standards, and massive imports from third countries whose operating costs are far below those of the Community are seriously affecting fishermen's incomes, with significant economic risks for regions with a strong fishing tradition.

Faced with this situation, the Committee's Own-initiative Opinion on the social aspects of sea fishing pointed out to the Community institutions the main areas where practical social measures for the sea fishing sector should be implemented:

- (i) vocational training for future fishermen, with Community action programmes aiming to implement common guidelines;
- (ii) further training for fishermen already working;
- (iii) an overall employment policy for the sector, and a commitment to the safety and job security of its workers;
- (iv) social parity with other Community workers, taking account of the special nature of fishing activity;
- (v) adoption of the safety measures applicable to fishing vessels and their crews;
- (vi) analysis of the different remuneration systems, and fixing of a minimum guaranteed wage where necessary;
- (vii) harmonization of pension rights;

(viii) introduction of a paid rest-period on land, and a general improvement in the living conditions of fishermen and their families.

The 1992 deadline requires the establishment of an appropriate harmonized framework within which the sea fishing sector can adapt to market trends.

This was clear to the Committee when it examined, in two further Own-initiative Opinions, the market situation in the herring and sardine sectors.

For herrings, the Committee concluded that appropriate joint measures were needed at Community level to:

- (i) have the Customs authorities of the Member States carry out stringent checks on the spot to make sure that importers are complying with the rules on the reference price;
- (ii) set up a Community research programme to improve quality standards;
- (iii) apply quality standards to imports, particularly those transported by road;
- (iv) consider the case for authorizing klondijkers, using a system similar to that used in Ireland;
- (v) finance research to develop new consumer products based on herrings;
- (vi) study ways of overcoming obstacles to the export of frozen and canned herrings to the markets of the Middle East and developing countries;
- (vii) consider the possibility of allowing industrial fishing in future, and regulating the present system;
- (viii) take practical steps to promote alternative uses for herrings in food products and pharmaceuticals.

The Committee's investigation of the sardine sector highlighted the difficulties besetting the industry, which risked jeopardizing the employment and the tradition of entire regions of the Community.

These difficulties arise from Portugal's accession to the Community and the preferential trade agreements which the Community has concluded with certain third countries.

The Committee urged the Commission to continue to monitor closely developments in the sector, in order to frame a coherent policy taking

account of the new situation and the differing circumstances within the Community. The situation was such that the only way to improve quality and innovation, and diversify production, was to mobilize financial, human and technical resources. This called for special measures, providing for the full participation of all those working in the sector.

The Committee considered the health aspects of the fisheries sector in an Opinion on Commission proposals for measures to avoid the risks caused by the consumption of fresh fish infested with nematodes. The Committee stressed the importance of proper consumer information, and the difficulty of applying *ad hoc* measures outside the broader context of a health policy for the sector.

## 2. TRANSPORT POLICY AND TELECOMMUNICATIONS

During 1988 the Committee closely monitored the development of the common transport policy, especially road and air transport and Community transit traffic. The development of a common market in telecommunications services and equipment was also to the fore. Committee work on these subjects has been made considerably easier by contacts with the Commissioner for transport policy, Mr Clinton Davis, Commission representatives, MEPs and European Parliament staff. The Transport Section was also briefed on two occasions about the progress of proposals before the Council. This involved personal contacts with the Presidents-in-Office of the Transport Council (Mr Warnke on 9 March 1988, and Mr Haralambous on 7 December 1988).

### **Road transport**

In June 1988 the Transport Council decided to create, by 1 January 1993, a common market for road haulage, free of all quantitative restrictions. The Committee could only welcome the Council's decision with certain riders concerning the need to harmonize certain rules affecting competition conditions, as reflected in a number of Committee opinions.

The Council decision on the liberalization of road transport has heightened the urgency of drawing up 'related measures'. In 1988, the Committee therefore considered some of these related measures, put forward in the framework of tax, social and technical harmonization. The Committee also dealt with measures aimed at securing the right of establishment and freedom to provide services, e.g. proposals concerning admission to the occupation of road haulage operator.

The Committee's Opinion on tax harmonization (Rapporteur: Mr Rouzier) welcomed the principle of 'territoriality', which links infrastructure costs to the roads actually used by the haulier, rather than the road network in the vehicle's country of registration. Committee support for the territoriality principle by no means implies that the ESC is convinced of its feasibility or that it will necessarily endorse future proposals on the form of the tax system. The Committee will voice its views on this aspect when the Commission submits a concrete proposal.

The Committee (Rapporteur: Mr von der Decken) welcomed the draft Directive aimed at obliging Member States to phase out disparities between controls and to increase the efficiency of provisions regulating road haulage, driving and rest-periods (Regulations No 3820/85 and 3821/85). However, the Committee considered that until the Member States implemented an efficient monitoring system any Commission proposal aimed at amending the two social regulations, i.e. introducing new definitions for driving periods, breaks and rest-periods, was not justified.

The Committee Opinion on technical harmonization (Rapporteur: Mr Marvier) endorsed the harmonization of tyre tread depths for certain categories of motor vehicles and trailers. The minimum requirement for the safe use of tyres is put at 1.6 mm in all circumstances. The Committee (Rapporteur: Mr Perrin-Pelletier) also approved the draft Directive stipulating standards for rigid twin-axle vehicles (the maximum authorized weight for the whole vehicle—18 tonnes, as well as for the drive axle—11.5 tonnes). In the Committee's view, this proposal was fully consistent with earlier directives and accommodated the major economic, social and technical requirements which gave rise to these directives.

The Committee Opinion on measures aiming at coordinating and harmonizing criteria for admission to the occupation of carrier (Rapporteur: Mr Bleser) endorsed the general thrust of the Commission proposal specifying criteria for assessing good repute, financial standing and professional competence of prospective carriers. The Committee stressed that harmonization had to be brought about by raising, and not lowering, standards. It also expresses some criticism of the three abovementioned criteria.

The Committee felt that the criterion of good repute was too vague. Reference to infringements was not enough. Operators should only be excluded if convicted of serious, repeated offences against national, Community and international transport traffic laws, as well as labour legislation or social legislation.

In its Opinion on minimal financial requirements for carriers, the Committee felt that it was not enough to fix a financial guarantee, irrespective of its form. A healthy balance should be struck between the financial guarantee and the firm's obligations (especially bank commitments). The Committee also opposed exemptions designed to protect small firms. Financial guarantees were needed precisely to prevent a wave of financially precarious firms from swamping the market or remaining in business when they were not economically viable.

The Committee also floated the idea of introducing a certificate of professional ability or even a professional diploma for transport operators.

### **Air transport**

The Committee endorsed three draft Regulations designed to exempt certain agreements between airlines from competition rules. These exemptions which were part of the 'air transport package', adopted by the Council in December 1987, empowered the Commission to grant exemptions in respect of:

- (i) joint planning and coordination of capacity, revenue sharing, consultations on fares and slot allocation at airports;
- (ii) the joint purchase, development and operation of computer reservation systems (CRS);
- (iii) ground handling services.

The Committee's Opinion (Rapporteur: Mr Moreland) on CRS accepted that joint ownership by several airlines should not in itself be a source of abuse. Jointly owned systems were perhaps even less liable to abuse than those owned by a single airline. The Committee endorsed the draft Regulation granting immediate block exemption in respect of two systems, Galileo and Amadeus, which are already being operated by European airlines.

However the Committee stressed that jointly owned CRS must be competitive—any dominance by one system in a Member State must be a result of relative efficiency in a competitive environment. Where dominance was a reflection solely or mainly of the ownership of the CRS, the block exemption would be radically revised in 1991.

As far as the CRS code of conduct is concerned, the Committee welcomed the Commission's proposal as a means of ensuring that travel agents can provide the travelling public with objective and comprehensive air travel

information. The Committee took the view that the establishment of a code of conduct would have considerable influence on the operation of CRS both inside and outside the Community. It should be used as a basis for negotiation in international forums to establish an international code.

### **Intra-Community transit**

Community transit problems (via Switzerland, Austria and Yugoslavia) will have to be solved permanently in order to secure a single internal market and develop a common transport policy. The Council therefore authorized the Commission, on 7 December 1987, to open preliminary negotiations with the three transit countries.

The Committee expressed its views on this matter in an important Own-initiative Opinion (Rapporteur: Mr Cavazzuti). According to the Committee, there was no doubt that this area should be regulated by negotiations—and not by unilateral measures. Basic conditions of equality and non-discrimination would have to be restored for Community goods and traffic in transit through Switzerland, Austria and Yugoslavia. The Committee also called upon the Commission to adopt a clear-cut, firm and determined position in negotiations which should be approached in a spirit of understanding and practical cooperation.

When preparing this Opinion, the Committee took oral evidence in Venice from leading economic and social figures in Austria, Switzerland and Yugoslavia. This hearing, which testified to the importance the Committee attaches to transit problems, brought members into direct contact with representatives of the three countries in question, to take note of their respective positions and also to let the Committee's voice be heard. Separate talks were held with the EFTA Consultative Committee.

The Commission has repeatedly stressed how useful the Committee's Opinion has been in providing political and technical support for the Community negotiations.

In the light of the exploratory talks and in conjunction with a second phase of negotiations to be concluded by late 1989, an additional Opinion was issued setting out the Committee's exact position on this important matter. The Committee was pleased that the Commission had adopted a firm and resolute negotiating stance while at the same time evincing a spirit of understanding and a willingness to cooperate at a practical level. However, if negotiations with one of the transit countries ran into serious difficulties, the Committee agreed that reciprocal measures should be adopted and that these should be included in the wider context of the Community's general relations with the country in question.

## Telecommunications

In June 1988, the Council dedicated, for the first time, an entire meeting to telecommunications problems. It also announced that such meetings would be held on a regular basis in the future. The Council adopted *inter alia* a major resolution concerning the development of the common market for telecommunications services and equipment.

The Committee issued an Opinion (Rapporteur: Mr Rouzier) on the Commission communication which, referring to the wide discussions arising from the Green Paper, proposed the establishment of an action programme designed to gradually open up Community telecommunications markets to competition. The communication was basically a carbon copy of the Green Paper and the Committee reaffirmed in full the contents of its previous Opinion in which it had endorsed the Green Paper's essential aims, whilst reiterating criticisms of specific points. Where decisions on technical problems were likely to have an important social impact, the Committee recalled the need, among other things, for a wide-ranging social dialogue focused on the telecommunications sector.

The Committee also issued Opinions on the following important issues:

- (i) combined transport (support measures, agreements with certain third countries);
- (ii) inland waterway transport (structural improvements, mutual recognition of national boatmasters' certificates);
- (iii) the United Nations Convention on Ship Registration Requirements.

## 3. SOCIAL, FAMILY, EDUCATIONAL AND CULTURAL AFFAIRS

During the period in question there was a significant increase in the Section's workload due primarily to a substantial broadening of its remit, the implementation of the provisions of the Single Act, Article 118a in particular, and the implementation of the 'social component' of the completion of the internal market.

Contacts with the European Parliament were also strengthened during this period.

In its Opinion on social developments in 1987 the Committee once again highlighted the undisputed, chronic nature of mass unemployment in the



Community. Whilst *ad hoc* training and placement schemes had cut youth unemployment, adult and female unemployment had gone up. At the same time, overall employment had risen, notably in terms of part-time jobs where not all workers benefited from adequate social cover. Geographical disparities in unemployment levels had widened. Poverty was on the increase.

The main Community social policy initiatives in 1987 were either not binding or were hit by budget cuts. A number of draft directives were still blocked in Council.

The 'social dialogue' had continued, but required the support of Community institutions to define common minimum rights. At the same time, the increase in the resources of the structural Funds could help to tighten up social policy.

The Committee stressed that the building of a free and democratic Community rested on the priority principles of consensus and social justice.

In this connection, the issue of 'fundamental social guarantees', already discussed by the Social Council, now needed to be brought to the direct attention of the European Council. Likewise, the proper application and extension of Community citizens' rights needed to be guaranteed. Indeed, social policy goals and priorities formed an integral part of a people's Europe.

The Committee endorsed the draft framework Directive on occupational health and safety measures, supporting its introduction under Article 118a, whilst considering that more progressive EC-wide principles needed to be set out. The gradual alignment and upgrading of health and safety standards at work were indeed considered to be a vital social policy aspect of the completion of the internal market. The Committee also approved the five subsequent specific draft Directives:

- (i) on minimum safety and health requirements for the workplace (subject to clearer definitions and greater stress on information and consultation procedures);
- (ii) on safety of machines (considering that existing, as well as new machines needed to be covered by the proposal);
- (iii) on personal protective equipment (stressing the need to develop appropriate collective or professional agreements, to give priority to risk prevention and to assist small and medium-sized undertakings (SMUs) in order to improve their standards in this occupational health field);

- (iv) on visual display units (subject to a broader field of application); and
- (v) on heavy loads (subject again to a broader field of application concerned with back complaints resulting from manual handling of loads at the workplace).

In its Opinion on the protection of workers against the risks related to exposure to carcinogens, the Committee expressed its disappointment that the Commission's proposals did not provide adequate protection for workers' health and put forward various suggestions for improving such protection.

In its Own-initiative Opinion on cross-border labour market problems, the Committee stressed that, especially in the context of 1992, the situation in frontier areas, with a population of 48 million or 15% of the Community total, had been seriously underestimated. Their special transnational character and variety made them a microcosm of the key issues underpinning European integration.

The Committee particularly drew attention to such problems as:

- (i) the inadequate role of employment offices in these areas;
- (ii) recruitment via intermediaries, workers often not knowing who their employer will be;
- (iii) temporary, unregulated and ill-protected work in frontier areas;
- (iv) the lack of proper vocational facilities for frontier workers;
- (v) inadequate recognition of training or skills acquired;
- (vi) narrow interpretations of Community regulations concerning pension rights and social security benefits, and unclear EC definitions of sickness, family and maternity benefits affecting frontier workers;
- (vii) difficulties in initiating litigation in labour tribunals across the border or when an employer from a third country is involved;
- (viii) insufficient information exchange between neighbouring States of job vacancies and applications.

The Committee went on to recommend:

- (i) that the Court of Justice be given a higher profile and role in interpreting and determining the rights of frontier workers;
- (ii) the need for new implementing provisions and bilateral/multilateral agreements between Member States or with third countries, based on common criteria;

- (iii) the parallel need for inter-regional cooperation, based on delegated responsibilities for frontier regions;
- (iv) the need to align social security schemes and to reduce delays in the transmission of case files from one country to another, particularly in the case of pensions and family allowances, and to ensure that the right of free movement of workers is applied in practice.

In an Opinion on a fresh boost for culture in the European Community, the Committee endorsed the programme put forward by the Commission and argued that the debate on culture should not be restricted to 'insiders', 'professionals' and 'financial sponsors', since culture is a right and, as such, must be accessible to everyone.

The Committee also endorsed the Commission's proposed amendments to the Directives on the mutual recognition of diplomas (doctor, nurse responsible for general care, dental practitioner, veterinary surgeon and midwife) and took the opportunity to raise the problem of the lack of sectoral directives for other professional activities.

The Committee soundly endorsed the draft Directive completing the implementation of equal treatment for men and women both in statutory and occupational social security schemes. In so doing, it none the less pointed out that group insurance schemes and cash options relative to pension schemes needed to be taken into account, and that cases of marital breakdown and the rights of divorced persons needed more consideration. It further stressed the actuarial aspects of the proposal and the need for the financial impact of changes to be as neutral as possible.

The Committee welcomed the Commission proposal on protecting workers against exposure to biological agents.

Emphasizing the need (a) to rank prevention and safety measures and (b) to standardize the definitions and terminology, the Committee also recommended the minimum limits be fixed as soon as possible.

The Committee also believed that the Directive should be geared to the establishment of criteria for standardization between Member States, and should provide for the promotion of specialized and continuous training in techniques for preventing and detecting risks.

In an Opinion on education in the European Community (medium-term perspectives), the Committee took the view that the time had come for both national and Community educational policies to face up to the

challenges confronting the educational system and the people of Europe, as the Member States grew even closer together. This was particularly relevant against the background of the completion of the internal market and the accompanying changes designed to create a people's Europe and optimum economic and social conditions.

In particular, the Opinion welcomed the further stimulus to reflect on certain basic objectives for the education of the rising generation with a view to furthering the cultural and economic integration of the Member States, with the opportunities and challenges which this entails.

The Committee also noted that the Communication specifies the most pressing tasks which must be coordinated and dealt with as a prerequisite for freedom of movement and freedom of establishment throughout the Community. The Committee attached great importance to the work schedule for the period up until 1992 (i.e. the run up to the internal market).

In its Opinion on Comett II the Committee expressed the view that the increasing evidence of a dearth of highly qualified personnel in the new technologies and their application in all branches of the economy and public administration made it all the more important to continue the Comett programme and to build on the experience gained so far and the priorities derived from it.

The Committee considered that the emphasis should be placed on the need for the second phase of the programme to integrate more traditional sectors of industry as well as strategic high-tech sectors. It was pointed out, however, that the available funds were not commensurate with the objectives assigned to Comett.

The Committee broadly endorsed the Commission proposals for implementing the Regulation on the European Social Fund, regarding them as consistent with the aims of the reform of the structural Funds and with the priority objectives of helping to combat long-term unemployment and helping young people to find their first jobs.

However, the role of the socio-economic groups did not seem sufficiently well-defined or appreciated.

The Committee pointed out that the drawing up of integrated programmes for specific regions, mobilizing local, regional, national and Community resources and intended to modify the socio-economic structure of the regions concerned, could not and must not take place without the participation of the social forces which would later be involved in their implementation.

While approving the proposal for a Regulation on exceptional financial support in favour of Greece in the social field and noting the explanations given by the Commission, the Committee pointed out that because of the delays in implementing the programmes, it had not been possible to adhere to the initial forecasts. It underlined the importance of rapid and effective programme implementation and the optimum use of resources.

Pointing out that the contemporary European idea was born out of resistance to nationalistic tyranny, xenophobia and racism, the Committee expressed deep disappointment that the Community has no effective policy displaying a real political commitment to combat racism. It was not peoples but only States which were becoming united. Whilst progress towards 1992 and the abolition of commercial frontiers leapt ahead, human barriers and racial tensions had still to be broken down within the Community. Hence the Committee's insistence that all EC nationals, including those who are from ethnic minorities, are assured a share of and a future in a 'people's Europe', that rights of residence, freedom of movement and employment and the mutual recognition of diplomas and qualifications are applied across the board.

The Opinion recognized, however, that laws modify behaviour in the short term but can affect attitudes only in the long term. It therefore underlined the importance of education in countering racism and xenophobia, and the need for Member States to foster an 'ethos' through schooling.

The Committee also emphasized the importance of keeping proper records so that there could be adequate data for an EC information policy, monitoring levels of racial discrimination, harassment and disadvantage throughout the Community. Effective countermeasures could then be adopted, notably with the help and action of a named Commissioner responsible.

The Committee endorsed new updating of the Council Regulations and amending Regulation on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community.

#### 4. ECONOMIC, FINANCIAL AND MONETARY POLICY

##### **The economic situation in mid-1988**

It has become established practice for the ESC to issue two Opinions each year on the economic situation in the Community.

The first of these Opinions is drawn up on the ESC's own initiative, while the second is issued in response to a request from the Council and is based on a specific Commission document, namely the *Annual Economic Report* which is published around the end of October each year.

The aim of the Opinion dealing with the first six months of the current year is:

- (i) to inform the Council about the measures advocated by the Community's socio-economic organizations in the area of economic and budgetary policy (by delivering its Opinion at the end of the first six months of the year, the ESC makes its views on economic policy known to the Economic Policy Committee and the coordinating group at the Council in time for them to be taken into account in the final discussions on the preliminary economic budget);
- (ii) to serve as a guide to the Commission concerning the various positions of the socio-economic interest groups on economic questions when it is drawing up its *Annual Economic Report*;
- (iii) to briefly inform the economic and social councils and the socio-economic organizations of the Member States (through their representatives on the ESC) of how the ESC assesses economic developments in the Community as a whole. It is hoped that circulation of the Committee Opinion to the advisory bodies of the Member States will enable the latter to take account of this European position on economic policy and possibly incorporate it in their proposals to their national governments in connection with the national budget.

At the same time as the report on the economic situation in the Community, the Section for Economic, Financial and Monetary Questions draws up a report on the economic situation in the Member State holding the presidency of the Council in the first six months of the year in question. The country this year is the Federal Republic of Germany.

The Committee took the view that the priority task of Member States' economic policies in 1988, against an international background of unusual instability, must be to free Europe's economy from the uncertainties in the short-term situation carried over from 1987. To this end, the national governments and Community institutions will have to coordinate the instruments of economic policy with a view to coherence and mutual support, in order to:

- (i) increase the rate of growth, which is at present too modest to bring down unemployment—now the economic indicator of social marginalization;

- (ii) help restore more stable relations between the major currency areas and financial markets;
- (iii) help significantly reduce international imbalances, thereby also alleviating their impact on the most vulnerable areas.

Stronger growth in Europe and greater macroeconomic convergence can revitalize the cooperative growth strategy for more employment, which has so far failed to achieve the results expected of it because of the lack of commitment from Member State governments.

In the Committee's view, the combined effects of convergence, coordination and harmonization can help secure balanced progress towards economic and social cohesion in the Community. At the same time, they can help ensure that the single internal market is completed by 1992 and that the potential and the stimuli it offers are fully exploited.

Action to boost the European economy can be based on:

- (i) the overall compromise reached by the European Council in Brussels on 11 and 12 February 1988, and
- (ii) the continuing upswing in the Community economy, confirmed by Commission forecasts.

Some ways of achieving more dynamic growth are proposed. In the short term, it is felt that the priority measures should be to:

- (i) sustain internal demands, by boosting investment and private consumption (particularly consumption by certain specific groups);
- (ii) improve overall and specific conditions for expansion-oriented investment and the innovative sectors, while encouraging a drop in real interest rates;
- (iii) further strengthen the EMS and expand the role of the ecu.

Turning to the question of international imbalances, the Committee recommends that the various cooperation instruments should be strengthened at both European and international levels and that the main trading partners should act together to tackle the real causes of these imbalances.

### **The Commission's *Annual Economic Report 1988-89***

In a chapter on growth, adjustment and international cooperation the Committee outlined the Commission's analysis, expressed the view that

overall measures to iron out imbalances in trade and the gradual process of adjustment between geo-economic areas were still at an early stage. It also noted that imbalances within the Community were growing, making the problem of adjustment more complex. At international level it was mainly the Central Banks who had restored stability to the financial markets and regulated exchange-rate parities by solid coordination of interest-rate policies.

Furthermore, the latent dangers inherent in excessive exchange-rate and interest-rate fluctuations remained; and the financial markets would again become unstable if the economic situation were to get out of control as a result of inadequate international cooperation or coordination.

The Committee called on the Community institutions to ensure that the domestic and external objectives of the major economic powers were compatible with the commitment made in the Plaza and Louvre agreements to cooperate on and coordinate economic policies.

At the same time, it called on the Commission to firmly oppose (and if necessary, to respond to) the use of trade legislation, such as the US Trade Act, in pursuit of aggressive, neo-protectionist policies at industrial and commercial levels.

In the international cooperation sphere, the Committee would accord continued priority to the following:

- (i) conclusion of multilateral agreements to help correct the imbalances. Reliable reference frameworks were needed for monetary policies and financial innovation as well as trade policies;
- (ii) pursuit of a policy which differentiated between the debtor nations, with debt-rescheduling and the renegotiation of debt-servicing terms;
- (iii) encouragement of the resumption of funding for the least-developed countries and the main debtor nations, by fostering a reduction in the nominal value of part of the multilateral, bilateral and commercial debt.

In the light of the results achieved, the Committee called on the Community institutions to play a more dynamic political role, harnessing the positive macroeconomic results to work in a way which (a) took a more balanced approach to development within the Community, and (b) was more in tune with the expectations of the developing nations.

The Committee then looked at the out-turn in 1988 and the Commission forecasts for 1989. It made analyses of various aspects and put forward some proposals.



Steps had to be taken to coordinate GDP growth targets. These steps should go beyond the control of demand and the management of monetary policies. They should also aim to influence the main supply-side policies (industrial policy, competition policy, aid arrangements, tax harmonization). Commission action to set medium-term economic objectives could be useful here.

With a view to consolidating the Community's future growth, particular attention had to be paid to the competitiveness and supply potential which structural adjustment measures would generate.

As regards structural policies, the Committee considered that Community and national structural policies were crucial to achieving and maintaining a high degree of economic and social cohesion. They must thus be implemented with greater urgency, in order to support dynamic economic activity and reduce the imbalance within the Community which allowed the country with the strongest economy to leech off the dynamism of its neighbours, thus reducing their scope for further domestic expansion.

Although it endorsed the Commission's idea of a 'partnership' between the structural Funds, the financial instruments and the new EIB Regulation, the Committee stressed the need to ensure the involvement and support of the socio-economic interest groups in the various procedures and stages of the measures.<sup>1</sup> Moreover, bearing in mind that the doubled structural Funds would still only represent 0.3% of total Community GDP, the Committee considered it of priority importance that the Funds be channelled to the least-developed regions.

At the same time, the Funds must also be directed at the least-favoured regions and those in industrial decline, in order to encourage the creation of new jobs.

A balanced system of national development aid in the most backward areas could sharpen up the use of the structural Funds at a macroeconomic level, while making them better able to attract capital microeconomically. If capital and savings from those Member States which were running large trade surpluses could be channelled into productive local investment, the resulting impact on wages would help close the development gap and strengthen the Community's economic and social cohesion. This capital could qualify for interest rebates and/or guarantees tied to the use of the structural Funds.

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<sup>1</sup> See the Committee Opinion on the coordination of the structural Funds (CES 1094/88, 27.10.1988).

The Committee also looked at market policies. Among other things it pointed out that the recommendations made in its Opinion on social developments in the Community in 1987<sup>1</sup> remained valid. The Committee stressed that the slight pick-up of employment in industry and the bigger rise in the service sector had been accompanied by a sharp rise in part-time work which—as the Commission noted—pointed to a degree of underemployment, although this was difficult to quantify.

Part-time work was obviously a positive phenomenon when it was freely chosen. However, the various forms of underemployment and undeclared work which fall outside labour legislation were a matter for concern.

The Committee also drew the Commission's attention to the large number of temporary jobs, filled by people who had no chance of finding other, more skilled employment.

Finally, a further boost to employment should come from measures designed to restructure and reduce working hours without sacrificing productivity.

Lastly, the Committee noted that marketable services had made an increased contribution to total added-value and aggregate investment. These services made a considerable contribution to employment and to job creation, despite the absence of a specific assistance policy at Community level.

The Committee turned to monetary and budgetary policy, noting that the cohesion of the EMS was still too vulnerable to factors outside the EMS area. Active use of interest-rate differentials could help achieve the corrections which would be needed to cope with any renewed instability of the dollar.

Nevertheless, a new monetary order between the main trading currencies was the only way to restore greater reliability to macroeconomic policy objectives.

Lastly, the Committee reiterated the need for common rules on the various links between financial markets and between currency and finance.

On the budgetary front, careful adjustment of income and expenditure could produce synergy. Account must be taken of the differing foreign trade balances and, more important, of the present differences in current balances within the Community.

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<sup>1</sup> OJ C 208, 8.8.1988, p. 21.

In the present climate of overall growth, the Committee saw signs of a potential structural inversion of economic development and growth.

In discussing the role of the institutions, the Committee considered that the priorities set at the Brussels and Hanover Summits would call for ever-increasing commitment in the next few years from the Member States; these had not displayed enough economic dynamism at a time when the two sides of industry had shown, as witness the Val Duchesse dialogue, that it was possible to build a European social dialogue.

The Committee felt that the degree of consensus achieved on the need for dynamic Europe-wide growth provided the bedrock for the economic and social cohesion which was vital to the successful completion of the internal market.

Growth and jobs, development and balance between regions, economic and social cohesion, and the completion of the internal market, were all interdependent.

Anything less than total success in any one of these areas would halt progress towards economic and monetary union.

The Committee reiterated that greater economic cohesion between the Member States was contingent on real coordination of economic, and not just monetary policies. It also supported the creation of an EEC financial area and the adoption of directives aimed at bringing about the unrestricted provision of services. It also favoured a study on the setting-up of an autonomous European central bank.

As regards social cohesion, the ESC would issue an Opinion on the package of proposals which the Commission had undertaken to prepare. For the moment, the Committee would point out that social cohesion was threatened by the serious underdevelopment of some regions (income ratios of 1:5; 30% unemployment in some areas; 20% of the EEC's population living in regions whose per capita GDP, expressed in terms of equal purchasing power, was 25% below the EEC average). Two other problems requiring greater consideration were the concentration of wealth and a better distribution of incomes.

The economic and social disadvantages suffered by the least prosperous areas of the Community must be tackled, first and foremost by achieving greater convergence of economic policies and by exploiting internally generated potential.

At the same time, the Committee stressed that direct, sustained involvement of the various social partners would be necessary in order to

achieve the degree of social cohesion sought by the Commission. Any guidelines for progress on working conditions, social protection, safety, consultation and information would have to involve a gradual alignment of the various national situations, whilst avoiding social dumping and/or the possible relocation of production centres.

In the Committee's view, the lower real wages and less comprehensive social legislation in some regions and production areas should not be viewed as comparative advantages, but as transitional stages in the completion of the internal market.

As part of the gradual upward convergence of social standards, social dialogue should also give thought to the content of possible European-level agreements and contracts.

The Committee urged the Commission, the Council and the European Parliament to revamp the budget from 1989 on, so that the allocation of funds was more in keeping with the policies recognized as priorities for boosting growth and jobs.

It had to be emphasized here that the level of budget allocations would determine:

- (i) the role which expectations played in investment decisions;
- (ii) the effects expected from back-up measures;
- (iii) the evolution of trade policies toward non-EEC countries;
- (iv) the possibilities for completing the internal market and achieving a high level of economic and social cohesion.

The Committee finally examined the procedures and structures required for a more effective annual economic report. To foster greater economic cooperation and ensure closer Community-wide cohesion, the Committee considered that, when dealing with Member States' economic policies, the Commission and Council should sharpen up the guidelines and directions contained in the annual economic report, as well as the monitoring procedures.

The Commission, for its part, could sharpen up the guidelines in its annual economic report, accompanying them with specific 'Black Papers' identifying the current discrepancies between expressed aims and actual results. This could help highlight the underlying trends in the Member States and, without casting any political judgments, stimulate the search for suitable joint corrective measures to achieve greater control over the main macroeconomic variables, while respecting the priorities of the Community as a whole.

Finally, bearing in mind that, in the Committee's view, the priority aim was still to achieve the highest possible level of employment and skills against a background of stable growth up the report on 'The cost of non-Europe' with similar forecasts regarding jobs.

The need for greater transparency during the transition towards a full internal market could be met by developing a dynamic input-output model to assess, using alternative technological scenarios, the input and structure of employment, the employment levels in different regions, and the technological changes necessary in education and training.

### **Removal of fiscal frontiers**

In eight Opinions on a package of Commission proposals relating to the harmonization of indirect taxation, the Committee fully endorses the aim of removing all frontiers and all border checks by 1 January 1993, including those checks now made for the collection of indirect taxes (VAT and excise duties). It is pleased that the Commission has adopted a pragmatic approach in this field.

None the less, the Committee states that it may be necessary to adopt some interim measures to obtain agreement from Member States, in particular derogations for zero-rating or for higher rates in countries with particular revenue needs. Although there is a case for an extended time period, it is generally desirable to work to the 1992 deadline.

The Committee regrets that the Commission has not found a solution to a whole array of technical problems (supervision of the actual collection of VAT in trade, budget and social problems, clearing system, etc.) which give rise to concern about whether the planned abolition of tax frontiers would actually be an improvement on the present situation, which is one of rigorous observance of equal competition in Community trade.

It is important that public support be generated for proposals to complete the internal market. Political leaders in the Member States should be engaged in stressing benefits which will arise following the completion of the internal market.

Quite independently of any criticisms of the various microeconomic proposals submitted by the Commission, tax convergence, which clearly must also include direct taxes and parafiscal charges, cannot be considered as an absolute prerequisite for the establishment of the single

market. This will require a global strategy (a) aimed at the parallel elimination of technical, physical, tax and administrative barriers, and (b) embracing essential macroeconomic back-up policies. 1992 is not the end of this process, but marks a new and significant phase along the way.

The five and six percentage point bands proposed in the draft Directive on the approximation of VAT rates appear to be too wide for goods and services supplied to final customers.

Since after the abolition of intra-Community frontiers final customers will be able to purchase goods freely in any Member State, competition may be seriously distorted by such differences in rates.

It must not be forgotten here that final consumers include not only private individuals but also public authorities, other organizations not entitled to deduct input tax and firms which, by virtue of being small etc., are not entitled to deduct input tax.

The proposed bands should therefore be narrowed. If not all Member States can approve an immediate reduction in the bands, the Commission proposal should be regarded as only a transitional scheme.

Apart from purely drafting changes, the Commission proposal on the removal of fiscal frontiers introduces some new rulings with certain material consequences. These primarily affect provisions which the removal of internal fiscal frontiers will render obsolete or which, if retained, would have undesirable results. The provisions on the taxation of credit institutions are among the most important articles.

The introduction of a VAT clearing mechanism for intra-Community sales is a working document rather than a draft directive. The Committee finds it complex and rather confused.

The term 'removal of fiscal frontiers' used by the Commission in its proposal is likely to arouse interest and enthusiasm. However, we must remain aware of the difficulties and constraints that lie ahead and avoid illusions. As Europe is still far from being a political unit, the single market will have to make allowances for the autonomy and prerogatives of the Member States. One of their main prerogatives is that of levying taxes.

On the other hand, it must be remembered that any system for levying taxes on business turnover will pose complex problems when it comes to monitoring. Checks are vital in order to ensure fair and equal competition.

Nevertheless, the Member States have officially undertaken to form a single European market. A market guaranteeing freedom of competition and reducing the administrative obligations of firms is therefore in the interests of all.

The elimination of tax barriers and the introduction of rules to ensure that VAT is collected as if the Community were one and the same country are scheduled for 1992; it might therefore seem that definition of a clearing system is not an urgent matter.

However, there are two reasons for making an immediate start on laying down the details of the clearing system: (a) it is a key component of the overall blueprint, and (b) Member States need to be given specific assurances that the new system will not place VAT revenue from imported goods in jeopardy and that VAT will continue to be charged on final consumption.

With regard to the process of convergence of VAT rates, by 1992 all Member States should have two VAT rates, varying within precise limits, and should set single excise duty rates. It therefore seems ill-judged simply to formalize the obligation not to widen existing divergences and to 'allow' movement towards the rates scheduled for 1992.

Given the difficulties which Member States have had in the past in amending their tax systems, there is a danger of arriving at 1992 with the present situation virtually unaltered. This would pose a serious threat to harmonization, as it would mean carrying out a complex and onerous operation in one fell swoop. It would seem more sensible to propose a directive which formally obliges all Member States to move gradually towards the final goal.

To this end, the present divergences from the harmonized rates (in minimum and maximum figures) should be calculated. They should then be phased out in annual stages to be calculated in percentage terms. Achievement of the final goal could even be scheduled for a date after 1992, as this would seem unlikely to seriously hinder the removal of tax frontiers and the completion of the single market.

Not only would gradual harmonization make the operation less risky and onerous; it would mean that the advantages and disadvantages could start being assessed at once.

With regard to cigarettes and manufactured tobacco products other than cigarettes, the lack of alternative schemes, the lack of data and analysis of the effects of different taxation regimes and other factors on the tobacco industry, and the failure to present proposals for the methods of assess-

ment and collection, together mean that the Economic and Social Committee finds it difficult to reach firm opinions on the current Commission proposals.

The aims of the Commission's proposals for the harmonization of rates of excise duty on mineral oil are welcomed. But the practical achievement of these objectives raises problems which the proposal for a Directive fails to solve or which could be solved differently.

Products subject to mineral oil excise duty are generally fuels or raw materials used as inputs for other products or services. In this sense mineral oil duty is different from other types of excise duty which are generally levied directly on the consumer good.

The adoption of an arithmetic average rate for petrol is not considered appropriate. A weighted average would reflect existing tax structures more accurately.

If, for example, as suggested in the global Commission communication on the harmonization of indirect taxes, the intention is to set up tax depots through which all taxable goods must pass when entering another Member State, this would amount to the retention of tax frontiers. This would radically alter the views expressed on the excise duty proposals. The Commission should therefore submit its proposals with regard to the method of distribution without delay.

Adoption of the proposal on alcoholic beverages and the alcohol contained in other products would result in the abolition of border controls, although a number of significant barriers would still remain. Since products would, as now, be taxed at the place of consumption, a system of customs depots, national identification tab procedures and special way bills would still be needed.

Needless to say, procedures and regulations should also be standardized in such a way that they are not dissimilar to arrangements already in force in each Member State.

In this connection we must regret the failure of the Commission to propose rules and regulations on customs depots or free warehouses.

### **Creation of a European financial area**

The complete liberalization of capital movements, like the free movement of goods and persons, is essential for completion of the internal market and necessary in order to improve the Community's economic competi-



tiveness. The very short deadline and the questions raised by the Commission itself do indeed make caution advisable, but must not call the objective into question.

It is becoming more and more difficult to conduct a coordinated Community policy with floating exchange-rate and fixed-parity currencies existing side by side. The Committee feels that at the same time as capital flows are liberalized the remaining non-EMS currencies should be brought into the system, subject to the commonly agreed margins of fluctuation. Entry into the system would, of course, only take place at the end of the transitional period in the case of those Member States covered by the provisions of Article 6 of the first proposal for a Directive (1990 for Ireland and Spain and 1992 for Greece and Portugal). Liberalization also presupposes greater economic cohesion at the earliest possible stage through greater coordination of the Member States' economic policies. It will also be necessary to develop the role of the ecu. The Community needs a common reference and reserve currency and a common means of payment. If the ecu is to fit the bill its role needs to be strengthened in two areas:

- (i) as a unit of account and medium of exchange which will help bring about greater stability in international trade;
- (ii) the ecu would probably also be more suitable than other currencies for intervening in external foreign exchange markets without accentuating the strains within the EMS.

Finally, there is the question of a Community institution to manage this policy. The role of this institution and its relations with national and Community bodies, and with the central banks of the Member States, need to be defined. The need to resolve these and other questions will probably mean the setting-up of a European Central Bank as a long-term project. But steps in this direction can be envisaged in the shorter term, e.g. a different system for issuing ecus and the setting-up of a European Monetary Fund.

In this context, the Committee held a hearing of the Chairman of the Committee of Governors of the Member States' Central Banks, and of the Governors of Central Banks (the Federal Republic of Germany, the United Kingdom, Belgium and the Grand Duchy of Luxembourg).

### **The Community's system of own resources**

The Committee issued two Opinions on the subject. In the first, it pointed out that world-wide stock-market and monetary disturbances currently

being experienced are aggravating the economic and social problems which have existed for a number of years, making it even more urgent for the Community to have the means needed for its policies. The Member States should not stint in granting those means. Political compromises are often necessary, but in this case it must be ensured that they do not lead to a resurgence of budgetary problems in the shorter or longer term.

But the Community also has a responsibility to the individual citizen who, ultimately, provides the finance which enables the Community to carry out its tasks. Financing should therefore be sufficient, but it should also be as equitable as possible, taking account of each Member State's ability to pay.

In the second Opinion, the Committee expressed regret at the changes made to the original drafts. It would at the very least have been desirable for the Commission to give reasons for the new choice of bases for the rates and of distribution of resources among the various components, and for it to explain more fully the effects of this choice.

Nevertheless, this compromise, in so far as it prevents a standstill in Community policy and enables completion of the internal market, with all that this implies, can only be approved in the Community's current situation. The momentum which it provides should enable the legitimate aspirations of all Community citizens to be fulfilled in due course.

### **Budgetary discipline**

Commenting on a communication from the Commission to the Council, the Committee points out that a strengthening of budgetary discipline would go hand in hand with any decision to increase own resources. In accordance with the position it took in its Opinion on Community financing, the Committee reaffirms that discipline is essential both in drawing up and in implementing the budget.

As proposed by the Commission, budgetary discipline involves an important agricultural component. The modalities, implications and consequences of this aspect are so closely bound up with the whole common agricultural policy that they cannot be disassociated from it. The agricultural aspect of budgetary discipline is therefore dealt with in the Committee Opinion on agricultural stabilizers.

The aim of budgetary discipline is also to restore balance to Community expenditure, since agricultural expenditure cannot increase more rapidly than the GDP. This means, however, that in real terms agricultural expenditure could at least be maintained at present levels. Moreover, the increase in resources made available for the structural Funds—particularly the Guidance Section of the EAGGF—should benefit the less-developed regions, where agriculture structures are more precarious.

The Committee confines itself here to approving the setting-up of a 'monetary reserve' in order to offset the budgetary consequences of exchange-rate fluctuations.

It would be advisable also to take account of possible parity changes within the EMS.

At all events, the implementation of budgetary discipline must be carefully balanced so that it does not act as an obstacle to achieving the aims of the Single European Act or the aims of Community external policy.

In general, this effort to restore budgetary order should be welcomed. If properly carried out, it should enable the Community to manage its increased resources over the next five years in such a way that its economic and social cohesion is strengthened.

### **Contribution from the general budget of the Communities to the ECSC to finance social measures connected with the restructuring of the steel industry**

The Committee approves the proposal for strengthening the social measures which are to accompany the moves to restore the steel market to normal and re-establish free competition between Community firms. However, it will be necessary to define an overall social policy which will be capable, in this case as in others, of coping with all the consequences of the restructuring measures made necessary by economic constraints.

The Committee supports the resolution adopted by the ECSC Consultative Committee on 21 June 1988 which requests that the transfer of customs duties be high enough to meet the overall requirements of the complementary social measures.

## 5. REGIONAL DEVELOPMENT AND TOWN AND COUNTRY PLANNING POLICY

### **Upland areas**

Two years' work carried out with the help of the 'Studies and Research' Directorate and with some outside cooperation culminated in the presentation in February 1988 of a lengthy report, analysing every aspect of the specific problems facing upland areas. Interest in this report was such that the Committee formulated recommendations, in the form of an Opinion, with a view to an integrated Community programme.

It should be stressed that the European Parliament has followed in the Committee's footsteps on this subject. Although the Commission has not yet acted on these institutions' recommendations, local bodies like the 'community for the defence of the interests of upland areas' have shown keen interest.

As a result, the Committee has decided to publish the Opinion and the Report on upland areas in the form of an illustrated brochure, available as from 1989.

### **12th ERDF Report**

This activity report is traditionally submitted to the Economic and Social Committee for its Opinion. The Committee appreciated the effects of the programme approach (2nd year of application of new Regulation), as it makes for better integration. The data relating to the use of the ERDF for development in Spain and Portugal were also welcomed. The 12th Report also contains initial indications concerning the STAR and Valoren Community programmes, and 'business innovation centres'.

As usual, the Committee was disappointed to see a disproportionate amount spent on financing infrastructures compared with directly productive, job-creating investment.

### **Supplementary Opinion on national regional aid**

In 1986 the Committee issued a very well documented Opinion on the subject of national aid. This time, in connection with the publication of the Commission's 17th Report on Competition Policy, the Committee confined itself to some supplementary comments, noting in the main the progress made as a result of Court of Justice judgments.

However, the Committee reiterated that there was still room for improvement in the Commission's criteria. Where exemptions were granted, the effectiveness of regional development should be monitored.

### **Reform of the structural Funds**

The Committee backed this reform, which should strengthen the economic and social cohesion of the Community in accordance with Article 130a of the Single Act.

Although it welcomed the increased financing, the Committee had certain reservations. It was concerned about the definition of the zones and the objectives in relation to each other; it was worried whether the highly desirable 'partnership' would operate harmoniously; and it regretted the absence of a single consultative committee responsible for all three structural Funds and acting as a channel for the recommendations of the social partners.

### **Reform of the ERDF Regulation**

This reform stems from the framework Regulation on reform of the structural Funds. The Committee endorsed the procedural simplifications, notably the direct granting of aid in certain cases, as well as the efforts at coordination between the different instruments and between national policies and the other Community policies, the whole forming part of a genuine development strategy on the basis of five-year plans.

The Opinion stressed the need for genuine participation by the local authorities and the social partners, so that 'partnership' would not be an empty word. It also pointed out how important it was to have a clearer definition of the criteria for ERDF participation in the various objectives.

### **European programme for industrial development in Portugal**

This Opinion, issued under the urgency procedure, essentially gave political backing and overall approval to the development programme worked out jointly by Portugal and the Commission authorities concerned, in order to enable Portugal (whose GDP is well below the Community average) to catch up with the rest of the Community more quickly.

## 6. INDUSTRIAL POLICY

The Industry Section's work revolved around the completion of the internal market. With this goal in mind, the representatives of both sides of industry endeavoured to reach the consensus needed in order to make the smoothest possible transition to a European-scale economy which would guarantee social cohesion and competitiveness.

### **Competition policy**

The Committee examined a number of key aspects of Community competition policy: State aids, social implications and regulations on block exemptions. It also issued additional Opinions on draft Regulations on know-how licensing agreements and on franchising agreements.

The Committee considered that the competition policy should now be a fully-fledged instrument of the Community's economic and social policy. With the single market on the horizon, the concepts and aims of competition policy should be clearly spelled out in order to define effectively its contribution as part of a broader policy and ensure that henceforth it had the full backing of the Member States.

From the legislative viewpoint, the need for Community controls on concentrations has become more pressing in recent years. Firstly, this is because the United States and Japan have for a long time angled their competition policies to transnational markets, and even world markets. Secondly, in the Community itself, the interdependence of economies makes it necessary at least to consider the European dimension of markets in assessing proposed concentrations. This means that a Community system for the control of concentrations is necessary. This is made all the more important by the fact that the internal market will necessarily entail considerable structural changes in the Community; concentrations are one way of strengthening market forces and enabling the Community economy to adapt.

The Committee is of course aware that the multifarious economic and social problems created by concentrations cannot all be solved by a concentration control regulation based on competition policy. This enhances the urgency of coordinating competition legislation with other policies, such as regional and structural policy, R&D policy and consumer policy.

The Single European Act and the resulting commitment to complete the internal market by 1992 have given a new dimension to the relationship between Community and national law.

This duty also extends to Community controls on concentrations, i.e. the powers conferred on the Commission by the draft Regulation must not be overridden by national laws. In the Committee's view this implies that all concentrations falling within the scope of the Regulation should be appraised solely with reference to Community law and should not be subject to any further scrutiny by the Member States.

## **Banking sector**

The Economic and Social Committee felt that *mutual recognition* of licences and supervisory systems, allowing a single licence valid throughout the Community to be granted, would require simultaneous implementation of other Community laws on own funds, solvency ratios, control of large exposures and deposit guarantees.

Community laws should uphold and promote certain basic principles, e.g. with regard to:

- (i) the protection of savings;
- (ii) equal terms of competition;
- (iii) fair commercial transactions; and
- (iv) consumer protection.

## **European company statute**

The internal market, due to be completed in 1992, has revitalized the issue of a European company statute. The Commission wished to consult the two sides of industry prior to drawing up concrete proposals for a directive, and therefore produced a Memorandum on the subject. The Committee basically endorsed the principles and schemes outlined by the Commission, notably:

- (i) the principle of an optional statute;
- (ii) the statute's independence from national law; and
- (iii) inclusion of three schemes for worker participation.

Although it raised questions about a number of specific issues, particularly taxation, and withheld final judgment until the Commission had produced specific proposals, the Committee openly supported the idea of a European company statute. The political importance of this stance should not be underestimated.

## **Technical barriers**

### *Construction products*

A major Committee Opinion was issued on the subject of construction products, a sector where conflicting technical regulations in the Member States could jeopardize the creation of a genuine internal market. The draft Directive, aiming to abolish market segmentation, was substantially amended in the light of the Committee's views. These views are also reflected by the Council's joint position on the 'new approach' to the free movement of goods.

### *Pollution/diesel engines—Pollution/small vehicles*

The Committee approved the Commission's proposals for the elimination of technical barriers to trade in connection with the environment action programme. The common position adopted by the Council on these subjects was in line with the views expressed by the Commission and the Committee.

### *Personal protective equipment*

The Committee delivered an Opinion on a proposal for a 'new approach' Directive in anticipation of the completion of the internal market. The Directive covers a very wide range of products for use at work and in the home. It will therefore have a considerable impact on production and marketing. The proposed legislation should ultimately remove technical barriers to competition, consisting primarily of diverging technical standards in the Member States, and should guarantee the high standard of protection required by the Single Act.

### *Machinery*

The draft Directive on the safety of machinery, together with that on construction products, is the most important piece of legislation to be introduced so far, as part of the Council's new approach to technical harmonization. Its scope is enormous, ranging from simple machinery to complex installations such as flexible manufacturing units and workshops. The Committee supported the draft Directive, which it considered as essential to the completion of the internal market as well as to a Community social policy. The Commission should nevertheless establish procedures for informing and consulting both sides of industry, and should



also provide the necessary funds for standardization. The Committee also stressed that a special standing committee should be set up for this and similar directives, comprising national representatives, and that steps should be taken to ensure that employers and workers in the sector were represented.

## **New technologies**

### *Aeronautics*

The Committee endorsed the Commission's proposal to launch a programme of strategic research and technology, at the precompetitive stage, in the field of aeronautics, and called for coordination with the Brite/Euram programmes, as some projects also served the needs of the air industry.

## **7. EXTERNAL RELATIONS, TRADE AND DEVELOPMENT POLICY**

In 1988 the Economic and Social Committee continued to monitor closely developments outside the Community and issued several Opinions on subjects which it considered to be important.

The GATT Uruguay Round negotiations, for example, deserved very special attention. The Committee issued an Opinion on these negotiations prior to the Montreal interim review which provided Community negotiators with information on economic and social interest group positions on the issues under discussion. Regarding the agricultural section, the Committee was keen to reiterate its support for the principles of the CAP, while accepting that a gradual reduction of tied aid could be negotiated on a reciprocal basis. What happened at the Montreal meeting proved how agriculture has become a key part of the negotiations.

Referring to other aspects of GATT, the Committee thought it was necessary to improve the arrangement for adjusting differences and to apply correctly the GATT agreements currently in force. The negotiations should contribute to removing non-tariff barriers and to progress as regards the services sector and the protection of intellectual property. This said, the Committee felt that while relations with industrialized countries were very important, the developing countries required special treatment and, in the context of GATT, relations with State-trading countries should be analysed thoroughly, given the differences in economic systems.

In a short Opinion on potential changes in the State-trading countries, the Committee stated that EC/Comecon trade links and economic cooperation should and could be improved considerably. Anticipating the joint Community/Comecon declaration and agreements with Hungary and Czechoslovakia, the opinion pointed to the need to clarify a number of issues to enable satisfactory development of relations with these countries. The issues included dumping, barter operations, delivery periods, intellectual property, the sale of advanced technology, quantitative restrictions, respect of the ILO Conventions, etc. The Committee trusted that the Community would negotiate agreements with the European Comecon countries but stressed that the Community market should be opened up to those countries on a reciprocal basis.

The Committee devoted two Opinions and an information report to the problems of developing countries. One of these Opinions criticized the generalized system of preferences (GSP) from which some of these countries benefit. In fact the Committee believes that the poorest developing countries have for various different reasons not made sufficient use of improved access to the Community market, which is the basis for the GSP. On the other hand, those less-developed countries (LDCs) which have reached a stage of development comparable with some Community Member States benefit considerably from the GSP. The Committee consequently recommends that the system be revised in order to make it a coherent instrument of aid for the poorest LDCs and for those countries capable of breaking out of underdevelopment in the run-up to the internal market of 1992.

Of all the countries which have special links with the Community, the Committee has particularly focused on the signatory countries of the Lomé Convention. For example, the Committee drafted an information report on the indebtedness of ACP countries revealing the severity of the problem. The Committee hopes that a solution can be found through negotiations rather than unilateral action, but believes that certain objectives should be aimed at, such as the selective staggering of debts, the promotion of real investment covered by an international insurance scheme or reduction in interest rates. The ACP countries will have to make structural adjustments in order to face the debt problem and to offset as far as possible the basic tendency for the value of exports from these countries to fall. The Committee expressed the hope that these adjustments would not exacerbate the demographic situation and proposed that the EC Commission coordinate cooperation designed to secure a structural reinforcement of the ACP economies and action on the debt problem in the run-up to the next ACP/EEC Convention.

The renewal negotiations also prompted a Committee Opinion which, while supporting the basic thrust of Lomé III, called for improvements to be made to the next Convention, to take account of recent experiences and the deterioration of the economic situation in most ACP countries. The Committee felt that the Convention should also cover a longer period with the possibility of revision and should provide for assistance with financial stabilization on the basis of dialogue, contracts and autonomous development. The Committee reiterated its interest in stimulating the private sector by creating a suitable environment for enterprises and by making resources—including human resources—as mobile as possible in accordance with ILO Conventions. There was also a unanimous desire for economic and social interest groups to play a greater role in the mechanisms of the Convention.

### **Contacts with trade organizations of non-member or groups of non-member countries**

This involvement of non-member countries was the subject of the 12th Annual Conference of ACP and EEC economic and social interest groups which was held under the aegis of the Joint Assembly on 6 and 7 December 1988. Participants discussed the issue from three different angles: an assessment of statements by social partners in Lomé IV, proposals for greater participation and ways of guaranteeing a follow-up to the resolutions of the annual conferences. The subsequent declaration also referred to three main aspects and, on the eve of the IVth Convention, addressed economic and social interest groups' demands to the ACP and EEC decision-making bodies.

Committee members, who were designated to form, together with their counterparts from ACP countries, the Joint Contact Group responsible for organizing these annual conferences, met in Lomé earlier in the year, separately from but concurrent with the meeting of the ACP/EEC Joint Assembly itself.

This Joint Contact Group discussed the details of the theme to be debated at the 12th Annual Conference at the end of the year, and this was approved by the Joint Assembly there and then.

Joint discussions within the Contact Group meeting in Lomé contributed to the drawing-up of the basic document of the 12th Annual Conference.

1988 was the first year when economic and social interest groups were consulted by the ACP/EEC Council of Ministers in line with the Convention.

The subject of the consultation, which was held on 20 and 21 October was the development of SMEs in the context of Lomé III objectives. ACP and EEC experts on the subject under discussion compared their views. This and a concluding memo was drawn up by the ACP and EEC Rapporteurs and sent to the ACP/EEC Council of Ministers for subsequent consideration. This experimental arrangement, which is both more flexible and specific than annual conferences, appears to have found a favourable response.

In connection with its work on Community Mediterranean policy, the Committee sent a delegation to Morocco at the end of February. Top level meetings yielded fruitful discussions and information on the development of this Maghreb country was updated.

In April the Committee hosted a visit by a delegation of the Tunisian Economic and Social Council in return for a visit which a Committee delegation paid to Tunisia. In particular, the Tunisian hosts took part in a meeting of the Section for External Relations where the problems connected with non-member Mediterranean countries were discussed.

Finally, a Committee delegation took part in two joint meetings with members of the EFTA Consultative Committee, one in Tampere, Finland, and one in Berlin. The subjects discussed in some depth on these occasions were EC/EFTA cooperation in the fields of environment and transport respectively, all in the context of the creation of the European economic space, referred to in the Luxembourg Declaration of 1984.

At the second of these meetings, a precedent was established when a joint declaration was adopted on environmental matters, for submission to Community institutions, and respective governments concerned.

## 8. ENERGY POLICY, NUCLEAR QUESTIONS AND RESEARCH

During the period covered by this report, the activity of the Economic and Social Committee in the fields of energy and research more than doubled compared with last year. The main emphasis here lay above all in the drawing-up of Opinions on specific programmes to implement Community framework programmes in the field of research and technological development. Because of the division of terms of reference within the Committee, the Section for Energy, Nuclear Questions and Research did not deal with all the Commission's proposals concerning research, although it did handle the lion's share. This has not always proved to be advisable, especially when deadlines which had already become shorter were put under further time pressures due to clashes over terms of reference

between several sections. Consideration will have to be given to ways in which the ESC's 1986 Rules of Procedure can be improved in order to fit in better with the changed circumstances resulting from the entry into force of the Single European Act on 1 July 1987. This will be particularly necessary if contacts with the Commission and the European Parliament's committee for research questions are to be further improved.

### **Energy policy and nuclear questions**

Unlike last year, when the ESC was not asked for a single opinion on energy policy, several opinions were produced this year, both on energy and on nuclear questions.

Energy is covered by the ECSC, Euratom and EEC Treaties. But none of them has an overall approach to energy policy, because they were drafted when the problems of energy supply from coal and nuclear sources were completely different from what they are today. In the EEC Treaty there are no specific legal provisions for the energy sector, and the Economic and Social Committee has no terms of reference under the ECSC Treaty. None of the Treaties contains specific provisions for mineral oils, natural gas, electricity or renewable energy sources. Hardly any other area of Community policy has therefore had such difficulties or such a long road towards an overall Community approach as energy policy. Each step by the Community can therefore only be based on general provisions in the EEC Treaty or on Treaty Article 235, and in practice the overwhelming proportion of the rules in the energy sector enacted in recent years have been based on this article.

This is not the case with the Euratom Treaty, which makes it mandatory to consult the ESC on the setting-up of schools, health protection, investments, the issuing of directives on the removal of limitations on access to skilled jobs in the nuclear industry and on measures to facilitate the conclusion of insurance contracts covering nuclear risks, or to keep the ESC informed about Community research and training programmes (Articles 7, 9, 31, 32, 40, 41 and 98 of the Euratom Treaty).

Here is a short summary of some of the ESC Opinions on these topics. In an Opinion on the energy efficiency of buildings, the Committee first pointed out that since 1973 the energy conservation policies of the Community had produced a 20% improvement in energy efficiency, and expressed the view that these policies therefore had to be pursued. The Committee also said that there should be a more rational use of energy and an improvement in energy efficiency in high-rise buildings, which could be aided by increasing public awareness and installing more

efficient appliances and lighting. But the greatest potential for saving energy, according to the Committee, was in the planning and design of buildings, where running costs could be reduced by suitable investment. This could create 5 000 jobs and save 1 million tonnes of oil equivalent (toe) each year in the building sector. The Committee strongly urged the Council to convene the Member States' housing ministers at the earliest opportunity in order to define a common European policy.

In a second Opinion, the Committee considered ways of promoting cooperation between public electricity supply companies and auto-producers of electricity. This proposal for a Council Recommendation, in the Committee's view, was consistent with the Community's energy policy objectives for 1995, whose priorities included reducing dependency on imported oil and protecting the environment by conserving energy and diversifying sources. The Committee fully supported the Commission's objectives, but thought attention should be drawn to the problems which might arise when the Member States implemented the recommendation. It made some concrete proposals for promoting the use of alternative energy sources and stressed the importance of there being an equitable share-out of responsibilities and benefits between auto-producers and electricity supply companies.

Finally, during the review period, the Section for Energy, Nuclear Questions and Research drew up an Information Report on Community energy policy and the completion of the internal market, on which it had already begun work in 1987. To a certain extent the completion of this report led to the Commission becoming active in this field and there were also discussions on this topic at the European Parliament and the European Trade Union Confederation, at which the Committee was represented by members of the section. The Committee's work was an important preparation for discussions on several of the initiatives announced by the Commission for 1989 in the field of energy (transparency of energy prices, energy and the environment, cross-border exchanges of electricity, transport for the account of third parties in relation to the extension of gas and electricity exchanges, energy infrastructures). The Committee could use its right of initiative in these areas in order to contribute to the discussion of topics on which it is not normally asked for an opinion, especially when Commission communications are involved.

Under the Euratom Treaty, the Committee did issue an Opinion on informing the population about health protection measures to be applied and steps to be taken in the event of a radiological emergency. In the wake of its Own-initiative Opinion on the Chernobyl nuclear accident last year, the Committee approved the objective of the Commission proposal, namely the introduction of public information procedures and measures

with a view to improving the practical health protection provided in the event of a radiological emergency. But it thought the ways and means proposed by the Commission were inadequate, as they did not meet public expectations. Although the Committee acknowledged that the Commission had given tangible form to several earlier ESC recommendations, it felt the proposed directive could only be effective if certain conditions, to which the Commission did not attach sufficient importance, were fulfilled (such as complete, comprehensible, objective, balanced public information appropriate to the accident in question and updated regularly).

## **Research policy**

The entry into force of the Single European Act (SEA) on 1 July 1987 brought in a new cooperation procedure for research and technological development (Title VI, Article 130f to 130q), which directly affected the work of the Section for Energy, Nuclear Questions and Research in two ways: first, the Section's workload, with 20 referrals, was double that of the previous year, with the main emphasis on research and technological development, and second, as has been stated elsewhere, deadlines became a lot tighter. The new scheduling of Community decision-making resulting from the cooperation procedure, with a first and second reading in the European Parliament, means that in future there will have to be greater coordination between the various bodies involved, so that the operations of proposal, consultation, cooperation and decision-taking can be carried out more effectively.

Basically, the Community pursues its aims in the field of research and technological development under the SEA in two ways. Under Article 130i, it has to adopt 'a multiannual framework programme setting out all its activities'. The Community framework programme in the field of research and technological development (1987-91) concluded with Council Decision 87/516/Euratom, EEC of 28 September 1987, of which the ESC is a part and for which the Section for Energy, Nuclear Questions and Research prepared the ESC Opinion, includes eight action lines which, in accordance with Article 130k *et seq.*, carry out 'specific programmes developed within each activity'. The framework programme had to be adopted unanimously by the Council, and it includes the ECU 5 396 million needed for the planned activities. The cooperation procedure is therefore used for formulating the specific programmes, which the Council adopts by a qualified majority. In both cases, the ESC must be consulted.

*There now follows a short summary of the most important ESC Opinions in areas covered by the Section for Energy, Nuclear Questions and Research.*

In its Opinion on various draft Council decisions concerning the specific research programmes or supplementary research programme (1988-91) to be implemented by the Joint Research Centre (JRC) for the EEC and Euratom, the ESC considered the almost two years of animated discussion on the future of the JRC, along with its role and functions in the light of the new Community research strategy, guidelines and priorities, and took a good hard look at the operation and management of the JRC, the new approach adopted and the staff policy connected with it. Also covered were the JRC's contribution to the creation of a large internal market, the enhancement of safety, the prevention of accidents and mitigation of their effects, environmental aspects, the future of the JRC and its internal structure. The Committee basically supported the three Commission proposals, although it did doubt whether they were spelled out in sufficient detail. It also felt it would have been better if the intermediate objectives and their time-scales had been more clearly specified as regards both organizational changes and project control, and did not entirely agree with the proposed status of staff employed at the JRC.

In another Opinion, on the 1988-93 Eclair programme for biotechnological and agri-industrial research, the Committee, despite its basic support for the Commission proposal, felt that Eclair should be made more specific, innovative and stimulating. Its reservations particularly concerned the linkage between the Eclair programme and other related programmes such as those for agricultural research, the risk evaluation and ecological aspects of the proposed programme, the programme's structure and content, intellectual property and biotechnology, and the ethical aspects of modern biotechnology. Despite shorter deadlines, the Committee was able to use its Opinion to make timely contribution to the discussions of the European Parliament, whose own Opinion was able to put forward a large number of amendments based on the ESC Opinion. The case was a good example of how the work of the two advisory bodies, the EP and the ESC, could be coordinated and how the professional expertise of the interest groups represented on the ESC could be brought in at the appropriate time.

With its Opinion on SPES (European stimulation plan for economic science 1989-92) the Committee was able to refer to its comments on the plan to stimulate international cooperation and the requisite interchange between European researchers (Science 1988-92), which were contained in an Opinion adopted last year. In this Opinion the Committee again welcomed the Commission's initiatives in this area, but at the same time warned against the danger of spreading too thinly the funds allocated to the programme.



In an Information Report on the training and employment of research workers in the Community, the Committee used its right of initiative to send out a questionnaire throughout the Community and draw up more than 20 conclusions and recommendations concerning the problem of the 'brain drain', which, while it should not be exaggerated, did require measures to be taken at Community level. This comprehensive information report clearly shows that the ESC carries out its duties as a consultative body to the Community institutions in a responsible and stimulating manner.

With its Opinion on a Community programme in the field of strategic analysis, forecasting and evaluation in matters of research and technology (1988-92) (Monitor), the Committee stated that such a programme was a logical consequence of the Single European Act which stressed the need to integrate science and technology policy with economic and social requirements and to strike a balance between them. Science was for the people, and had a vital contribution to make to the economic and social objectives of the Community. The so-called FAST activities had a similar role to play. The two sides of industry, which were represented on the ESC, should be involved here in a permanent dialogue with the Commission. The Committee's main calls were for improved coordination of scientific and technological activities, the involvement of the Industrial Research and Development Advisory Committee (Irdac) and the involvement of the ESC itself in the implementation of the programme.

In its Opinion on a programme for the dissemination and utilization of results from scientific and technological research (1988-92), the Committee welcomed the Commission's initiative but called for the setting-up of a data base which included safeguards to prevent interesting results from being placed under an embargo by researchers or institutions and ensure equality of opportunity for all EEC economic agents.

The Committee adopted two Opinions on the setting-up of a machine translation system (Eurotra) in the field of linguistic research in which it agreed with the recommendations of an evaluation panel formed by the Commission to put right shortcomings in earlier programmes and supported the development of a European 'language industry'.

The Committee's Opinion on a specific research and technological development programme in the field of non-nuclear energies and the rational use of energy (Joule 1989-92) again drew attention to the inadequacy of Community funding and emphasized that it was inappropriate to the scale of the tasks to be carried out. But the Committee felt that efforts should be made to use the enormous potential of waste heat from industry and power-stations, develop demand-orientated units and plant for LDCs, investigate the potential for cost reduction and develop solar energy.

A Committee Opinion on a multiannual research and development programme in food science and technology (Flair 1989-93) dealt with the enhancement of food quality, hygiene, toxicology and the wholesomeness of food. The complementary nature of the Eclair programme was mentioned, and the Committee regretted that the two programmes had not been issued at the same time. The ESC also deplored the difficulty of identifying clear overall objectives in the Flair programme set against a background of Commission policy in the agri-industry field. As far as the social aspects of the programme were concerned, there was a need for a positive and dynamic approach going beyond the conventional consultation at the project stage. Moreover, there had to be a deeper knowledge of consumer needs, and the procedure for reviewing the Flair programme lacked flexibility.

Doses, a programme for the research and development of statistical expert systems, was the subject of another Opinion, where the Committee condemned the inadequacy of Community funds and called for additional work in other areas relating to the provision of statistics.

Finally, towards the end of the review period, the Committee adopted an Opinion on a specific research and technological development programme in the fields of industrial manufacturing technologies and advanced materials applications (Brite/Euram), in which it said that aeronautic research, which the Commission had initially put forward as the subject of a separate programme, should be incorporated into the Brite/Euram programme. The Council agreed with this view at its meeting on 15 December 1988, as it set aside a total of ECU 499.5 million for the Brite/Euram programme, including a fifth action line for aeronautic research.

### **Cooperation with other Community institutions**

Cooperation with the various Commission departments dealing with energy and research was good and regular. At almost every meeting of the Section for Energy, Nuclear Questions and Research, Commission spokesmen gave an account of the latest developments in the field of Community policy.

Contacts with the European Parliament were broadened further and future case-by-case cooperation between the energy, research and technology committees was agreed to by the chairmen of the relevant bodies. Informal contacts between rapporteurs began, which will be of particular value if ESC Opinions are to be employed in good time in the post-SEA

cooperation procedure. The Section Chairman took an active part in an EP public hearing on energy and the internal market.

Initial contacts were made with the Parliamentary Assembly of the European Council, when ESC representatives took part in a conference on the research aspects of using agricultural and forestry raw materials for industrial purposes.

## 9. PROTECTION OF THE ENVIRONMENT, PUBLIC HEALTH AND CONSUMER AFFAIRS

### **Environment**

The guidelines within which the Committee works under this heading have been set by the environment action programmes, of which the fourth (1987-92) is currently in operation; by the Single Act which allocates specific responsibility to the Committee for environmental matters; and by the programme for completing the internal market by 1992 with particular reference to the elimination of technical barriers to trade.

At this stage the environment action programmes have acquired a momentum of their own and by and large this was reflected in the Committee's work during the year which mainly concerned amendments or refinements to previous legislation. As a general rule, however, the Committee pushes for standards as high as possible, frequently higher than those proposed by the Commission or eventually adopted by the Council.

Thus, in its Opinion on the protection of the ozone layer, the Committee welcomed the Commission proposal to adhere to the Vienna Convention on the subject as well as to the Montreal Protocol on the phased reduction of chlorofluorocarbons (CFCs), but pointed out that the ozone problem will become more acute in the years ahead. Public opinion will press more strongly for a further reduction in CFC production than is at present laid down in the Protocol, which may have to be renegotiated.

Following a serious industrial accident on the Rhine at Basel, the Commission put forward a proposal to amend the so-called Seveso Directive on major industrial accident hazards by extending its application to storage facilities and to additional dangerous substances, and by improving public information facilities.

The Committee favoured all these measures, but made recommendations concerning their stricter application.

On the subject of the incineration of municipal waste which can cause atmospheric pollution, the Committee approved a Commission proposal to require an Environment Impact Assessment (EIA) for new incineration plants and to establish time-limits for the adaptation of existing plants to the best available technology. However, the Committee was critical of the proposals in respect of certain cost and technical factors which it judged inadequate.

The Committee was somewhat critical of the Commission's proposals to amend certain existing legislation on waste, specifically:

- (i) an amendment to the original basic Directive 75/442 on waste in general, with the object of making it a true framework Directive applicable to all waste; and
- (ii) an amendment to another basic Directive 78/319 on toxic and dangerous wastes, which will now become a daughter Directive of 75/442.

Although the Committee welcomed the proposals, it expressed reservations about the draft texts which it saw as less progressive in some respects than those already in force; there is a risk that the new provisions will turn out to be of a piecemeal nature and will continue to leave gaps in Community legislation on waste.

In short, the Committee can only endorse a new approach to waste management if the panoply of provisions is examined as a whole. The Committee in its Opinion went into some technical detail to justify its attitude.

The Committee issued several Opinions on dangerous substances. Two of these concerned amendments to basic Directive 76/769 on the harmonization of marketing regulations: the 8th Amendment covering chemical substances of a carcinogenic nature used in the manufacture of decorative objects, tricks, jokes, etc., and the 9th Amendment covering a wood preservative which is particularly dangerous in an aquatic environment. The Committee approved the Commission proposals, subject to a number of technical comments.

The Committee also examined a proposal to limit the discharge into water of the dangerous chemicals known by the abbreviations EDC (a product used in industry), TRI (used in removing grease from metals), PER (used in dry-cleaning) and TCB (also used in industry).

In its Opinion agreeing the proposal, the Committee drew attention to the cumulative effect of discharging dangerous substances at the same time, and requested that the Commission approach the whole subject of dangerous chemicals from a more overall point of view which would take all interests and factors into consideration.

Furthermore, in an Opinion on the procedure to be used in the Community in the adoption of proposals on dangerous substances and preparations, the Committee opted for the traditional 'Regulatory Committee' procedure rather than the new 'Advisory Committee' procedure put forward by the Commission.

The Committee welcomed a Commission proposal to harmonize the methods of sampling and analysis of the atmospheric pollutants sulphur dioxide (SO<sub>2</sub>) and suspended particulates, but pointed out that certain Member States face difficulties because of pollution originating outside the Community and the proposed Directive should take account of this.

With reference to an Opinion on air pollution by gases from motor vehicles which was drawn up by the Industry Section, the Environment Section made known its view that as strict standards as possible should be adopted.

Finally, the Committee welcomed a proposal to define the key components of environmental education and training which must be incorporated in the different national education systems of the Member States.

The Committee recommends that the Commission in collaboration with the European Centre for the Development of Vocational Training in Berlin (Cedefop) and the European Foundation for the Improvement of Living and Working Conditions in Dublin should immediately undertake a study of suitable training courses for specialists; the Commission should also lay down the preconditions for the freedom of movement of such specialists within the Community.

## **Public health**

With the gradual formulation by the Community of a public health policy, the number of Committee Opinions falling directly or indirectly under this heading is increasing. Three significant Opinions were issued during the year.

The first concerned a proposal to extend the field of application of existing pharmaceutical directives and to amend them where necessary.

The proposal was examined by the Committee under five headings:

- (i) non-propriety of medicinal products;
- (ii) information for patients regarding medicinal products;
- (iii) export of such products to third countries;
- (iv) 'good manufacturing practice' requirements;
- (v) extension of EEC legislation to new products.

The Committee made a number of comments, technical and otherwise, mostly in the sense of establishing adequate information and strict standards.

The second Opinion under the general heading of public health deals with the new concept of genetic engineering.

This is a branch of biotechnology concerned with modifying the genetic structure of organisms such as viruses, bacteria, fungi and living cell cultures so that they can fulfil new functions as genetically modified organisms (GMOs).

It is considered to be an 'industry of the future' in which the European Community must be enabled to participate effectively.

Hence the Commission has put forward two proposals to establish a legal framework to cover the use of GMOs:

- (i) The first concerns the contained use of GMOs in the laboratory and in industry, e.g. modifying the fermentation agent in yoghurt to prevent souring, or modifying vaccines to make them safe. The Committee in its Opinion considered that the legal framework proposed under this heading was acceptable subject to the rewording of some definitions, that the deadline for raising objections to GMO experiments be lengthened and that emergency services be adequately equipped to tackle possible accidents.
- (ii) The second proposal concerned the deliberate release of GMOs into the environment, e.g. potatoes which have been given improved disease resistance and organisms to disperse oil pollutants at sea. The Committee was not happy with this proposal and urged the Commission to reassess and redraft it, mainly because of the safety factor. It was felt that the deliberate release of GMOs of necessity presupposed the abandonment of the safety measures employed in 'contained use' experiments. A much more gradual approach is recommended in the chain from laboratory to large-scale field testing.

The third public health Opinion concerns another new concept—predictive medicine and human genome analysis.

Predictive medicine seeks to predict susceptibility to diseases with a view to their prevention by early diagnosis and treatment. This can be done by locating defective genes in the human genome (i.e. the complete set of genetic material or DNA) and altering them to prevent the transmission of diseases to the next generation.

The Commission has submitted a proposal for an R&D programme which will cover the following:

- (i) the compilation of human genetic maps;
- (ii) the establishment of clone libraries;
- (iii) the improvement of advanced genetic technologies.

While the Committee gave its approval in principle to the Commission's objectives, it expressed very strong reservations regarding the possibility of the abuse of genetic manipulations and the ethical aspects of the programme, and requested the Commission to codify in a framework directive the ethical and moral limits which must not be overstepped.

The Committee was also concerned at the social aspects of the programme, in particular the risk of using the findings of genetic research on the labour market as a form of unfair employee selection, and asked the Commission to investigate this aspect more thoroughly.

## **Consumer affairs**

The main guidelines for consumer affairs have of course been set down in the consumer action programmes, and the 'new impetus' to consumers' protection policy, but activities under this heading also have particular relevance both (a) to the completion of the internal market as regards technical harmonization, and (b) to public health and safety, which must be recognized as a factor applicable to the free movement of goods.

This latter aspect was highlighted in a major Own-initiative Opinion on the 'General safety requirements for products' drawn up by the Committee during the year. This Opinion maintains that it is essential for all those involved in the manufacture, supply and sale of goods to have a legal obligation to comply with a general safety requirement.

In view of the completion of the internal market by 1992 there is a particular need for action on three points:

- (i) harmonization on Community level in face of the growing amount of national legislation which differs in scope and content from one Member State to another;
- (ii) removal of technical barriers to trade;
- (iii) dissuasion of Member States from using spurious health and safety standards to hinder free trade.

It is expected that the Commission will take up the recommendations of the Committee and propose a directive on this subject in the near future.

Another major category of activity falling under the heading of consumer affairs, and which is also closely connected with the completion of the internal market is foodstuffs legislation.

During the year, the Committee issued three Opinions under this heading.

In its Opinion on lot or batch identification of foodstuffs, the Committee agreed with the Commission's proposal to establish an EEC-wide system, subject to recommendations on the following points:

- (i) its possible extension to categories of foodstuffs not covered by the present proposal (e.g. unwrapped meat, fish, milk, etc., and multi-packs or combination packs);
- (ii) alterations in the labelling to avoid linguistic confusion;
- (iii) improvements in inspection procedures;
- (iv) implementation dates.

The Committee approved, with technical comments, two separate proposals on variations on the restrictions concerning the use in foodstuffs of (a) colouring agents, and (b) emulsifiers.

The Committee was, however, not at all satisfied with a Commission proposal on new implementing procedures for Community legislation on cosmetics under which a Consultative Committee on adaptation to technical progress would be replaced by a purely advisory committee. It was considered that this would give too much latitude to the Commission and the proposal was therefore 'inappropriate and inadequate'.

Finally, the Committee agreed to extend for a further six years the validity of the EEC rapid exchange system for information on dangers arising from the use of consumer products.



On a very different aspect of consumer affairs, the Committee was rather critical of a Commission proposal to establish a uniform method for the calculation of consumer credit.

In particular :

- (i) it is not enough to have a uniform mathematical formula; there must also be agreement on the factors to be included in the formula, namely items of charge; factors not so included must be specifically mentioned;
- (ii) the method of calculation should give the actual cost to the borrower in a form which he can understand and check;
- (iii) it is doubtful if the formula proposed is the best in the circumstances and the Commission is requested to examine alternative methods.

### **Common positions**

In conclusion, the Committee examined a number of 'common positions' arrived at through the cooperation procedure introduced under the Single Act to ascertain whether any further follow-up initiative by the Committee was required.

A wide range of subjects was covered, notably in the fields of foodstuffs (e.g. extraction solvents, materials in contact with foodstuffs, food additives, quick-frozen foods), unit pricing food and non-food products, security of toys, AIM (advanced informatics in medicine), GLP (good laboratory practice), etc.

The Committee decided in all cases that either its point of view had been adequately taken into consideration, or no further action was required for other reasons.

It should be noted, however, that purely environmental matters are not subject to this procedure.

## CHAPTER III

### Press relations and outside echo

After the year 1987 had ended on a note of disappointment for European hopes, the Brussels Summit brought a powerful impulse to the new year. The awareness that the single market would become a reality by 1992 was stimulated first by governments and then by industry, business, trade unions and consumers, with interest being aroused among the general public in all Member States.

The mass media took up the trend and European integration became a subject to which greater attention was devoted than in the previous year. This meant more newspaper reporting on the activities of the Community institutions, a development which also benefited the Economic and Social Committee.

There is no doubt that, in general, the Committee's work does not get the publicity it deserves because it takes fourth place behind the Council, Commission and European Parliament. Nevertheless, newspaper clippings received in the Secretariat mentioning the ESC rose in number by almost 21 % from 783 in 1987 to 947 in 1988. These figures, incomplete as they must be, can only be taken as indicative of a general trend. Most clippings came from the Belgian press, followed by Spain, the Federal Republic of Germany, Greece, France, the United Kingdom, Italy and Denmark. Few were received from Ireland, the Netherlands, Luxembourg and Portugal. The highest number of articles and news stories was found in the specialized European press, such as *Agence Europe*, *European Report* (in French *Europolitique*), *La lettre européenne*, etc.

The Committee's series of opinions and reports for implementing the Single Act and on completing the internal market (making a success of the Single Act, the financing of the Community, own resources, budgetary discipline, reform of the structural Funds, agricultural proposals for implementing the Single Act, agricultural stabilizers and social aspects of the internal market), adopted in the latter part of 1987 and beginning of 1988, had a good press and meant that many institutions, organizations and individuals requested copies. An even larger demand followed the

Committee's adoption of seven Opinions on fiscal harmonization (four on VAT and three on excise duties) which obtained a wide press echo.

The Committee's 30th anniversary, marked by the active participation of the Presidents of the Commission and of the European Parliament, Mr Jacques Delors and Lord Plumb, the German Minister, Mr Klaus Töpfer, President of the Council, as well as by Mr Cecchini, co-author of the report now known by his name, did not fail to get a response in the media, though not as much as had been expected.

The opinions on the control of concentrations, on the European company statute, on racism and xenophobia and on transit of Community transport through third countries received good publicity, as did the joint meetings between ESC delegations with their counterparts from EFTA at Tampere, Finland, and Berlin.

Press conferences and briefings given outside Brussels generally have a good success; among them should be mentioned those held at Venice, London, Lisbon, Frankfurt, Düsseldorf and Madrid. Particular mention should be made of President Margot's official visit to Athens which had a wide success, combined as it was with the meeting organized by the Committee on the implementation of the integrated Mediterranean programmes.

The election of Mr Masprone as President in October caught the interest of the press, particularly in Italy where, at a lunch for journalists in Rome, he outlined his plans for his presidency. Then followed the unprecedented step taken by the Committee to adopt a resolution containing proposals for a Community action programme for the new Commission's mandate 1989-92. This action, together with the initiative of Commission President Delors and Vice-President Marín to invite the Committee to prepare a Community Charter of Basic Social Rights, focused press attention to an unusually high degree.

In the course of the year, the Committee's growing influence was made evident by the number of eminent personalities who participated in its meetings: Lord Plumb attended twice, Mr Delors three times; other Commission members who attended were Messrs Andriessen, Marín, Sutherland, Clinton Davis and Schmidhuber, and Lord Cockfield. The presidency of the Council was represented at different times by the following ministers: von Wartenberg, Töpfer, Warnke, Bangemann, Yenni-matas and Moralis. The Directors-General of the ILO, Mr Francis Blanchard, and of GATT, Mr Dunkel, also addressed Committee members. Several of these occasions were filmed for television networks, such as those for Greece, Belgium, the Netherlands and Spain.

The Committee's image was also projected at a stand at the European fair at Hanover and at a French fair in Paris. The EC Paris-Luxembourg cycle tour was an event at which Committee members awarded prizes at three different stages. Furthermore, on the occasion of the 'Sail for Europe' contest—'Tour de France à la voile' (Sailing around France), publicity material for the Committee was distributed at various European ports.

In addition to the monthly bulletin and the annual report which are produced in all Community languages, the Secretariat published a new edition of the general brochure *The other European assembly*.

Further, in the course of the year, the Committee published a new edition of *Europe and the new technologies*, which updates the latest Community programmes undertaken in that field (in English, French and German), a brochure on islands (in English, French, Italian, Spanish and Greek), one which groups seven opinions on the internal market, entitled *Horizon 1992*, and another which consists of the seven opinions on indirect tax harmonization, both in the nine Community languages. Both these latter were widely distributed.

As far as visiting groups are concerned, their number declined from 165 in 1987 to 150 in 1988. Requests from many more groups had to be refused because the Secretariat now has fewer rooms available to receive them and because these are needed for far more Committee meetings than hitherto. The visitors—a total of 4 577—included managers, farmers, trade unionists, students, politicians, lawyers and people from other professions as well as heterogenous groups.

Most visitors came from the United Kingdom followed by those from the Federal Republic of Germany, France, Denmark, Spain, the Netherlands, Italy and Portugal. Hardly any requests came from Belgium, Ireland, Greece or Luxembourg. There were 16 groups from non-EEC countries.

In general, it may be said that press and public interest in the Committee depends in the last resort on the amount of attention given to it by the other Community institutions and by governments of the Member States. When this attention is triggered off, as it was in November, by the request to the Committee of Commission President Delors to produce a Community Charter of Basic Social Rights, then the Committee's press echo is enhanced as a result.



## CHAPTER IV

# The Groups

### GROUP I — EMPLOYERS

Group I members represent private and public industries, chambers of commerce, transport undertakings and customers, banking and insurance activities, wholesale and retail trade, agriculture and tourism.

Compared with the Workers' Group and the Various Interests Group, which have 65 and 67 members respectively, the 57 members of the Employers' Group have to make considerable efforts to put across their point of view.

During 1988 there were 10 Group I meetings to prepare for discussion of opinions on the Plenary Session agenda and to propose members for new study groups. The Group also held an extraordinary meeting to select its candidates for the main Committee posts during its second two-year term of office.

Mr Masprone, former Group I Chairman, was elected Committee Chairman, this post being rotated between the Groups.

For the same period, the Group elected a Chairman, Mr Noordwal, and four Vice-Chairmen, Mr Löw, Mr Poeton, Mr Proumens and Mr Rolão Gonçalves. Its candidates for the chairmanship of the Industry Section, Mr Kazazis, the Energy Section, Mr Romoli, and the External Relations Section, Mr Neto da Silva, were elected by the Sections concerned.

At one of its monthly meetings, the Group heard a presentation by Mr Delorozoy, President of Eurochambres (Association of European Chambers of Commerce and Industry) on his organization. This event helped to strengthen the links between the ESC and Eurochambres. In addition, Mr Frerichs, of Fewita (Federation of European Wholesale and International Trade Associations) and Mr Joubert, President of the CLD (Liaison Committee of European Retail Trade Association) introduced their organizations and spoke on the cost of 'non-Europe' and the application of the VAT system to trade.

Group members played an active part in Committee work on the Community's programme for 1989-93 and on steps to enhance the Committee's role in the run-up to 1992.

Group I members contributed to the general effort to achieve consensus among the socio-occupational groups and 33 of the 52 Opinions prepared by a Group I Rapporteur were adopted unanimously or with no votes against. The main Opinions prepared by Group I Rapporteurs were on farm prices, the European company statute and tax harmonization, as well as several opinions on the abolition of technical barriers to trade and the Common Customs Tariff.

In addition, Group members helped to promote the Committee's opinions and work by taking part in press conferences, making speeches and giving interviews.

Several members contributed to the success of the meetings between delegations from the ESC and the EFTA Consultative Committee in Berlin and Tampere.

At their annual meeting on 5, 6 and 7 December, the representatives of ACP and EEC economic and social groups examined the working document prepared by Mr Kaaris and Mr Delhomenie (Group II) on an appraisal of and the prospects for the involvement of the economic and social forces in the implementation of ACP/EEC cooperation. The conference was preceded by a meeting between ACP and EEC employers who examined this document and a report by Mr Kaaris. At the end of the meeting, the ACP and EEC employers adopted a joint declaration.

Contacts with the many socio-occupational organizations at European, national and sectoral level intensify every year and provide valuable assistance to Rapporteurs and members when drawing up opinions. Cooperation between Group members and officials of these organizations is enhanced by an annual reception at which interesting exchanges take place.

## GROUP II — WORKERS

In 1988, more than ever, the Workers' Group was active in three main areas:

## **Clarifying the role of the EEC**

The Single European Act, while defining more closely and expanding the areas where consultation is obligatory, has not given the ESC sufficient autonomy to carry out its tasks in an optimum manner.

In liaison with the Chairmen of the other two Groups, Group II has sought to define the roles and functions that should devolve upon the ESC within the Community. As the body representing the economic and social interest groups, farming circles, non-profit organizations, the professions, etc., the ESC should first and foremost brief the political decision-makers on the implications of proposed legislation. In touch with the concrete everyday realities in the various Member States, no one is better placed than the members of the ESC to deliver Opinions before the adoption of Community legislation.

The second role of the ESC is to draw the attention of the Commission and the Council, and indeed the European Parliament, to areas that are not, or not sufficiently, taken into account by the Community authorities. To do this the ESC has to use its right of initiative, but care is needed, for nothing would be more detrimental than abuses in this sphere.

Given its representativeness, the ESC should exert influence on the Commission's programmes of activities, but it should also contribute to the formulation of new policies which are discussed at meetings of the European Council.

Group II emphasizes that the ESC is not a negotiating body, but the necessary compromises must be reached between all interests represented within the ESC if it is to have a real influence on Community decision-making.

## **Giving the ESC the necessary means**

Throughout 1988, the Workers' Group devoted incessant efforts to improving the ESC's efficiency and speed of work. But members are facing increasing difficulties in the discharge of their duties.

First of all, the shortage of interpreters considerably impedes work (and sometimes makes it impossible) in study group and section meetings, if not in bureau meetings and at Plenary Sessions. A solution must be found to this problem soon, and Group II has made constructive proposals.



The size of the ESC's budget appropriations and the budgetary supervision by the Council do not make for smooth, efficient functioning of the ESC.

In addition, there is the need for the ESC to have control over its own Rules of Procedures. At present, working procedures cannot be adapted to changing circumstances without the approval of the Council.

All this leads to bureaucracy and makes it impossible to apply the most effective working methods, so that ultimately the quality and speed of work suffer.

Finally, there is the question of the financial position of members. The allowances they are paid to cover the costs incurred in the discharge of their duties are no longer adequate.

In all these areas, Group II, acting in close liaison with the other Groups, the administration and the ESC Chairman and Vice-Chairmen, has not ceased to make proposals and play an active part in working groups. It expresses the fervent hope that the proposals stage will soon give way to the necessary concrete action.

### **Exerting a real influence on Community policies**

In providing numerous Rapporteurs, study group chairmen and members of working groups, Group II has demonstrated its availability for the task of building Europe and its commitment in this sphere.

By proposing initiatives to the other Groups and the Committee as a whole, the Workers' Group has also sought to strengthen economic and social cohesion.

The information Report on the social aspects of the internal market and the Own-initiative Opinion on the same subject (Rapporteur: Mr Beretta) have aroused interest and had a definite impact on Community policy.

The positions adopted by the ESC in connection with the Copenhagen and Brussels Summits have clearly shown the political maturity of its members, who, without devoting too much attention to the secondary problems (which are nevertheless important), were able to identify and propose solutions for consolidating the European Community.

The general resolution (adopted by a large majority) addressed to the Rhodes Summit and to the Commission, with a view to influencing its programme of activities for 1989-90, made it clear to the politicians that it

was not enough to decree measures in the monetary, fiscal, banking, etc. spheres and that there was an urgent need, with European Union in mind, to deal with other problems, such as unemployment, the integration of young people, social protection and a social policy for workers.

Group II expressly proposes that this general resolution should form the subject of a wide-ranging debate between politicians and the social partners with a view to determining priorities, which should be given concrete expression in Community instruments.

Through two new initiatives, the Workers' Group wishes to set in motion a process of reflection with a view to arriving at proposals in the following areas:

- (i) the social, economic and legal consequences of transfrontier mergers in the large internal market;
- (ii) support for declining industrial regions.

Through its availability for dialogue and its initiatives in major areas, the Workers' Group is seeking to play an effective role in the building of Europe. It is prepared to work on all occasions for the consensus that must be found within the Committee if its opinions are to be backed by a large majority of members — the prerequisite for their being taken into consideration.

### GROUP III — VARIOUS INTERESTS

With 67 members, the Various Interests' Group is the largest of the three Groups of the Economic and Social Committee. Seven of the 10 female members of the Committee belong to Group III. These facts are significant and indicate that Group III represents some of the most dynamic forces in our changing societies.

Group III members represent the farming community, SMEs, the professions, cooperatives, family organizations, consumer protection associations, environmental lobbies, regional interests, cultural bodies and scientific research.

In 1988, as in previous years, the Various Interests' Group played a crucial role in the social dialogue and because of its particular composition was able to make a rich and varied contribution to the Committee's work.

Group III provided Rapporteurs for major Committee Opinions in a wide variety of fields, including:

- (i) a fresh boost for culture in the European Community;
- (ii) the fight against racism and xenophobia;
- (iii) health and safety at work;
- (iv) social developments in the Community;
- (v) predictive medicine;
- (vi) reform of the structural Funds;
- (vii) agricultural aspects of GATT/Uruguay Round negotiations;
- (viii) social aspects of sea fishing;
- (ix) relations between the Community and European State-trading nations;
- (x) general product safety standards;
- (xi) approximation of indirect taxation rates;
- (xii) economic situation of the Community;
- (xiii) energy policy of the Community and completion of the internal market.

Elections were held in October in connection with the second two-year term of office of Committee members (1988-90).

Nikolaos Vassilaras was elected Chairman and Walter Briganti and Pedro J. Vidal Vice-Chairmen of Group III.

During the first two-year period of office the Group III Chairman was Roger Burnel and the Vice-Chairmen were Alma Williams and Pietro Morselli. Stefania Barbesta is now Group Secretary, having taken over from Nicholas Leapman in the latter half of the year. Nicholas Leapman has been assigned new tasks within the ESC Secretariat.

## CHAPTER V

# Internal aspects of the Secretariat

### 1. STAFF

In 1988 the General Secretariat had 485 permanent posts, including eight posts obtained as a result of the accession of Spain and Portugal. This represented an increase of 14 posts, or 2.97%, over 1987.

### 2. BUDGET

Appropriations for 1988 totalled ECU 39 791 790, 11.37% up on the 1987 figure of ECU 35 729 580.

### 3. MEETINGS

There were 10 Plenary Sessions and 11 Bureau meetings in 1988.

Other meetings were as follows:

Sections	75
Study Groups	265
Groups I, II and III	83
Other	147
Meetings of sub-groups sponsored by the three Groups	166
Account must also be taken of the many parties of visitors	139

## 4. STRUCTURE OF THE GENERAL SECRETARIAT 1988

### **Chairman**

Private Office

Group Secretariats

Financial control

### **Secretary-General**

Secretariat

- MIS (Management information system)
- Conferences and delegations

Division for the Registry, the Assembly and the Bureau

Division for studies and documentation

- Mail/archives/library/documentation

Division for public relations, press, information and publications

### **Directorate A — Consultative work**

Division for economic, financial and monetary questions

Specialized department for social, family, educational and cultural affairs

Division for protection of the environment, public health and consumer affairs

### **Directorate B — Consultative work**

Division for industry, commerce, crafts and services

Specialized department for regional development and town and country planning

Division for transport and communications

### **Directorate C — Consultative work**

Division for agriculture and fisheries

Specialized department for energy, nuclear questions and research

Division for external relations

## **Directorate-General for Administration and General Affairs**

Secretariat

Security

Specialized department for informatics, office automation and telecommunications

## **Directorate D — Personnel and Finance**

Division for recruitment and personnel management

Specialized financial department

## **Directorate E — Coordination, Translation, Document Production and Internal Affairs**

Coordination of activities

Translation

Specialized department for document transcription, printing and despatch

Specialized department for internal affairs



*ANNEX A*

**List of opinions,  
studies and information reports  
issued during 1988**



## 252nd PLENARY SESSION OF 27 AND 28 JANUARY 1988

### Own resources

(Rapporteur: Mr Jean Pardon) (CES 78/88)

### Budgetary discipline

(Communication from the Commission)

(Additional Own-initiative Opinion)

(Rapporteur: Mr Jean Pardon) (CES 79/88)

### Implementation of agricultural stabilizers

(proposals concerning the following sectors: sugar, milk, sheepmeat and goatmeat and other products)

(Rapporteur: Mr Rudolf Schneiders) (CES 83/88)

### Spray-suppression devices of certain categories of motor vehicles and their trailers and lateral protection (side-guards) of certain motor vehicles and their trailers

(two proposals for directives)

(Rapporteur: Mr François Perrin-Pelletier) (CES 80/88)

### Tread depth of tyres of certain categories of motor vehicles and of their trailers

(Rapporteur: Mr Jean Marvier) (CES 81/88)

### Conditions for the registration of ships

(Communication from the Commission to the Council)

(Rapporteur: Mr Francis J. Whitworth) (CES 72/88)

### 1988-91 Research programmes to be implemented by the Joint Research Centre

(three proposals for decisions)

(Rapporteur: Mr Enrico Vercellino) (CES 82/88)

### Research and training programme (1987-91) in the field of controlled thermonuclear fusion and the amendments to the statutes of the Joint European Torus (JET)

(proposal for a regulation and proposal for a decision)

(Rapporteur: Mr Ian M. Campbell) (CES 84/88)

### Developing the exploitation of renewable energy sources

(proposal for a recommendation)

(Rapporteur: Mr Paul Flum) (CES 74/88)

Revising the multiannual research action programme in the field of biotechnology (1985-89)  
(Rapporteur: Mr John A. de Normann) (CES 74/88)

Community action in the field of forecasting and assessment in science and technology (FAST)  
(Rapporteur: Mr Tomás Roseingrave) (CES 76/88)

Cocoa and chocolate products intended for human consumption (ninth amendment to Directive 73/241/EEC)  
(Rapporteur working alone: Mr Kenneth J. Gardner) (CES 73/88)

Enzootic bovine leukosis  
(amending Directive 64/432/EEC and revoking Directive 80/1102/EEC)  
(Rapporteur: Mr Peter Storie-Pugh) (CES 85/88)

Tax reliefs to be allowed on the importation of goods in small consignments of a non-commercial character within the Community (fifth amendment to Directive 74/651/EEC)  
(Rapporteur working alone: Mr Philip H. Noordwal) (CES 77/88)

Pure-bred breeding sheep and goats  
(Rapporteur: Mr Kenneth J. Gardner) (CES 86/88)

## 253rd PLENARY SESSION OF 24 AND 25 FEBRUARY 1988

Cross-frontier labour market problems  
(Own-initiative Opinion)(Rapporteur: Mr Enrico Vercellino) (CES 213/88)

Equal treatment for men and women in social security schemes  
(Rapporteur: Mr Gordon Pearson) (CES 209/88)

Set-aside of agricultural land and the extensification and conversion of production  
(amending Regulations (EEC) Nos 797/85 and 1760/87)  
(Rapporteur-General: Mr Walter Luchetti) (CES 210/88)

Information on the energy efficiency of buildings  
(Rapporteur: Mr Henry Salmon) (CES 214/88)

Indicators or marks identifying the lot to which a foodstuff belongs  
(Rapporteur: Mr Kenneth J. Gardner) (CES 208/88)

Turnover tax and excise duty on imports in international travel  
(ninth amendment to Directive 69/169/EEC)  
(Rapporteur working alone: Mr Philip H. Noordwal) (CES 212/88)

Controls in the wine sector  
(Rapporteur: Mr Johannes Jaschick) (CES 211/88)

Construction products  
(Rapporteur: Mr John A. de Normann) (CES 215/88)

## 254th PLENARY SESSION OF 23 AND 24 MARCH 1988

Application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community  
(amending Regulation (EEC) No 1408/71 and Regulation (EEC) No 574/72)  
(Rapporteur-General: Mr Gordon Pearson) (CES 323/88)

Electromagnetic compatibility  
(Rapporteur: Mr Philip H. Noordwal) (CES 324/88)

Calcium, magnesium, sodium and sulphur content of fertilizers  
(Directive supplementing and amending Directive 76/116/EEC)  
(Rapporteur: Mr José Bento Gonçalves) (CES 325/88)

Statistical returns in respect of carriage of goods by road, as part of regional statistics  
(amending Directive 78/546/EEC)  
(Rapporteur: Mr Corstiaan A. Bos) (CES 326/88)

Health problems of minced meat and meat in pieces of less than 100 grams  
(Rapporteur: Mr Peter Storie-Pugh) (CES 327/88)

Know-how licensing agreements  
(additional Own-initiative Opinion on the Draft Commission Regulation on the application of Article 85 (3) of the EEC Treaty)  
(Rapporteur: Mr Jens-Peter Petersen) (CES 328/88)

First multiannual programme (1988-93) for biotechnology-based agro-industrial research and technological development (Eclair)  
(Rapporteur: Mr André de Tavernier) (CES 329/88)

Development of agriculture in certain regions of Spain  
(Rapporteur: Mr Leopoldo Quevedo Rojo) (CES 330/88)

Community traffic in transit through non-EC countries (Switzerland, Austria and Yugoslavia)  
(Own-initiative Opinion)  
(Rapporteur: Mr Gian Battista Cavazzuti) (CES 331/88)

Mutual recognition of diplomas, certificates and other evidence of formal qualifications as doctor, nurse responsible for general care, dental practitioner, veterinary surgeon and midwife  
(amending Directives 75/362/EEC, 77/452/EEC, 78/686/EEC, 78/1026/EEC and 80/154/EEC together with Directives 75/363/EEC, 78/1027/EEC and 80/155/EEC concerning the coordination of provisions laid down by law, regulation or administrative action relating to the activities of doctors, veterinary surgeons and midwives  
(Rapporteur: Mr Peter Storie-Pugh) (CES 332/88)

Mutual recognition of diplomas, certificates and other evidence of formal qualifications of nurses responsible for general care  
(amendment to Directive 77/452/EEC) and the activities of nurses responsible for general care (amendment to Directive 77/453/EEC)  
(Rapporteur: Mr Peter Storie-Pugh) (CES 333/88)

Health conditions for the marketing of fish and fish products concerning nematodes  
(Rapporteur: Mr Tomás Roseingrave) (CES 334/88)

## 255th PLENARY SESSION OF 27 AND 28 APRIL 1988

Fixing of prices for agricultural products and on related measures  
(1988/89)  
(Rapporteur: Mr Rudolf Schneiders) (CES 457/88)

Measures to encourage improvements in the safety and health of workers at the workplace  
(Rapporteur: Mr Paul Flum) (CES 454/88)

Minimum safety and health requirements for the workplace  
(Rapporteur: Mr Paul Flum) (CES 455/88)

Creation of a European financial area  
(Communication from the Commission)  
(Rapporteur: Mr Jean-Pierre Delhomenie) (CES 446/88)

A fresh boost for culture in the European Community  
(Communication from the Commission)  
(Rapporteur: Mr Roger Burnel) (CES 460/88)

Twelfth Annual Report on the European Regional Development Fund  
(Rapporteur: Mr William Black) (CES 453/88)

Permissible sound level and exhaust system of motor cycles  
(amendment to Directive 78/1015/EEC)  
(Rapporteur: Mr Paul Flum) (CES 448/88)

Standardization of certain rules relating to authorizations for the carriage  
of goods by road between Member States  
(amending Directive 65/269/EEC)  
(Rapporteur: Mr Eike Eulen) (CES 449/88)

Restrictions on the marketing and use of certain dangerous substances  
and preparations  
(eight amendment to Directive 76/769/EEC)  
(Rapporteur: Mr Georges Proumens) (CES 450/88)

Green Paper—Towards a competitive Community-wide telecommunica-  
tions market in 1992  
(Communication from the Commission)  
(Rapporteur: Mr Jean Rouzier) (CES 458/88)

Franchising agreements  
(Additional Opinion)  
(Rapporteur: Mr G.H.E. Hilkens) (CES 456/88)

General safety requirements for products  
(Own-initiative Opinion)  
(Rapporteur: Mrs Alma Williams) (CES 452/88)

A policy for upland areas  
(Own-initiative Opinion)  
(Rapporteur: Mr Andrea Amato) (CES 461/88)

The problems of indebtedness in the ACP countries  
(Information Report)  
(Rapporteur: Mr Antonio Ernesto Neto da Silva) (CES 567/87 fin)

Relations between the European Community and the European State-  
trading countries  
(Own-initiative opinion)  
(Rapporteur: Mr Walter Briganti) (CES 459/88)

Rapid exchange of information on dangers arising from the use of consumer products

(amendment to Decision 84/133/EEC)

(Rapporteur working alone: Mrs Alma Williams) (CES 451/88)

System of the Communities' own resources

(Rapporteur: Mr Jean Pardon) (CES 447/88)

Framework Regulation on the reform of the structural Funds

(Rapporteur-General: Mr Georges Dassis) (CES 462/88)

## 256th PLENARY SESSION OF 1, 2 AND 3 JUNE 1988

The economic situation in the Community (mid-1988)

(Own-initiative Opinion)

(Rapporteur: Mr Francesco Drago) (CES 597/88)

Social developments in the Community in 1987

(Rapporteur: Mrs Beatrice Rangoni-Machiavelli) (CES 598/88)

Protection of workers from the risks related to exposure to carcinogens at work (sixth individual Directive within the meaning of Article 8 of Directive 80/1107/EEC)

(Rapporteur: Mr Thomas Etty) (CES 599/88)

Protection of the ozone layer and laying down common rules applicable to certain products which deplete the ozone layer

(proposals for a decision and a regulation)

(Rapporteur: Mr Klaus Schmitz) (CES 585/88)

Major-accident hazards of certain industrial activities

(amending for the second time Directive 82/581/EEC)

(Rapporteur: Mr Enzo Beltrami) (CES 586/88)

Air pollution by gases from the engines of motor vehicles

(amendment to Directive 70/220/EEC)

(Rapporteur: Mr Gordon Pearson) (CES 587/88)

Control of concentrations between undertakings

(Rapporteur: Mr Jens-Peter Petersen) (CES 588/88)

Harmonization of certain social legislation on recording equipment in road transport (amendment to Regulations (EEC) Nos 3820/85 and 3821/85) and the proposal for a Council Directive on standard checking procedures for the implementation of Regulations (EEC) Nos 3820/85 and 3821/85  
(Rapporteur: Mr Klaus Benedict von der Decken) (CES 592/88)

Charging of transport infrastructure costs to heavy goods vehicles  
(Rapporteur: Mr Jean Rouzier) (CES 593/88)

Quality wines produced in specified regions  
(amending Regulation (EEC) No 823/87); sparkling wines produced in the Community as defined in point 15 of Annex I to Regulation (EEC) No 822/87 (amending Regulation (EEC) No 358/79; general rules for the description and presentation of sparkling wines and aerated wines (amending Regulation (EEC) No 3309/85)  
(Rapporteur: Mr Joseph Yverneau) (CES 589/88)

Laying down health conditions for the marketing of fish and fish products concerning nematodes  
(Additional Opinion)  
(Rapporteur working alone: Mr Tomás Roseingrave) (CES 590/88)

Special support for the development of agricultural statistics in Ireland  
(Rapporteur working alone: Mr Sean Kelly) (CES 591/88)

Colouring matters that are authorized for use in foodstuffs intended for human consumption  
(amending for the eighth time the Directive of 23 October 1962)  
(Rapporteur: Mr Kenneth J. Gardner) (CES 584/88)

Proprietary medicinal products  
(amendment to Directives 65/65/EEC, 75/318/EEC and 75/319/EEC); additional provisions for immunological medicinal products consisting of vaccines, toxins or serums and allergens; additional provisions for medicinal products derived from human blood and additional provisions for radiopharmaceuticals (three proposals for a Directive enlarging the field of application of Directives 65/65/EEC and 75/319/EEC)  
(Rapporteur: Mr G. H. E. Hilken) (CES 653/88)

Financial support for Portugal for a specific industrial development programme (Pedip)  
(Rapporteur-General: Mr Velasco Manuel Cal) (CES 604/88)

Restrictions on the marketing and use of certain dangerous substances and preparations  
(ninth amendment to Directive 76/769/EEC)  
(Rapporteur-General: Mr Georges Proumens) (CES 603/88)

Weights, dimensions and certain other technical characteristics of certain road vehicles  
(amendment to Directive 85/3/EEC)  
(Rapporteur-General: Mr François Perrin-Pelletier) (CES 602/88)

Fourth EC/ACP Convention  
(Own-initiative Opinion)  
(Rapporteur: Mr Jean-Pierre Delhomenie) (CES 600/88)

## 257th PLENARY SESSION OF 6 AND 7 JULY 1988

Completion of the internal market: Approximation of indirect tax rates and harmonization of indirect tax structures  
(Global Communication from the Commission)  
(Rapporteur: Mrs Anne Robinson) (CES 739/88)

Approximation of VAT rates  
(Directive supplementing the common system of value-added tax and amending Directive 77/388/EEC)  
(Rapporteur: Mr Paul Broicher) (CES 741/88)

Instituting a process of convergence of rates of value-added tax and excise duties  
(Rapporteur: Mr Luigi Della Croce) (CES 743/88)

VAT clearing mechanism for intra-Community sales  
(Completing the internal market)  
(Rapporteur: Mr Luigi Della Croce) (CES 742/88)

Removal of fiscal frontiers  
(Directive completing and amending Directive 77/388/EEC)  
(Rapporteur: Mr Paul Broicher) (CES 740/88)

Approximation of taxes on cigarettes and on manufactured tobacco other than cigarettes  
(two proposals for Directives)  
(Rapporteur: Mrs Anne Robinson) (CES 744/88)



Approximation of the rates of excise duties on mineral oils  
(Rapporteur: Mr Paul Broicher) (CES 745/88)

Approximation of the rates of excise duty on alcoholic beverages and on the alcohol contained in other products  
(Rapporteur: Mr Luigi Della Croce) (CES 746/88)

Maximum tar yield of cigarettes  
(Rapporteur: Mr Wilfred Aspinall) (CES 750/88)

Labelling of tobacco products  
(Rapporteur: Mr Philip H. Noordwal) (CES 749/88)

Air transport — ground handling services  
(Additional Opinion)  
(Rapporteur-General: Mr Javier Velasco-Mancebo) (CES 737/88)

Computer reservation systems for air transport services  
(Additional Opinion)  
(Rapporteur: Mr Robert Moreland) (CES 738/88)

Joint planning and coordination of capacity, sharing of revenue and consultations on tariffs in scheduled air services and slot allocation at airports  
(Additional Opinion)  
(Rapporteur-General: Mr John Kenna) (CES 736/88)

Social aspects of sea fishing  
(Own-initiative Opinion)  
(Rapporteur: Mr Jesús Muñoz Guardado) (CES 735/88)

Common organization of the market in eggs  
(amendment to Regulation (EEC) No 2771/75)  
(Rapporteur-General: Mr Hans-Jürgen Wick) (CES 748/88)

Transition of the Eurotra programme to the third phase  
(Rapporteur-General: Mr Aldo Romoli) (CES 747/88)

## 258th PLENARY SESSION OF 28 AND 29 SEPTEMBER 1988

Contribution to finance social measures connected with the restructuring of the steel industry  
(Rapporteur: Mr Romoli Arena) (CES 950/88)

Prevention of air pollution from new municipal waste incineration plants  
(two proposals for Directives)  
(Rapporteur: Mr Klaus Boisseree) (CES 951/88)

Preventing environmental damage by the implementation of education and training  
(Rapporteur: Mr Herbert Nierhaus) (CES 952/88)

Minimum safety and health requirements for work with visual display units  
(fourth individual Directive)  
(Rapporteur: Mr Klaus Meyer-Horn) (CES 962/88)

Minimum health and safety requirements for handling heavy loads where there is a risk of back injury to workers  
(Rapporteur: Mr Pedro José de Carvalho Vidal) (CES 963/88)

Aids for transport by rail, road and inland waterways  
(modification of Regulation (EEC) No 1107/70)  
(Rapporteur: Mr Wolfgang Haas) (CES 955/88)

Taking up and pursuit of the business of credit institutions  
(second Directive amending Directive 77/780/EEC)  
(Rapporteur: Mr Jean Pardon) (CES 964/88)

Minimum health and safety requirements for the use by workers of personal protective equipment  
(Rapporteur: Mr Paul Schade-Poulsen) (CES 961/88)

Minimum safety and health requirements for the use by workers of machines, equipment and installations  
(second individual Directive)  
(Rapporteur: Mr Paul Flum) (CES 960/88)

Structural improvements in inland waterway transport  
(Rapporteur: Mr Ulbo Tukker) (CES 966/88)

Reciprocal recognition of national boatmasters' certificates for the carriage of goods by inland navigation  
(Rapporteur: Mr Ulbo Tukker) (CES 957/88)

European stimulation plan for cooperation and interchange between researchers in economic science (SPES) (1989-92)  
(Rapporteur: Mr Javier Velasco Mancebo) (CES 959/88)

Applying generalized tariff preferences for 1989 in respect of certain industrial products originating in developing countries, to textile products, to certain agricultural products and to certain steel products originating in developing countries

(three proposals for a regulation and a Draft Decision)  
(Rapporteur: Mr Gian Battista Cavazzuti) (CES 958/88)

Company law concerning single-member private limited companies  
(12th Directive)

(Rapporteur: Mr Graham Speirs) (CES 953/88)

Admission to the occupation of road haulage operator and to the occupation of road passenger transport operator in national and international transport operations (amending Directives 74/561/EEC and 74/562/EEC); mutual recognition of diplomas, certificates and other evidence of formal qualifications for goods haulage operators and road passenger transport operators, including measures intended to encourage these operators effectively to exercise their right to freedom of establishment

(amending Directive 77/796/EEC)  
(Rapporteur: Mr René Bleser) (CES 954/88)

Agreement between the European Economic Community, Finland, Norway, Switzerland, Sweden and Yugoslavia on the international combined road/rail carriage of goods (ATC)

(Rapporteur: Mr Wolfgang Haas) (CES 956/88)

Future prospects of the GATT/Uruguay Round  
(Own-initiative Opinion)

(Rapporteur: Mr Aldo Romoli) (CES 965/88)

## 259th PLENARY SESSION OF 26 AND 27 OCTOBER 1988

Coordination of the activities of the different structural Funds between themselves and with the operations of the European Investment Bank and the other existing financial instruments

(Council Regulation laying down provisions for implementing Regulation (EEC) No 2052/88)

(Rapporteur: Mr Francesco Serra Caracciolo) (CES 1094/88)

Interventions of the European Regional Development Fund

(Rapporteur: Mr Andrea Amato) (CES 1095/88)

Interventions of EAGGF (European Agricultural Guidance and Guarantee Fund (Guidance Section))

(Council Regulation laying down provisions for implementing Regulation (EEC) No 2052/88)

(Rapporteur: Mr Michael Strauss) (CES 1096/88)

Interventions of the European Social Fund

(Council Regulation laying down provisions for implementing Regulation (EEC) No 2052/88)

(Rapporteur: Mr Danilo Beretta) (CES 1097/88)

Burden of proof in the area of equal pay and equal treatment for women

(Rapporteur: Mr Louis Gomez Martinez) (CES 1100/88)

Education in the Community — medium-term perspectives: 1989-92

(Rapporteur: Mr Herbert Nierhaus) (CES 1101/88)

Approximation of the laws of the Member States relating to machinery (Article 100 of the EEC Treaty)

(Rapporteur: Mr François Perrin-Pelletier) (CES 1092/88)

Personal protective equipment (PPE)

(Rapporteur: Mr Gordon Pearson) (CES 1093/88)

Restrictions on the marketing and use of certain dangerous substances and preparations (amending Directive 76/769/EEC); classification, packaging and labelling of dangerous preparations (amendment to Council Directive)

(Rapporteur working alone: Mr Enzo Beltrami) (CES 1084/88)

Emulsifiers, stabilizers, thickeners and gelling agents for use in foodstuffs (fifth amendment to Directive 74/329/EEC)

(Rapporteur: Mrs Alma Williams) (CES 1083/88)

Solvency ratio for credit institutions

(Rapporteur: Mr Jean Pardon) (CES 1085/88)

Consumer credit

(modification to Directive 87/102/EEC)

(Rapporteur: Mr Klaus Meyer-Horn) (CES 1082/88)

Harmonization of certain social legislation relating to road transport (amendment to Council Regulation (EEC) No 3820/85); recording equipment in road transport (amending Regulation (EEC) No 3821/85) (Additional Opinion)  
(Rapporteur: Mr Klaus Benedict von der Decken) (CES 1098/88)

Summertime arrangements  
(Fifth Council Directive)  
(Rapporteur: Mr Wolfgang Haas) (CES 1086/88)

Specific programme for the dissemination and utilization of results from scientific and technological research (1988-92)  
(Rapporteur: Mr Joao Antonio Gomez Proença) (CES 1087/88)

Promote cooperation between public electricity supply companies and auto-producers of electricity  
(Rapporteur: Mr Remo Mainetti) (CES 1102/88)

Informing the population about health protection measures to be applied and steps to be taken in the event of a radiological emergency  
(Rapporteur: Mr Michel Saïu) (CES 1103/88)

Milk and milk products sector  
(four proposals for regulations amending Regulations (EEC) Nos 804/68, 857/84, 2237/88 and 1079/77) and on fixing the intervention price for butter  
(Rapporteur working alone: Mr Walter Luchetti) (CES 1088/88)

Producer groups and associations thereof  
(amending Regulation (EEC) No 1360/78)  
(Rapporteur working alone: Mr Joseph Rea) (CES 1089/88)

GATT/Uruguay Round — Agriculture and the agri-food sector  
(Own-initiative Opinion)  
(Rapporteur: Mr Jean-Claude Clavel) (CES 1099/88)

The demarcation of wine-growing areas in the Community  
(Own-initiative Opinion)  
(Rapporteur: Mr Pere Margalef Masia) (CES 1091/88)

Situation of the herring market  
(Own-initiative Opinion)  
(Rapporteur: Mr A. Colin Hancock) (CES 1090/88)

## 260th PLENARY SESSION OF 23 AND 24 NOVEMBER 1988

Commission's annual economic report 1988-89  
(Rapporteur: Mr Francesco Drago) (CES 1231/88)

Internal market and industrial cooperation—European company statute—  
Internal market White Paper, point 137  
(Memorandum from the Commission)  
(Rapporteur: Mr Jens-Peter Petersen) (CES 1233/88)

Fight against racism and xenophobia  
(proposal for a Council resolution)  
(Rapporteur: Mrs Shreela Flather) (CES 1232/88)

Social security schemes to employed persons, to self-employed persons  
and to members of their families moving within the Community  
(amending of Regulation (EEC) No 1408/71 and of Regulation (EEC)  
No 574/72)  
(Rapporteur-General: Mr Gordon Pearson) (CES 1237/88)

Exceptional financial support in favour of Greece in the social field  
(amendment to Regulation (EEC) No 815/84)  
(Rapporteur: Mr Georges Dassis) (CES 1221/88)

Second phase of the programme on cooperation between universities and  
enterprises regarding training in the field of technology (Comett II)  
(Rapporteur: Mr Herbert Nierhaus) (CES 1222/88)

Contained use of genetically modified micro-organisms and the deliberate  
release to the environment of genetically modified organisms  
(two proposals for directives)  
(Rapporteur: Mr Klaus Benedict von der Decken) (CES 1235/88)

Limit values and quality objectives for discharges of certain dangerous  
substances included in List I of the Annex to Directive 76/464/EEC  
(amending and supplementing Annex II to Directive 86/280/EEC)  
(Rapporteur: Mr Rui Herlandez Rolão Gonçalves) (CES 1223/88)

Implementing at Community level of the main phase of the strategic  
programme for innovation and technology transfer — Sprint (1989-93)  
(Rapporteur: Mr Herbert Nierhaus) (CES 1224/88)

Action programme in the field of transport infrastructure with a view to the  
completion of an integrated transport market in 1992  
(Rapporteur: Mr Jean Rouzier) (CES 1225/88)

Action programme for the European tourism year (1990)  
(Rapporteur-General: Mr Nikolas Vassilaras) (CES 1238/88)

Community traffic in transit through non-EC countries (Switzerland, Austria and Yugoslavia)  
(Additional Own-initiative Opinion)  
(Rapporteur: Mr Gian Battista Cavazzuti) (CES 1234/88)

Specific programme for the completion of a machine-translation system of advanced design (Eurotra)  
(Rapporteur: Mr Georges Proumens) (CES 1228/88)

Multiannual research and development programme in food science and technology (1989 to mid-1993) — Flair  
(Rapporteur: Mr John A. de Normann) (CES 1230/88)

Specific research and technological development programme in the field of energy — non-nuclear energies and rational use of energy (1989-92) (Joule)  
(Rapporteur: Mr Paul Flum) (CES 1229/88)

Marketing of compound feedingstuffs  
(amendment to Directive 79/373/EEC)  
(Rapporteur: Mr Luigi Della Croce) (CES 1226/88)

Market for sardines in the Community: situation and outlook  
(Own-initiative Opinion)  
(Rapporteur: Mr Augusto Gil Bensabat Ferraz da Silva) (CES 1227/88)

Energy policy and completion of the internal market  
(Information Report)  
(Rapporteur: Mr Klaus Benedict von der Decken) (CES 69/88 fin)

Resolution — proposals for an EC action programme (1989-92)  
(Resolution of the Economic and Social Committee)  
(Rapporteur: Mr François Ceyrac) (CES 1267/88 fin)

## 261st PLENARY SESSION OF 14 AND 15 DECEMBER 1988

Cosmetic products  
(fifth amendment to Directive 76/768/EEC)  
(Rapporteur: Mr Georges Proumens) (CES 1325/88)

Waste (amendment to Directive 75/442/EEC) and hazardous waste  
(two proposals)  
(Rapporteur: Mr Klaus Boisseree) (CES 1326/88)

Specific research programme in the field of health — predictive medicine:  
human genome analysis (1989-91)  
(Rapporteur: Mrs Susanne Tiemann) (CES 1342/88)

Air quality limit values and guide values for sulphur dioxide and  
suspended particulates  
(amendment to Directive 80/779/EEC)  
(Rapporteur: Mr Klaus Boisseree) (CES 1327/88)

Introducing a communications network Community programme on trade  
electronic data interchange system (Tedis)  
(amendment of Council Decision 87/499/EEC)  
(Rapporteur working alone: Mr Herbert Nierhaus) (CES 1343/88)

Vocational training for certain drivers of vehicles carrying dangerous  
goods by road  
(Rapporteur: Mr Francisco Corell Ayora) (CES 1336/88)

Code of conduct for computerized reservation systems (SIR)  
(Rapporteur: Mr Robert J. Moreland) (CES 1337/88)

Specific multiannual programme for the research and development of  
statistical expert systems (Doses)  
(Rapporteur: Mr William Black) (CES 1328/88)

Specific research and technological development programme of the  
European Economic Community in the fields of industrial manufacturing  
technologies and advanced materials applications (Brite/Euram) (1989-  
92)  
(Rapporteur: Mr John A. de Normann) (CES 1330/88)

Veterinary checks in intra-Community trade with a view to the completion  
of the internal market; intensifying controls on the application of the  
veterinary rules; 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  
(amendment to Regulation (EEC) No 1460/81) (three proposals for a  
regulation)  
(Rapporteur: Mr Peter Storie-Pugh) (CES 1331/88)



Community programme in the field of strategic analysis, forecasting and evaluation in matters of research and technology (1988-92) (Monitor)  
(Rapporteur: Mr John A. de Normann) (CES 1329/88)

Protection of workers from the risks related to exposure to biological agents at work  
(Rapporteur: Mr Pedro José Vidal) (CES 1339/88)

Research programme on competitiveness of agriculture and management of agricultural resources (1989-93)  
(Rapporteur: Mr Francesco Serra Caracciolo) (CES 1332/88)

Animal health problems affecting intra-Community trade in meat products  
(amendment to Directive 80/215/EEC)  
(Rapporteur: Mr Peter Storie-Pugh) (CES 1333/88)

Amendment to Regulation No 805/68 on the common organization of the market in beef and veal and repealing Regulation No 1302/73 and Regulation No 1357/80 introducing a system of premiums for maintaining suckler cows and repealing Regulation No 1199/82  
(Rapporteur: Mr Hans-Jürgen Wick) (CES 1341/88)

Common organization of the market in sheepmeat and goatmeat  
(Rapporteur: Mr Michael Strauss) (CES 1340/88)

Zootechnical and pedigree requirements for the marketing of purebred animals  
(Rapporteur working alone: Mr Peter Storie-Pugh) (CES 1334/88)

Situation in the nuts sector in the Community  
(Own-initiative Opinion)  
(Rapporteur working alone: Mr Pere Margelef Masia) (CES 1335/88)

Programme of strategic research and technology in the field of aeronautics — pilot phase (1989-90)  
(Communication from the Commission to the Council and to the European Parliament)  
(Rapporteur: Mr Paul Flum) (CES 1338/88)

Granting of financial support to transport infrastructure projects  
(Rapporteur-General: Mr Jean Rouzier) (CES 1344/88)

*ANNEX B*

**List of opinions  
drawn up by the Committee  
on its own initiative (1980-88)**

A full list of the opinions issued by the Committee since 1973 can be found in the 1985 Annual Report.

Report on some structural aspects of growth (Rapporteur: Mr Querini)	February 1980
Regional programmes (Rapporteur: Mr Hall)	April 1980
Use of medicine and its effects on public health (Rapporteur: Mr De Grave)	April 1980
The report on European institutions (Rapporteur-General: Mr Friedrichs)	May 1980
Development cooperation policy and the economic and social consequences of the application of certain international standards governing working condi- tions (Rapporteur: Mr Soulat)	July 1980
Distribution of the total catch possibilities of stocks or groups of stocks occurring in the Community fishing zone (Rapporteur: Mr Leo)	November 1980
Community accession to the European Convention on Human Rights (Rapporteur: Mr Williams)	December 1980
Protection of investment in less-developed coun- tries (Rapporteur: Mr Breitenstein)	December 1980
European Regional Development Fund — Fifth Annual Report (1979) (Rapporteur: Mr Curlis)	December 1980
The Community competition policy in the light of the current economic and social situation (Rapporteur: Mr Bagliano)	April 1981
Revision of the ERDF Regulation (Rapporteur: Mr Hall)	April 1981
Implementation of the Second Lomé Convention (Rapporteur: Mr Clavel)	May 1981

Economic and commercial relations between the Community and Japan (Rapporteur: Mr Évain)	July 1981
The automobile sector (Rapporteur: Mr Laval)	July 1981
The present situation in the Community's construction sector and the most appropriate measures by which the EEC can promote growth and employment in this sector (Rapporteur: Mr Évain)	July 1981
The situation and problems of the handicapped (Rapporteur: Mr Davies)	July 1981
The Community's food aid policy (Rapporteur: Mr Williams)	September 1981
The agricultural aspects of the enlargement of the Community to include Spain (Rapporteur: Mr Lauga)	September 1981
Review of energy policy objectives for 1990 and Member States' investment programmes (Communication from the Commission) (Rapporteur: Mr Margot)	September 1981
Prospects for the Communities' policies in the 1980s (Rapporteur: Mr De Bruyn)	October 1981
Reform of the common agricultural policy (Rapporteur: Mr Zinkin)	November 1981
European Regional Development Fund — Sixth Annual Report (1980) (Rapporteur: Mr Zoli)	December 1981
The situation and prospects of the textile and clothing industries in the Community (Rapporteur: Mr Masucci)	January 1982
The coordination of labour market instruments (Rapporteur: Mr Vannin)	February 1982

The development of the European Monetary System (EMS) (Rapporteur: Mr Évain)	April 1982
The 1982 programme for the attainment of the customs union (Rapporteur: Mr Broicher)	April 1982
The promotion of the small and medium-sized enterprises sector in the European Community (Rapporteur: Mr Kolbenschlag)	May 1982
Communication from the Commission to the Council on the development of an energy strategy for the Community and energy pricing — policy and transparency (Rapporteur: Mr Zünkler)	May 1982
The economic situation in the Community (mid-1982) (Rapporteur: Mr Loccufier)	July 1982
Commission report to the ACP-EEC Council of Ministers on the administration of financial and technical cooperation in 1980 under the Lomé Convention (Rapporteur: Mr Cremer)	July 1982
Transport policy of the European Community in the 1980s (Rapporteur-General: Mr Rouzier)	October 1982
European Regional Development Fund — Seventh Annual Report (1981) (Rapporteur: Mr Broicher)	February 1983
Youth employment (Rapporteur: Mr Burnel)	June 1983
Young people and their role in the development of the European Community (Rapporteur: Mr De Bruyn)	June 1983
Preparation for the sixth United Nations Conference on Trade and Development (Unctad) (Rapporteur: Mr Elkan)	June 1983

Economic situation in the Community (First half of 1983) (Rapporteur: Mr Pfeiffer)	July 1983
Relations between the European Community and the USA (Rapporteur: Mr Staratzke)	July 1983
Implementation of environmental job-creating measures (Rapporteur: Mr De Grave)	September 1983
Community policy on oils and fats (Rapporteur: Mr Lauga)	October 1983
Enlargement of the Community to include Portugal and Spain (Rapporteur: Mrs Strobel)	November 1983
EEC-EFTA relations (Rapporteur: Mr Zinkin)	March 1984
Dialogue and cooperation between representatives of consumers, producers and distributors (Rapporteur: Mr Hilken)	May 1984
European Community action programme on the management (prevention, recycling, disposal) of waste European waste management programme (Rapporteur: Mr Kölbl)	May 1984
Economic situation in the Community in the first half of 1984 (Rapporteur: Mr Pelletier)	July 1984
Spanish and Portuguese accession to the Community (Rapporteur: Mrs Strobel)	July 1984
Industrial medicine (Rapporteur: Mr Mourgues)	September 1984
EC-Yugoslav relations (Rapporteur: Mr Stahlmann)	September 1984

Current social security problems in the EEC (Rapporteur: Mr Engelen-Kefer)	October 1984
Migrant worker (Rapporteur: Mr Dassis)	October 1984
Current situation and medium-term prospects of the Community fisheries sector (Information report and Own-initiative Opinion) (Rapporteur: Mr Pietro Morselli)	February 1985
Priorities for Community research initiatives: the next revision of the framework programme for Com- munity scientific and technological activities (Rapporteur: Mr Tomás Roseingrave)	March 1985
Occupational cancer (Rapporteur: Mr Thomas Ety)	May 1985
Economic situation in the Community (mid-1985) (Rapporteur: Mr L. N. Goris)	July 1985
Green Paper on the establishment of the common market for broadcasting, especially by satellite and cable (Rapporteurs: Mr Paul Broicher, Mr Bartholomeus Pronk, Mr Roger Ramaekers)	September 1985
National Regional Development Aid (Rapporteurs: Mr Paul Broicher and Mr Luigi Della Croce)	January 1986
European Road Safety Year (Rapporteur: Mr Alberto Masprone)	February 1986
The forthcoming round of GATT negotiations (Rapporteur: Mr Finn Breitenstein)	May 1986
The effects of the CAP on the social situation of farmworkers in the Community (Rapporteur: Mr Willi Lojewski)	May 1986
EC shared-cost research, development and demon- stration projects (Rapporteur: Mr John A. de Normann)	May 1986

The economic situation in the Community in mid-1986 (Rapporteur: Mr Michel Geuenich)	July 1986
Relations between the European Community and the Member States of the Association of South-East Asian Nations (Asean) (Rapporteur: Mr Herbert Nierhaus)	July 1986
Relations between the European Community, Japan and the USA (Rapporteurs: Mr Henry Curlis and Mr Hans-Werner Staratzke)	September 1986
Financial integration in the Community (Rapporteur: Mr Francesco Drago)	November 1986
Local employment initiatives (Rapporteur: Mr Tomás Roseingrave)	December 1986
Criteria and efficiency of integrated operations (Rapporteur: Mr Luigi Della Croce)	December 1986
Stocktaking and prospects for a Community rail policy (Rapporteur: Mr Ian Campbell)	February 1987
Economic situation in the Community in mid-1987 (Rapporteur: Mr Michel Collas)	July 1987
Community measures to be taken in the aftermath of the Chernobyl nuclear accident (Rapporteur: Mr Paul Flum)	July 1987
Disadvantaged island regions (Rapporteur: Mr Nikolaos Vassilaras)	July 1987
Impact of current US economic and political developments on the Uruguay Round and international trade (Rapporteur: Mr Aldo Romoli)	July 1987
Financing of the Community (Rapporteur: Mr Jean Pardon)	November 1987



Commission's agricultural proposals for implementing the Single Act (Rapporteur: Mr Paul Flum)	November 1987
Budgetary discipline (Additional Opinion) (Rapporteur: Mr Jean Pardon)	January 1988
Cross-frontier labour market problems (Rapporteur: Mr Enrico Vercellino)	February 1988
Problems of Community traffic in transit through Austria, Switzerland and Yugoslavia (Rapporteur: Mr Gian Battista Cavazzuti)	March 1988
Know-how licensing agreements (Additional Opinion) (Rapporteur: Mr Jens-Peter Petersen)	March 1988
General safety requirement for products (Rapporteur: Mrs Alma Williams)	April 1988
A policy for upland areas (Rapporteur: Mr Andrea Amato)	April 1988
Relations between the European Community and European State-trading countries (Rapporteur: Mr Walter Briganti)	April 1988
Economic situation in the Community in mid-1988 (Rapporteur: Mr Francesco Drago)	June 1988
Fourth ACP/EEC Convention (Rapporteur: Mr Jean-Pierre Delhomenie)	June 1988
Social aspects of sea fishing (Rapporteur: Mr Jésus Muniz Guardado)	July 1988
Future prospects of the GATT/Uruguay Round (Rapporteur: Mr Aldo Romoli)	September 1988
The current position and future prospects of the GATT/Uruguay Round negotiations from the viewpoint of agriculture and the agri-food sector (Rapporteur: Mr Jean-Claude Clavel)	October 1988

Demarcation of wine-growing zones in the Community (Rapporteur: Mr Pere Margalef Masia)	October 1988
Situation of the herring market (Rapporteur: Mr A. Colin Hancock)	October 1988
The market for sardines in the Community: situation and outlook (Rapporteur: Mr Augusto Gil Bensabat Ferraz da Silva)	November 1988
Community traffic in transit through non-EC countries (Switzerland, Austria and Yugoslavia) (Additional Opinion) (Rapporteur: Mr Gian Battista Cavazzuti)	November 1988
Situation in the nuts sector in the Community (Rapporteur working alone: Mr Pere Margalef Masia)	December 1988



**Tables indicating the extent  
to which opinions led to proposals  
being amended**

These tables, which cover more than the year under review, update the follow-up given to the Committee opinions. In view of the fact that there is a certain timelag between the adoption of an opinion and the Council decision, the present tables are meant to complete the Committee's previous annual reports.

Subject	Referred on	Referred by	Committee Opinion	Decision published	Opinion taken into account			EP Opinion
					To a small extent	In several respects	To a large extent	
Products used in animal nutrition Additives in feedingsuffs Fixing maximum permitted levels for undesirable substances and products in feedingsuffs Community methods of sampling and analysis for the official control of feedingsuffs	9.8.1977	Council	2.2.1978 OJ C 84 of 8.4.1978	OJ L 213 of 21.7.1982 OJ L 319 of 8.12.1984 OJ L 124 of 20.5.1980 OJ L 304 of 27.10.1987			x	OJ C 63 of 13.3.1978
Consumer credit	16.3.1980	Council	31.1.1980 OJ C 113 of 7.5.1980	OJ L 42 of 12.2.1987			x	OJ C 242 of 12.9.1983
Access to the occupation of carrier of goods by waterway in national and international transport, mutual recognition of diplomas, certificates and other evidence of formal qualifications for this occupation	21.12.1983	Council	5.7.1984 OJ C 248 of 17.9.1984	OJ L 322 of 12.11.1987		Commission proposal endorsed by Committee Opinion		OJ C 172 of 2.7.1984
Protection of workers by the proscription of specified agents and/or work activities (fourth individual Directive within the meaning of Article 8 of Directive 80/1107/EEC)	24.9.1984	Council	27.2.1985 OJ C 104 of 25.4.1985	OJ L 179 of 9.7.1988		Commission proposal endorsed by Committee Opinion		OJ C 72 of 18.3.1985
Civil aviation Memo No 2 — Progress towards the development of a Community air transport policy	3.4.1984	Council	26.9.1985 OJ C 303 of 25.11.1985	OJ L 374 of 31.12.1987			x	OJ C 262 of 14.10.1985 OJ C 345 of 21.12.1987

Commission NIC borrowing to promote investment in the Community	18.6.1985	Council	25.9.1985 OJ C 303 of 25.11.1985	OJ L 71 of 14.3.1987	x	OJ C 343 of 31.12.1985
Disposal of waste oils (Council Directive amending Directive 75/439/EEC)	11.2.1985	Council	31.10.1985 OJ C 330 of 20.12.1985	OJ L 42 of 12.2.1987	x	OJ C 255 of 13.10.1986
Principles of good laboratory practice and the verification of their application for tests on chemical substances	12.8.1985	Council	18.12.1985 OJ C 354 of 31.12.1985	OJ L 15 of 17.1.1987	Commission proposal endorsed by Committee Opinion	OJ C 120 of 20.5.1986
Reorganization and the winding-up of credit institutions	24.1.1986	Council	2.7.1986 OJ C 263 of 20.10.1986	Amended proposal	x	
Council Decision amending Decision 85/6/EEC on specific Community action to combat poverty	16.6.1986	Council	2.7.1986 OJ C 263 of 20.10.1986	OJ L 382 of 31.12.1986	x	OJ C 227 of 8.9.1986
Air pollution by gases from engines of motor vehicles: emission of gaseous pollutants from diesel engines for use in vehicles (amending Directive 70/220/EEC)	4.7.1986	Council	26.11.1986 OJ C 333 of 29.12.1986	OJ L 36 of 9.2.1988	x	OJ C 345 of 21.12.1987
Framework of Community activities in the field of research and technological development (1987-91)	12.8.1986	Council	27.11.1986 OJ C 333 of 29.12.1986	OJ L 302 of 24.10.1987 OJ L 89 of 6.4.1988	x	OJ C 7 of 12.1.1987
Amendments to Council Regulation (EEC) No 2821/71 of 20 December 1971 on application of Article 85(3) of the Treaty to categories of agreements, decisions and concerted practices	19.9.1986	Council	27.11.1986 OJ C 333 of 29.12.1986	OJ L 374 of 31.12.1987	x	OJ C 262 of 14.10.1985 OJ C 190 of 20.7.1987 OJ C 345 of 21.12.1987

Subject	Referred on	Referred by	Committee Opinion	Decision published	Opinion taken into account			EP Opinion
					To a small extent	In several respects	To a large extent	
Directives amending Directive 64/433/EEC on health problems affecting intra-Community trade in fresh meat and Directive 72/462/EEC on health and veterinary inspection problems upon importation of bovine animals and swine and fresh meat from third countries	27.10.1986	Council	16.12.1986 OJ C 68 of 16.3.1987	OJ L 279 of 2.10.1987 farned. Direct 80/215/EEC) OJ L 124 of 18.5.1988	Commission proposal endorsed by Committee Opinion		OJ C 156 of 15.6.1987	
Regulation amending Regulation (EEC) No 337/79 on the common organization of the market in wine	10.11.1986	Council	16.12.1986 OJ C 68 of 16.3.1987	OJ L 55 of 25.2.1987	Commission proposal endorsed by Committee Opinion			
Community action in the field of telecommunications technologies (RACE)	17.11.1986	Council	17.12.1986 OJ C 68 of 16.3.1987	OJ L 382 of 31.12.1986 OJ L 16 of 21.1.1988	Commission proposal endorsed by Committee Opinion		OJ C 281 of 19.10.1987	
Decision modifying Council Decision 83/624/EEC concerning a plan for the transnational development of the supporting infrastructure for innovation and technology transfer	29.10.1986	Council	28.1.1987 OJ C 83 of 30.3.1987	OJ L 153 of 13.6.1987	Commission proposal endorsed by Committee Opinion		OJ C 125 of 11.5.1987	
Council Regulation (EEC) amending Regulation on the common organization of the market in wine	10.11.1986	Council	28.1.1987 OJ C 83 of 30.3.1987	OJ L 300 of 23.10.1987	Commission proposal endorsed by Committee Opinion		OJ C 76 of 23.3.1987	

Supplementary Community financial measures for the eradication of classical swine fever; conditions designed to render and keep the territory of the Community free from classical swine fever (modified by Directive 80/1095/EEC); Community measures for the control of classical swine fever (modified by Directive 80/217/EEC); Directive amending Directives 64/432/EEC and 72/461/EEC as regards certain measures relating to swine fever	14.11.1986	Council	28.1.1987 OJ C 85 of 30.3.1987	OJ L 99 of 11.4.1987 OJ L 280 of 3.10.1987	Commission proposal endorsed by Committee Opinion	OJ C 76 of 23.3.1987
European Community action scheme for the mobility of university students (Erasmus)	22.12.1986	Council	28.1.1987 OJ C 83 of 30.3.1987	OJ L 166 of 25.6.1987	x	OJ C 148 of 16.6.1986
Community system of rapid exchange of information in cases of unusually high levels of radioactivity or of a nuclear accident	3.9.1986	Council	25.2.1987 OJ C 105 of 21.4.1987	OJ L 371 of 30.12.1987	x	OJ C 318 of 30.11.1987
Authorization of scheduled interregional air services for the transport of passengers, mail and cargo between Member States (amending Directive 83/416/EEC)	29.9.1986	Council	25.2.1987 OJ C 105 of 21.4.1987	OJ L 374 of 31.12.1987	x	
Research and development coordination programme in the field of medical and health research	17.11.1986	Council	25.2.1987 OJ C 105 of 21.4.1987	OJ L 334 of 24.11.1987	x	OJ C 281 of 19.10.1987
Research and development programme in the field of science and technology for development (1987-90)	17.11.1986	Council	14.4.1987 OJ C 150 of 9.6.1987	OJ L 355 of 17.12.1987	Commission proposal endorsed by Committee Opinion	OJ C 281 of 19.10.1987
Action programme for the training and preparation of young people for adult and working life	3.4.1987	Council	14.5.1987 OJ C 180 of 8.7.1987	OJ L 346 of 10.12.1987	x	



Subject	Referred on	Referred by	Committee Opinion	Decision published	Opinion taken into account			EP Opinion
					To a small extent	In several respects	To a large extent	
Inspection and verification of the organizational processes and conditions under which laboratory studies are planned, performed, recorded and reported for the non-clinical testing of chemicals (good laboratory practice)	14.1.1987	Council	1.7.1987 OJ C 232 of 31.8.1987	OJ L 145 of 11.6.1988		x		OJ C 156 of 15.6.1987 OJ C 122 of 9.5.1988
Maximum permitted radioactivity levels for agricultural products and drinking water	25.5.1987	Commission	2.7.1987 OJ C 232 of 31.8.1987	OJ L 371 of 30.12.1987	x			
Tariff and statistical nomenclature: Common Customs Tariff	26.5.1987	Council	1.7.1987 OJ C 232 of 31.8.1987	OJ L 256 of 7.9.1987			Commission proposal endorsed by Committee Opinion	OJ C 190 of 20.7.1987
Broadcasting activities	28.5.1986	Council	1.7.1987 OJ C 232 of 31.8.1987	Proposal amended			x	
Preventive withdrawals of apples and pears (amending Regulation (EEC) No 1035/72 on the common organization of the market in fruit and vegetables)	26.6.1987	Council	1.7.1987 OJ C 232 of 31.8.1987	OJ C L 209 of 31.7.1987			Commission proposal endorsed by Committee Opinion	
Cosmetics (fourth amendment of Directive 76/768/EEC)	25.3.1987	Council	23.9.1987 OJ C 319 of 30.11.1987	Amended by Commission			x	

Aids to agricultural income to encourage the cessation of farming (three draft Regulations)	30.4.1987	Council	23.9.1987 OJ C 319 of 30.11.1987	OJ L 110 of 29.4.1988	x	OJ C 49 of 22.2.1988
Directive amending Directive 85/3/EEC on the weights, dimensions and certain technical characteristics of certain road vehicles	11.8.1987	Council	23.9.1987 OJ C 319 of 30.11.1987	OJ L 98 of 15.4.1988	Commission proposal endorsed by Committee Opinion	
Generalized tariff preferences for 1988 in respect of certain industrial products originating in developing countries (three draft Regulations, draft Decision of the representatives of the governments of the Member States)	17.7.1987	Council	23.9.1987 OJ C 319 of 30.11.1987	OJ L 350 of 12.12.1987 OJ L 367 of 28.12.1987	x	OJ C 305 of 16.11.1987
Disclosure requirements in respect of branches opened in a Member State by certain types of companies governed by the law of another State (eleventh Council Directive based on Article 54(3)(g) of the Treaty)	11.8.1986	Council	24.9.1987 OJ C 319 of 30.11.1987	Proposal amended	x	
Action programme at Community level to promote the vocational rehabilitation and economic integration of people with disabilities, and to promote the social integration and independent living of people with disabilities	7.8.1987	Council	21.10.1987 OJ C 347 of 22.12.1987	OJ L 104 of 23.4.1988	x	OJ C 305 of 16.11.1987
Revision of the multiannual research and training programme in the field of radiation protection (1985-89)	12.8.1987	Council	18.11.1987 OJ C 356 of 31.12.1987	OJ L 16 of 21.1.1988	Commission proposal endorsed by Committee Opinion	OJ C 13 of 18.1.1988
Research and development programme in the field of basic technological research and the application of new technologies (Brite) (1985-88) (amending Decision 86/196/EEC)	12.8.1987	Council	18.11.1987 OJ C 356 of 31.12.1987	OJ L 59 of 4.3.1988	x	OJ C 345 of 21.12.1987

Subject	Referred on	Referred by	Committee Opinion	Decision published	Opinion taken into account			EP Opinion
					To a small extent	In several respects	To a large extent	
Community action in the field of information technology and telecommunications applied to health care, AIM (Advanced informatics in medicine in Europe) — pilot phase	7.9.1987	Council	18.11.1987 OJ C 356 of 31.12.1987	Proposal amended			x	
Draft Decision concerning development of an information services market	21.9.1987	Council	18.11.1987 OJ C 356 of 31.12.1987	Proposal modified			x	
Implementation of agricultural stabilizers, proposals concerning sugar, milk, sheepmeat and goatmeat, other products	8.10.1987	Council	19.11.1987 OJ C 356 of 31.12.1987	OJ L 110 of 29.4.1988	Commission proposal endorsed by Committee Opinion			OJ C 49 of 22.2.1988
Common organization of the market in cereals (amendment to Regulation (EEC) No 2727/75)	22.10.1987	Council	18.11.1987 OJ C 356 of 31.12.1987	OJ L 357 of 19.12.1987	x			
Common organization of the market in fishery products (amendment to Regulation (EEC) No 3796/81)	6.11.1987	Council	19.11.1987 OJ C 356 of 31.12.1987	OJ L 359 of 21.12.1987	Commission proposal endorsed by Committee Opinion			
Summertime (fourth Directive)	13.11.1987	Council	19.11.1987 OJ C 356 of 31.12.1987	OJ L 6 of 9.1.1988	Commission proposal endorsed by Committee Opinion			OJ C 345 of 21.12.1987
Opinion on the proposal for a Council Directive coordinating regulations on insider trading	29.6.1987	Council	16.12.1987 OJ C 35 of 8.2.1988	Modified by the Commission OJ C 277 of 27.11.1988	x			

Programme in the field of applied metrology and chemical analyses in the European Economic Community (1988-92)	19.10.1987	Council	16.12.1987 OJ C 35 of 8.2.1988	OJ L 206 of 30.7.1988			x	OJ C 13 of 18.1.1988 OJ C 187 of 18.7.1988
Plan to stimulate the international cooperation and interchange needed by European research scientists (Science), plan 1988-92	20.10.1987	Council	16.12.1987 OJ C 35 of 8.2.1988	OJ L 206 of 30.7.1988	Commission proposal endorsed by Committee Opinion			OJ C 68 of 14.3.1988 OJ C 187 of 18.7.1988
Opinion on the proposal for a Council Regulation on the granting of financial support to transport infrastructure projects	2.12.1987	Council	16.12.1987 OJ C 35 of 8.2.1988	OJ L 380 of 31.12.1987	Commission proposal endorsed by Committee Opinion			
Research and training programme (1987-91) in the field of controlled thermonuclear fusion: amendments to the statutes of the Joint European Torus (JET), joint undertaking	11.9.1987	Council	27.1.1988 OJ C 80 of 28.3.1988	OJ L 222 of 12.8.1988		x		OJ C 94 of 11.4.1988
Proposal for a Council Recommendation developing the exploitation of renewable energy sources in the Community	8.10.1987	Council	27.1.1988 OJ C 80 of 28.3.1988	OJ L 160 of 28.6.1988		x		OJ C 167 of 27.6.1988
Revised multiannual research and training programme for the European Community in the field of biotechnology (1985-89)	13.11.1987	Council	27.1.1988 OJ C 80 of 28.3.1988	OJ L 206 of 30.7.1988	Commission proposal endorsed by Committee Opinion			OJ C 94 of 11.4.1988 OJ C 187 of 18.7.1988
Specific research programmes for Joint Research Centre (draft Council decisions)	13.11.1987	Council	27.1.1988 OJ C 80 of 28.3.1988	OJ L 286 of 20.10.1988			x	OJ C 94 of 11.4.1988
Transition to third phase of Eurotra programme	16.6.1988	Council	7.7.1988 OJ C 237 of 12.9.1988	OJ L 222 of 12.8.1988	Commission proposal endorsed by Committee Opinion			



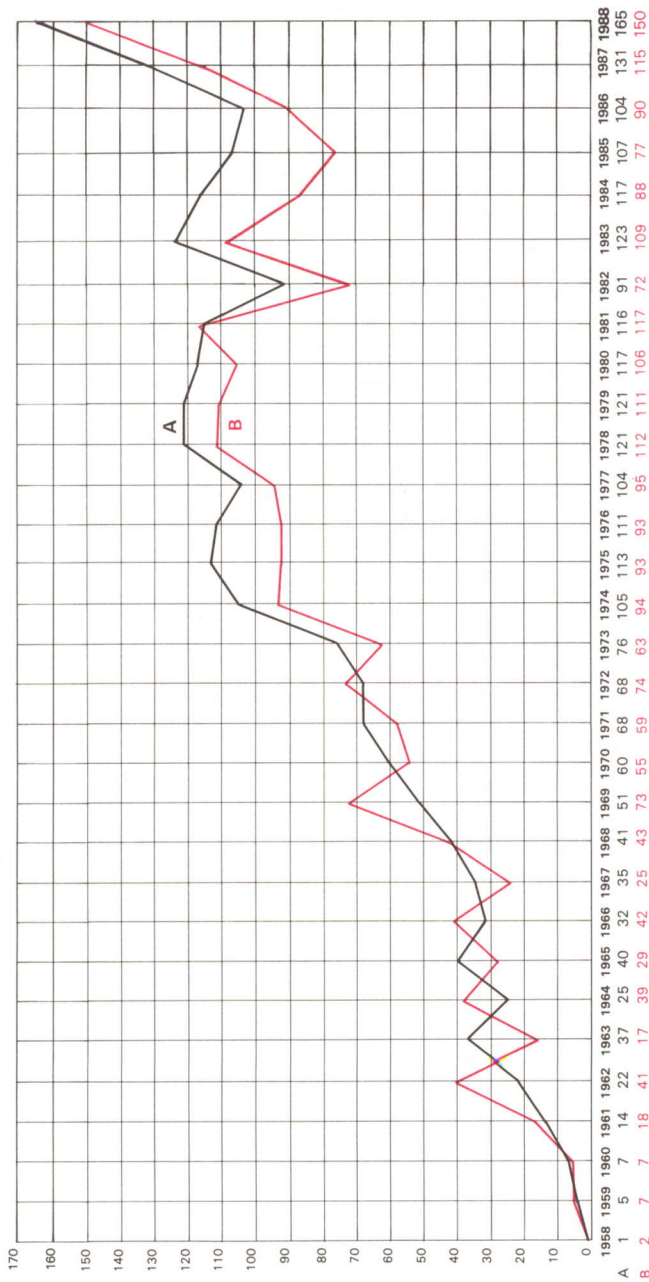
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## **Graphs**



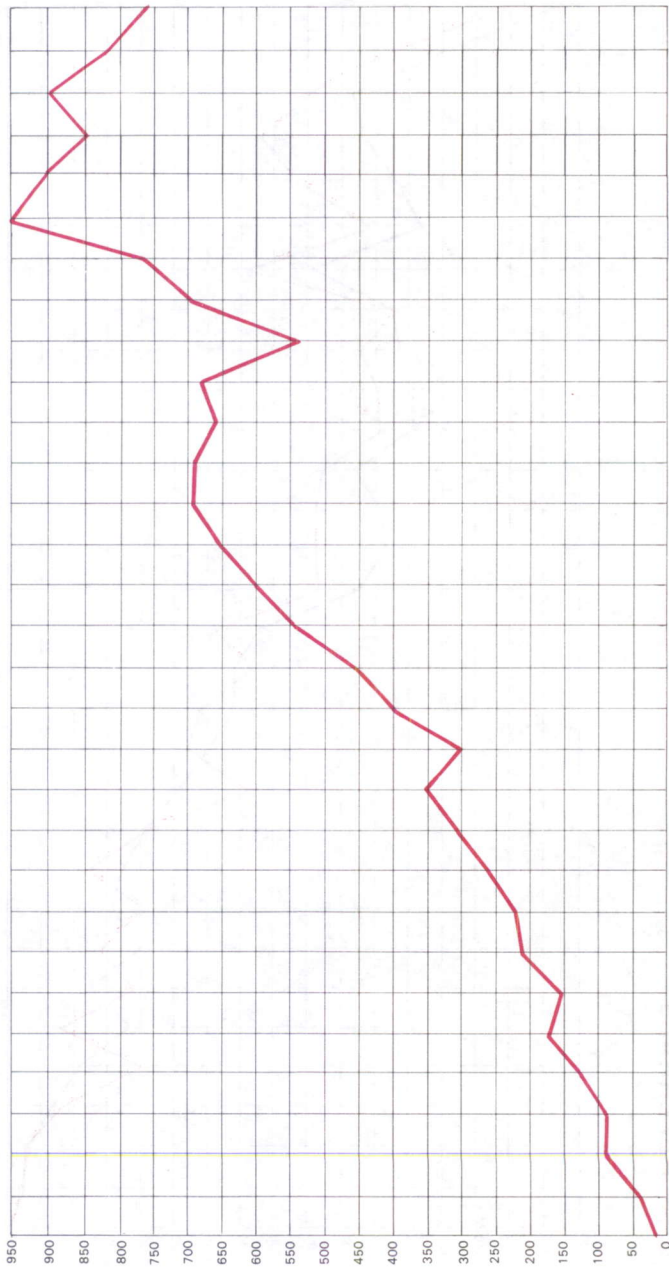
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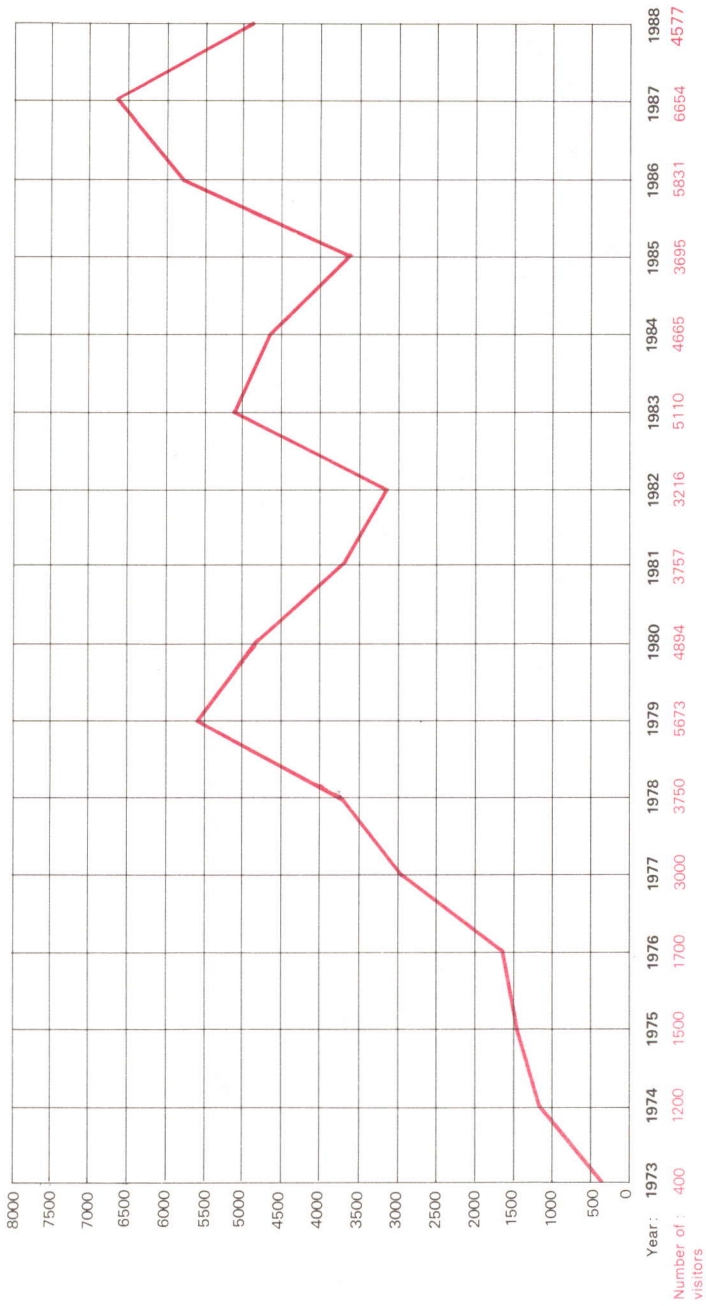




# MEETINGS



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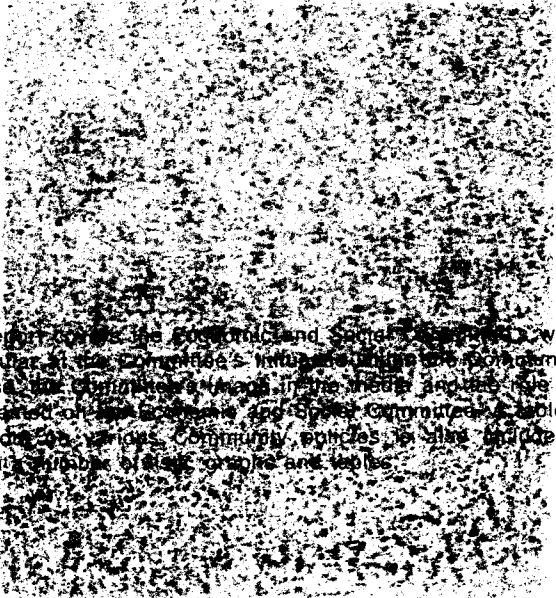
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This annual report covers the Economic and Social Committee's work in 1988. It looks in particular at the Committee's influence on the Community's decision-making process, the Committee's work in the areas and the role played by the groups represented on the Economic and Social Committee. A table showing the work carried out on various Community policies is also included. The report concludes with a number of lists, graphs and tables.



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