

ANNUAL REPORT 1997



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EUROPEAN COMMUNITIES
ECONOMIC AND SOCIAL COMMITTEE

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Preface

In 1997 the institutional provisions of the Treaties were overhauled, when the Amsterdam Summit ended by endorsing the ESC's principal demands. The Committee may henceforth be consulted by the European Parliament and it will also be able to issue its opinions before the Commission finalised its position on a wide range of social issues.

The Annual Report scrutinises the outcome of the Amsterdam Summit from the standpoint of the ESC. It focuses, in particular, on the welcome inclusion in the new Treaty of a Community charter on workers' rights; this charter is especially welcome since it was the ESC, under the presidency of François Staedelin, which launched the discussions leading to the establishment of a draft outline charter. The Charter is now accepted by all the Member States, thereby bringing to fruition the desire expressed by the Committee.

The ESC's pivotal role in consultations with economic and social interest groups in the EU has been highlighted on a number of occasions. In particular, Jorge Sampaio, President of Portugal, in a speech to the Committee Bureau, highlighted the role of such consultation involving civil society as a whole in the EU decision-making process.

The ESC has made a significant contribution to the legislative process, and the quality of its opinions has been praised by the other institutions. The representatives of the socioeconomic organisations have spoken out on employment, monetary union, Agenda 2000 and other areas of EU activity. The Committee has also sought to brief the public in the EU Member States on Community issues and has launched a large number of initiatives in this field. A case in point is the film entitled 'Using the euro — it's just child's play', produced by and for children and sponsored by the ESC Commissioner Mrs Bonino, and Mrs Guigou, MEP and President of *Europartenaire*.

In 1997 the Committee stepped up its work on relations with socioeconomic organisations in individual non-EU countries and groups of non-EU countries. Here I should like to highlight the active participation of ESC members in the Third Pan-European Transport Conference, held in Helsinki from 23 to 25 June. The conference brought together a thousand delegates, including Commissioner Neil Kinnock and Mrs Jorritsma-Lebbink, President-in-Office of the Council of Transport Ministers, together with some 30 ministers from the nations of the Mediterranean basin and the Black Sea.

Turning to Euro-Mediterranean partnership, the Committee played an active role in the third Euro-Mediterranean summit of economic and social councils and similar institutions, held in Casablanca on 27 and 28 November 1997. This meeting marked an important step forward in the drive to strengthen dialogue and consultation between all economic and social partners and representatives of organised civil society in the 27 States concerned.

The Committee also spoke out on relations between the EU and the ACP States and called for the Convention to be updated and strengthened.

The date 18 February 1997 was a milestone in the development of dialogue between economic and social interest groups in central European States and in the EU. On that date the first joint consultative committee, bringing together representatives of the EU and Hungary, was established. This committee comprises six ESC members and six representatives of the Hungarian National Arbitration Council. Its role is to issue opinions on the entire range of economic and social issues, falling under bilateral relations. Several of the applicant countries have expressed an interest in following suit and I trust that other joint consultative committees will be established in the near future.

On the eve of the ESC's 40th anniversary I, as Committee president, am happy to bear witness to the considerable progress made by the Committee over the years. The Committee undoubtedly now has all the necessary powers to enable it to work independently and to bring the combined clout of its constituent representative socioeconomic organisations to bear on EU decision-making. The Committee will continue to exercise this role in the interests of both the general public — whom it will keep fully briefed — and the economic and social groups which it represents.

Tom Jenkins
President

CHAPTER I

Presence and influence of the Economic and Social Committee

1. THE ESC'S CONSULTATIVE ROLE

During the period covered by this annual report the Economic and Social Committee issued a total of 179 opinions; of these, 155 were the result of referrals from the Commission or the Council and 24 are drawn up on the Committee's own initiative. Three information reports were also published.

Detailed information on this contribution made by the Economic and Social Committee to Community activity will be found in Chapter II.

2. THE TREATY OF AMSTERDAM

The Treaty of Amsterdam provides broad scope for referral to the Committee by the European Parliament, including in areas in which the latter does not have co-decision-making powers (Article 189b).

A decision was taken to abolish the common organisational structure which had been set up under Protocol 16 of the Maastricht Treaty, linking the support services of the Economic and Social Committee and the Committee of the Regions.

The ESC has seen its consultative remit expanded in areas such as employment, social policy, public health, EMU, consumer protection and the environment.

It was decreed that the ESC would be permanently based in Brussels.

3. ESC-EUROPEAN PARLIAMENT RELATIONS

Throughout 1997, there were continued contacts and exchanges of information on preparatory work between the presidents and chairmen, rapporteurs and the respective secretariats of the ESC sections and the European

Parliament committees. A number of committee members were invited to hearings and meetings organised by these commissions.

As in previous years, the ESC secretariat-general attended meetings of the working party on interinstitutional affairs, set up after the Single European Act entered into force; the working party's brief is to arrange and coordinate the passage of legislation between the different institutions of the Community and, in particular, to work on new legislative planning procedures provided for in the Treaty on European Union.

The ESC secretariat-general has the same status as the Commission and the Council at the meetings of the Conference of Presidents of the European Parliament, which look at issues relating to the planning and organisation of parliamentary plenary sessions.

ESC President Mr Tom Jenkins spoke at the closing session of the European conference. He gave a talk entitled 'A Europe of civil and social rights: an appeal to European citizens and workers in the run-up to the IGC' This conference, which was held in Brussels, was staged jointly with the European Parliament, the European Trade Union Confederation and the platform of European NGOs active in the social sector.

The representatives of the ACP-EU economic and social interest groups met in the Committee building on 13, 14 and 15 October for their 21st annual meeting. Lord Plumb and Sir John Kaputin, co-chairmen of the Joint ACP-EU Assembly, and Mr Pinheiro, the European Commissioner responsible for this field, were in attendance, together with representatives of the Council presidency.

An ESC delegation took part in the Joint ACP-EU Assembly held in Togo from 27 to 30 October.

4. ESC-COUNCIL RELATIONS

Dutch presidency (first half of 1997)

- Mr D. H. Dijkstal, Deputy Prime Minister of the Netherlands, outlined the Dutch presidency's programme at the Economic and Social Committee plenary session of 29 January.
- On 30 January, the Committee President, Mr Jenkins, travelled to The Hague to take part in the ceremony marking the launch of the European Year against Racism. The ESC gave its unreserved support to this initiative.

- Mrs Jorritsma-Lebbink, President-in-Office of the Council of Transport and Communications Ministers, attended the meeting of the Section for Transport and Communications on 9 April.

Luxembourg presidency (second half of 1997)

- Mr Jean-Claude Juncker, Prime Minister of the Grand Duchy of Luxembourg and President of the Council, spoke at the plenary session of 1 October in connection with the adoption of the opinion on employment.
- Mrs Mady Delvaux-Stehres, Luxembourg minister for social security, transport and communications and President-in-Office of the Council, took part in the meeting of the Section for Transport and Communications on 10 September.
- Mr Bodry, minister for regional planning and President-in-Office of the Council, took part in the meeting of the Section for Regional Development and Town and Country Planning on 21 October.
- On 4 November 1997, the Committee President, Mr Jenkins, attended the opening of the Conference on employment and tourism: guidelines for action staged jointly in Luxembourg with the Council presidency and the Commission.

5. ESC-COMMISSION RELATIONS

Commissioner Edith Cresson spoke at the plenary session of 30 January, outlining the Commission's work programme and initiatives in the field of innovation, research, education and training. Mrs Cresson highlighted the valuable contribution which Committee opinions make to the Commission, particularly those dealing with the future of employment, education, training and research.

Commission President Jacques Santer attended the plenary session of 27 February and spoke on the main challenges facing the EU — monetary union, the political strengthening of the Union and, lastly, enlargement. Mr Santer welcomed the various initiatives undertaken by the Committee to meet these challenges, highlighting the need for support from every sector of society represented within its ranks. 'This capacity to link present and future, economic and social realities and political decisions, could best express your institution's specific strengths', he said.

On 25 March, the Committee President Mr Jenkins was present at a ceremony marking the 40th anniversary of the signing of the Treaties of Rome, and attended the official opening of the Commission-organised symposium '40 years of the Treaties of Rome'.

Commissioner Mario Monti took part in the plenary session of 23 April in connection with the opinion on the impact and effectiveness of the single market.

On 28 April, ESC President Mr Jenkins gave a speech at the opening of the European forum on cohesion, staged by the European Commission.

Commissioner Emma Bonino attended a meeting of the Section for Protection of the Environment, Public Health and Consumer Affairs on 15 May; this meeting dealt with food safety and the Green Paper on food law.

Commissioner Christos Papoutsis took part in the Committee's plenary session of 28 May in connection with the adoption of the Opinion on the Green Paper on commerce.

Commissioner Franz Fischler spoke at the meeting of the Section for Agriculture and Fisheries on 1 July.

On 24 July, Mrs Edith Cresson took part in the meeting of the section for energy, nuclear questions and research.

Commissioner Monika Wulf-Mathies spoke at the meeting of the section for regional development and town and country planning on 16 September.

Commissioner Pádraig Flynn took part in the plenary session on 2 October. He presented the documents which formed the backbone of the Commission contribution to the special jobs summit held in Luxembourg on 20 and 21 November.

At the plenary session of 30 October, Commission President Mr Santer spoke on employment and territorial pacts, enlargement and Agenda 2000.

6. RELATIONS WITH THE ECONOMIC AND SOCIAL COUNCILS

The presidents and secretaries-general of the economic and social councils continued their contacts at EU level. Committee President Tom Jenkins attended the annual meeting of the presidents of the European economic and social councils, hosted in Athens by the Greek Council on 12 December. This meeting gave those who took part an opportunity to exchange views on the role of these councils in social dialogue.

A Committee delegation met representatives of the Mercosur Economic and Social Consultative Forum in Montevideo on 15 and 16 December. This meeting saw the signing of the memorandum of understanding on institutional cooperation between the forum and the ESC.

A Committee delegation travelled to Casablanca for the third Euro-Mediterranean Summit of Economic and Social Councils on 27 and 28 November 1997. The ESC is also involved in the follow-up committee.

On 7 and 8 March, the fifth international meeting of economic and social councils was held in Caracas. The ESC is involved in the follow-up committee whose brief is to work on the preparation of future meetings.

CHAPTER II

The Committee's work

1. AGRICULTURE, FORESTY, RURAL DEVELOPMENT AND FISHERIES

1.1. Common agricultural policy

1.1.1. *Agenda 2000*

Throughout 1997, the Committee's work on the common agricultural policy centred on two main topics: firstly, the progress made in implementing the May 1992 reform in the light of the initiatives announced by the Commission in the November 1996 Cork Declaration; and secondly, the specific proposals for reforming the current common agricultural policy (CAP), as presented by the Commission in July 1997 in the agricultural chapter of its Agenda 2000 document.

The Cork Declaration reaffirmed the importance of a policy to assist the rural areas which make up 80 % of EU territory, and stressed the need to make sustainable rural development an EU priority and a vital adjunct to the CAP, both in the immediate future and following the accession of central and eastern European countries (CEECs).

The European Cohesion Forum also highlighted the wide divergences in development levels within the Union, with differences between agricultural and non-agricultural incomes, between urban and rural areas, and, within the agriculture sector, between support for different types of farming and for small and large producers.

Agenda 2000 represented the Commission's response to these issues. It sought to map out the course of the common agricultural policy for the next decade, to reduce existing imbalances and to achieve real economic and social cohesion. The Committee therefore felt obliged to issue a specific opinion on the agricultural aspects of Agenda 2000, in order to give detailed consideration to their scope and to gauge the Commission proposals in the light of the dialogue which had been launched on the subject some months

earlier. If the Committee had not issued a specific opinion, the agricultural aspects could have been marginalised by the broader 'political' assessment made in the Committee's general opinion on Agenda 2000, which was drawn up by a special subcommittee.

The Committee's work in 1997 on the agricultural sector must thus be assessed from a wider viewpoint, and the interest which the institutions accorded it should be appreciated in this light. The work, which culminated in the opinion on the agricultural aspects of Agenda 2000, also built on the ideas expressed in two key committee opinions from 1996: one on the implications for CAP of the accession of countries of central and eastern Europe, and the other on the World Food Conference.

The first Committee document relating to the debate launched by Agenda 2000 for the entire EU agricultural sector focused on:

1.1.2. Stocktaking of the first three years of the CAP reform

In issuing an own-initiative opinion on this subject at the beginning of the year, the Committee was the first of the EU institutions and advisory bodies to conduct a mid-term review of the May 1992 reform of the common agricultural policy. The Committee had ventured an initial broadly positive evaluation in its 1995/96 farm price opinion. However, it felt that some fine-tuning was needed, particularly with a view to the challenges which EU agriculture would face in the coming years and above all in the light of the agriculture proposals in Agenda 2000. Such challenges included the EU accession of central and eastern European countries, the establishment of a large free trade zone in the Mediterranean region, the reopening of WTO negotiations (the former GATT), and the development of an integrated rural development policy within which — as the Committee has insisted since the December 1988 communication on the future of rural society — agriculture had to be allowed to play its natural and unique socioeconomic role.

The Committee's concern for the impact of the 1992 reform and the need for further action was prompted not only by the international context, but also by the reform's more immediate effect on the social and employment situation within the EU. During the drafting of the opinion, this aspect was discussed in detail at the conference on the CAP reform, employment and agricultural insurance in the EU, held in Taormina (Italy) on 22 November 1996. The conference was organised jointly by the Committee and by Enpaia, the Italian agricultural insurance agency. The Rome-based Enpaia is responsible for agricultural insurance and assistance in Italy, and it keeps a watching brief on the relevant EU policies. At the conference, leading representatives of EU and Italian agricultural organisations agreed with Committee members that the possibility of funding a proper agricultural

insurance system was partly tied to the CAP's ability to defend employment and guarantee farmers a satisfactory income.

Accordingly, in assessing the first three years of the reform, the Committee also sought to ascertain whether the reformed CAP provided a fair response to the employment and income needs of farmers and farmworkers.

This was no easy task, as the need for a complete and objective survey came up against a number of practical problems: firstly, the reform only covered cereals, oilseeds, protein crops, beef and veal, sheep and goat-meat, and tobacco. It thus excluded the vast majority of Mediterranean products, which form an important part of the EU's agricultural tradition and tend to be found in naturally disadvantaged regions.

Secondly, the beef crisis brought on by the bovine spongiform encephalopathy (BSE) outbreak clearly altered the scenario in a sector which had seemed to be beginning to shake off the problems of earlier years, and inevitably had repercussions on the feedingstuffs sector.

Lastly, unusual weather conditions in recent years, with both the United States and Europe experiencing exceptional droughts, had meant that world and EU production figures were unrepresentative, or at least had made it impossible to assess the impact of set-aside on arable farming with any precision.

Subject to these caveats, the Committee felt that during the three years the CAP reform had increased self-sufficiency in the cereal sector, limiting both cereal imports (at a time when world market prices had been particularly high) and imports of cereal substitutes, the cost of which (and particularly the indirect cost) had been one of the main problems facing the CAP. Livestock production had risen immediately after the reform, but now looked set to level out.

More extensive farming methods had undoubtedly helped to make agriculture more environmentally friendly, and the decoupling of aid from production had created a precedent for differentiating aid so as to prioritise naturally disadvantaged regions and further the vital objective of maintaining farming throughout the EU.

The granting of aid per production unit rather than according to production volume had benefited the arable sector by increasing farm incomes, after several years of stagnating if not falling incomes.

However, the Committee was highly critical of the extra red tape generated by the implementation and monitoring of the new instruments. Farmers were often required to carry out meticulous and complex operations, which placed an increasing burden on farm budgets and turned farmers into full-scale bureaucrats.

The Committee also focused its attention on the social consequences of the reform. Small and medium-sized farms formed the backbone of European agriculture, and it was through them that the primary sector fulfilled its social role. However, at a time when employment and new forms of poverty were already giving cause for serious concern, these farms faced increasing economic and financial difficulties as a result of competition from large production and distribution undertakings. This meant further job losses in farming families and among farmworkers, with serious implications for rural society and the environment.

In conclusion, the Committee noted that the CAP reform had hitherto benefited both consumers and producers. However, the delay in reforming the common market organisations for Mediterranean products was seriously upsetting the balance between products, production areas and producers. The CAP reform, with its new instruments and, in particular, the decoupling of aid from production, should therefore be rapidly extended to all sectors of agriculture. This was vital for the socioeconomic cohesion of the Union and for protecting jobs and the environment.

That said, the Committee was mindful that the reform always had to be assessed in the context of a continually evolving policy which had to be tailored to the world economic and political situation, and particularly to the needs of Third World countries, in accordance with the views expressed in the Committee's opinion on the World Food Summit organised by the FAO in Rome in November 1996.

These considerations, together with the Commission's forecasts (subsequently confirmed in Agenda 2000) of a further drop in agricultural employment, prompted the Committee to turn its attention to the employment impact of agricultural policy. It therefore decided to take a closer look at the position of the people who had always formed the weakest link in the agricultural production chain, namely seasonal and migrant workers. To do this, it drew up an own-initiative opinion on the:

Situation and outlook for seasonal labour and migration in rural areas

This type of employment is a traditional feature of the primary sector, as it provides a mobile, temporary workforce to perform tasks arising from the seasonal nature of farming. In recent years, seasonal labour has gained in importance owing to the difficult general economic situation, the radical restructuring of farm production imposed by the CAP, and the growing presence of third country workers, many of whom work illegally.

The section drew up its opinion at a meeting held in Peso da Regua (Portugal) on 18 and 19 September at the invitation of the Casa do Douro. In the opinion, the Committee called on the competent authorities to see that the relevant parties and policies took due account of the

situation and interests of these workers, *inter alia* by providing social security and vocational training and by making full use of all technological and human resources available to gather data, so as to provide an accurate ongoing picture of the socioeconomic situation in this field.

Although the agricultural proposals contained in Agenda 2000 had not been adopted by the Commission when the Council took its farm price decision for 1997/98, their broad thrust was already known, and the decisions were undoubtedly influenced by them:

1.1.3. Farm prices 1997/98

The Council called for a careful consideration of the need to adjust the CAP, with a view to improving economic and social cohesion and reducing the imbalances between farm and non-farm incomes, between Mediterranean and northern European production sectors, between small and large producers, and between Member States. The common thread running through the Council decisions was thus a repeated invitation to the Commission to urgently present specific proposals for adjusting the different common market organisations.

The Council decisions thus tallied with the position adopted by the Committee, which:

- rejected the Commission proposal to cut compensatory payments for cereals and oilseeds, and to use the cuts to bear the cost of the provisions adopted in the beef sector following the BSE crisis;
- regretted that no decision had been taken on the reform of the common market organisation for wine, on the adjustment of the banana regime, on measures in the potato sector, and on the compensatory payments for some arable crops;
- emphasised the need for further development of the CAP with an eye to the changes likely to be brought by EU enlargement and by the next round of WTO negotiations.

1.1.4. Agricultural aspects of Agenda 2000

The agricultural chapter of Agenda 2000 addresses this latter need as expressed by the Council and backed by the Committee. The document sets out specific proposals for adjusting the current CAP and, pursuant to the strategy adopted by the Madrid European Council in 1995, continues

and extends the 1992 reform, with particular emphasis on the following objectives:

- boosting competitiveness on domestic and foreign markets, in order to exploit the positive developments expected on the world market;
- ensuring food safety and quality;
- incorporating environmental objectives into the CAP;
- creating alternative sources of income and employment for farmers and their families;
- simplifying Community legislation.

The Committee began its opinion by welcoming a document that provided a starting point for the discussions which would dominate the agricultural scene in 1998. The Committee sought to assess whether — without prejudice to the Commission's analysis and objectives — the instruments proposed in Agenda 2000 would make EU agriculture competitive enough to exploit the positive trends that were expected on world markets over the next 10 years. The Committee felt it vital to safeguard the multifunctional nature of European agriculture, whose social, environmental and land-use aspects were an essential complement to market management and the meeting of food needs. Accordingly, the Committee felt that the balance between production sectors and between regions (in terms of land-use and the promotion and protection of employment for young people and farm workers) should be included among the Commission's objectives for the next reform of the CAP.

While regretting that once again the Commission proposals did not cover products from the Mediterranean or the EU's outermost regions, the Committee made a detailed examination of the proposed strategy for the various sectors of production.

The Committee felt that the proposed price reduction in the cereals sector was excessive, and would jeopardise the whole principle of the common market organisation by denying producers the support which, alongside stability, had always been the aim of the CAP. The Committee thought that a more modest reduction in the intervention price would leave the EU some room for manoeuvre vis-à-vis the United States, as well as continuing to shield producers from the uncertainties of the world market. However, the Committee fully supported the Commission's intention to avoid recourse to set-aside in future. It felt that the proposal to abolish aid for silage maize needed careful consideration, as it was unclear what consequences the proposal would have on the maize sector as a whole and on the competitiveness of EU beef and veal.

The Committee feared that the proposal to cut aid for oilseeds and protein crops could threaten the survival of a vital sector of production in which the EU was far from self-sufficient. In contrast to the Commission proposal, the Committee suggested granting aid to supplement area payments (identical to the aid granted for cereals), in order to make the cultivation of oilseeds and protein crops a more attractive alternative.

The Committee recognised that a 10 to 15 % cut in the price of beef and veal was necessary in order to promote competition between red and white meats, but felt that the 30 % cut proposed by the Commission over the period 2000 to 2002 was excessive, even if it was partially offset by an increase in the headage premium. The Committee felt that the proposal did not take account of the special role played by beef farming in many parts of the EU, in terms of jobs, land-use and economic momentum. The reduction would particularly hit the veal-producing suckler herd sector. For this sector, the Committee favoured a per hectare fodder premium that should vary according to production region; such a premium could also encourage more extensive farming methods.

Agenda 2000 provides no clear indications regarding the future of the milk sector. The Committee therefore asked the Commission to submit a more ambitious proposal that would strengthen the sector's competitiveness and stabilise producers' incomes.

The Committee preferred to await the Commission's practical proposals before giving its views on the ceilings, differentiations and environmental requirements attached to aid.

Turning to the agricultural aspects of the accession of central and eastern European countries (CEECs), the Committee noted that the Commission's analysis bore out the comments made in its opinion on the implications for the CAP of CEECs accession. Essentially, the Committee felt that enlargement would not cause particularly serious problems for agriculture, provided that adequate transitional periods were provided to enable the CEECs to remodel their agricultural sector on the EU's and adopt the relevant Community legislation. Rather than price support or direct income support, the CEECs needed structural assistance, for which the EU would probably have to allocate more funding than was proposed in Agenda 2000.

The Committee welcomed the proposals on structural policy and the new rural development policy, which was to become an integral part of the CAP. It felt that reducing the number of objectives from seven to three would help to simplify structural policy, provided that the present objective 5b was taken over by objective 1. The Committee particularly appreciated the inclusion of unemployment among the eligibility criteria for objectives 1 and 2.

The Committee did not support the Commission's proposal to involve the EAGGF Guarantee Fund in the co-financing of rural development

programmes under the new structural policy. While the Committee agreed on the need to integrate the CAP with rural policy, it felt that this latter policy should be wider in scope than was proposed in Agenda 2000, and should take account of the full potential of rural areas.

1.1.5. Reform of the common market organisation for olive oil

In its response to the Commission paper suggesting that the present olive oil regime be either adjusted or replaced by a system of tree aid, decoupled from production, the Committee was categorical: on the basis of the information and data supplied by the Commission, a radical change in the current rules was out of the question.

The olive tree typifies Mediterranean agriculture, and has featured prominently in human history, quite apart from acting as a sacred symbol. The olive plays a vital and unique role in gastronomic tradition and also helps to protect human health, and olive groves are a distinctive feature of the cultivated landscape over large areas of Europe. The Committee felt that all this was sufficient reason to protect this product and enhance its quality, rather than adopting simplistic solutions which would discourage producers and could steadily downgrade the product.

The Committee's view was borne out by the success of the present market organisation, which the Commission paper overlooked. Furthermore, the Commission had not considered the adverse effect which a radical policy shift could have on employment, and hence on the social situation.

In this initial consideration of the problem, the Committee therefore called on the Commission to examine the pros and cons of each option, and draw up a proposal which strengthened the positive aspects of the existing system and adapted them to the new situation facing the EU's olive growers.

1.1.6. Organic production

Following its earlier opinion on organic fruit and vegetable production, the Committee issued an opinion on the Commission's new proposals for organic livestock production. This sector is becoming increasingly important and requires precise rules ensuring that 'organic' products really are just that. The Commission proposals were based on a definition of the distinctions between organic and conventional methods:

- *minimum possible environmental impact, as well as preservation of biodiversity and ecosystem balance;*

- maximum salubrity of sources of supply, feedingstuffs and energy;
- restriction of the substances and methods used in health care;
- animal welfare;
- insignificance of objective qualitative aspects.

The Committee broadly endorsed the proposal, but pointed out that the regulations were complex and hence difficult to implement. It would thus be helpful if production rules could be simplified, provided that they still guaranteed safe products for the consumer. This was one of the main justifications for extending organic farming, so that it could satisfy a larger number of consumers and no longer just provide a niche product. The Committee felt that particular attention should be paid to the sector, with a view to making the prices of organic produce competitive with traditional produce.

1.1.7. Agricultural policy: miscellaneous

1. The Committee approved the Commission's proposal to extend the deadline for submission of the list of regions eligible for the the permanent abandonment premiums in respect of wine-growing areas in the different Member States. The Committee viewed the proposal as necessary in order not to jeopardise the success of an instrument designed to help achieve market balance in the wine sector.

2. The Committee also endorsed the proposal to increase by 950 hectares the wine-growing area allocated to Germany, and to reduce the area allocated to Spain by the same amount.

3. Again in the wine sector, the Committee endorsed the Commission proposals to:

- (a) cease to authorise the use of malic acid for the acidification of wines produced in the EU;
- (b) permanently authorise the use of calcium tartrate, tartaric acid or a homogeneous preparation of tartaric acid and calcium carbonate for the deacidification of wines produced in the EU;
- (c) extend until 1 September 1998 the derogation providing special aid for producers of concentrated grape must;
- (d) permanently establish the procedure for calculating flat-rate entry prices for grape juices and musts. However, the Committee suggested that it would be more practical to determine the prices on the basis of the

average price at certain Community markets, rather than on the basis of import value.

4. The Committee approved the Commission's proposal to include rice seed in the list of products eligible for income aid under Regulation (EC) No 3072/95.
5. The Committee also endorsed the proposal to simplify seed certification procedures, while stressing the need to ensure objectivity and independence in the inspections.
6. The Committee supported the proposed new breakdown of the French quota for processed tomatoes.
7. The Committee welcomed the proposal to postpone until 1 January 1998 the deadline for a Commission decision on the provisional use of enzymes, micro-organisms and preparations thereof as additives in animal nutrition. The extension was needed in order to make the requisite careful examination of the large number of applications submitted.
8. The Committee approved the Commission's proposals for improving the production and marketing of honey, the seasonal migration of bees, control of varroasis and honey quality. The Committee hoped that similar measures would be adopted to combat other serious diseases which afflicted bees.
9. The Committee approved the proposal for a directive on the control of *Pseudomonas solanacearum* (Smith) Smith.
10. The Committee welcomed the proposal to amend the common market organisation for hops so as to improve income and market stability. The Committee also felt that temporary set-aside, backed by the continued granting of aid, could offer a useful way of adjusting supply to the significant fluctuations in demand.
11. The Committee approved the proposal to extend the deadline for payment of compensation to farmers who use set-aside land to grow products not destined for human or animal consumption.
12. Lastly, the Committee endorsed the extension of the current market organisation for the tobacco sector, pending the Commission's new proposals.

1.2. Forestry

'Although forests are an important source of economic wealth and an essential part of the environment in which we live, there has never been a comprehensive approach to forestry in EU decision-making'.

This was the key point in a Committee opinion which sought to highlight the importance of forestry within the EU agricultural economy, especially since the recent accession of Austria, Finland and Sweden.

The study group appointed by the section to draw up the draft opinion had an opportunity to gain first-hand evidence of this when it visited Helsinki and Kerimäki (Finland) in September 1996 at the invitation of the Finnish association of farmers and forest owners (MTK).

The opinion pointed out that unlike agriculture, forestry has ecological and socio-economic functions which vary from country to country. Consequently, respect for the subsidiarity principle remains the best way of ensuring the continued effectiveness of national forestry policies. The EU's role should be to protect the sector's interests internationally and to coordinate measures taken as part of a forestry strategy formulated at Community level.

In the Committee's view, the main thrust of the EU's forestry strategy should be to create the necessary conditions for the development of environmentally compatible forestry. This would allow sustainable exploitation of the wide range of possibilities afforded by forests (production of timber, cork and resin, berries, mushrooms, game, etc., protection of the environment and recreation). Effective deployment of resources would also help to protect forests against pollution and fires. Such a strategy should also ensure that the importance of preserving biodiversity was borne in mind when developing policies with only an indirect bearing on the forestry sector.

The forestry sector already had an important impact — both direct and indirect — on employment, especially in rural areas. The further development of the EU's forestry sector was therefore vitally important. In the Committee's view, this was best done by promoting production — especially of timber and wood-based products — with a view to increasing EU self-sufficiency in these products; ensuring fair competition on EU and world markets; and introducing new instruments, such as certification, aimed at promoting forest conservation and the preservation of small forest holdings.

1.3. Common fisheries policy

1.3.1. Agenda 2000

In its opinion on the agricultural aspects of Agenda 2000, the Committee noted that the accession of the CEECs should not create particular problems for the fisheries sector. However, careful attention would have to be paid to modernising the fishing fleets of coastal applicant countries, as well as to establishing technical and administrative structures for accommodating the common fisheries policy (CFP) during the pre-accession period.

The Committee also wondered whether the Commission's estimate of the cost of the horizontal measures in the fisheries sector, the Financial Instrument for Fisheries Guidance (FIG) was too low, and might go against the general thrust of the proposed measures.

1.3.2. Fisheries policy: miscellaneous

1. In considering the proposal to amend Regulation (EEC) No 3760/92, the Committee reiterated the importance of a comprehensive, coherent fisheries policy that could garner the support of fishermen and vessel owners. This need was particularly apparent in the case of provisions — such as the present proposal — establishing specific conditions for fishing by third-country vessels in Community waters. The Committee stressed that when allocating fishing opportunities in these waters, account had to be taken of the state of resources and the need to preserve the relative stability of fishing activities in each Member State.

2. Following the EU accession of Austria, Finland and Sweden, new Community measures were to apply to fishing activities in the Baltic. The Committee felt that the competent authorities would have to exercise particular care when implementing these measures so as not to jeopardise fishery resources in that area. In stressing this need, the Committee approved the Commission's proposal on the fixing of fishing activities in the Baltic and on the fixing of individual levels by the Council.

3. The Committee approved the codified version of the regulation laying down technical measures for the conservation of fishery resources in the waters of the Baltic Sea, the Belts and the Sound.

4. The Committee also approved the Commission's proposal on reference laboratories for monitoring bacteriological and viral contamination of bivalve molluscs.

5. Finally, the Committee endorsed the support measures designed to offset the extra costs of marketing fisheries products from the EU's outermost regions.

2. TRANSPORT AND COMMUNICATIONS POLICY

2.1. Transport

The European Union's work on transport during 1997 was dominated by the Third Pan-European Transport Conference, held in Helsinki from 23 to 25 June.

This major conference was organised by the European Parliament and the European Commission, in close collaboration with the presidency of the Council of the European Union, the Economic and Social Committee, the United Nations Economic Commission for Europe (UNECE) and the European Conference of Ministers of Transport.

About a thousand people took part in the conference's proceedings. These included Commissioner Neil Kinnock, the President-in-Office of the Council of transport ministers, Mrs A. Jorristma-Lebbink, and approximately 30 other ministers.

The Committee was represented by a nine-member delegation, headed by Mr Eulen, President of the Section for Transport and Communications, who took an active part in the proceedings.

At his prompting, the Helsinki Declaration included the principle of consultation of social and economic interest groups (point III.10 of the Declaration) among the 10 principles underpinning future pan-European cooperation on transport policy. This was one of the demands made in the opinion adopted by the ESC in the run-up to the conference, and can now be implemented for a specific purpose.

It is also the reason why the Committee now proposes to draw up an own-initiative opinion on the implementation of the Helsinki Declaration and the setting up of practical machinery for consulting the economic and social interest groups on the definition of a pan-European transport policy.

2.1.1. Air transport

Aircraft safety — third count

(Rapporteur: Mr Mobbs)

While welcoming the draft directive presented by the Commission, the Committee thought that Community action should not be limited to improving safety of third-country carriers and aircraft but should also continue efforts to increase safety standards in Europe as a whole.

This was why the Committee agreed with the Commission that actions on inspections and groundings and, where appropriate, on restrictions of landing rights, must be common to all Member States, otherwise the validity of the Commission proposal would become questionable.

The Committee also stressed the importance of the Joint Aviation Authorities (JAA) and considered that the Commission should find ways of cooperating efficiently with the JAA. Even if they did not currently have any

legal status, the JAA were likely to have a major role to play in future, especially in setting standards and work schedules.

Finally, the Committee drew attention to the fact that when an aircraft was grounded, the travelling public (and freight) would be affected and compensation for any delays caused might be sought. Consideration needed to be given to this matter and how passengers (and freight) should reach their destinations.

Airport charges

(Rapporteur: Mr von Schwerin)

The Economic and Social Committee welcomed the Commission's initiative aimed at bringing more transparency into the relationship between charges and services at airports within the Community that were covered by this directive.

Since airports were important for the economic development of regions and for business and passenger traffic, framework conditions that ensure fair treatment must be guaranteed. This included maintaining a proper balance between the rights and duties of airports and airport users (air carriers) and taking care to see that a dominant market position was not abused.

As far as the current situation in the EU was concerned, the Committee was in favour of distinguishing between airport charges and the usual national taxes. Here, too, the aim should be EU-wide harmonisation in order to create a level playing field. As regards airport charges, the thing was to harmonise the criteria for adjusting charges.

Lastly, the Economic and Social Committee felt that the proposal should explain more clearly what was expected of airport management bodies when assessing costs and cost-efficiency, for instance by giving some concrete figures, and also bearing in mind quality characteristics.

2.1.2. Maritime transport

Safety once again featured prominently in discussions on the EU's maritime transport policy, and its importance in the Committee's eyes clearly emerged in its opinions on training of seafarers (rapporteur: Mr Chagas), vessels carrying dangerous goods (rapporteur: Mr Whitworth), and registration of persons sailing on board passenger ships (rapporteur: Mr Whitworth). The Committee also adopted an opinion on the proposal for a Council decision setting up a consultation procedure on relations between Member States and third countries in shipping matters (rapporteur: Mrs Bredima-Savopoulou).

Training of seafarers

(Rapporteur: Mr Chagas)

The draft directive sought firstly to update the provisions of Directive 94/85/EC, in order to reflect the revision of the Standards of Training, Certification and Watchkeeping (STCW) Convention, and secondly to introduce common criteria for the recognition of seafarers' certificates issued by third countries.

In its opinion, the Committee felt that nothing should be done which might in any way undermine the integrity and enforceability of the revised STCW Convention at an international level and considered that a European directive giving effect to the revised STCW Convention could complement it provided that:

- it did not create legal uncertainty or a legal conflict between the international and national obligations of Member States who were also parties to International Maritime Organisation (IMO) instruments;
- it did not prejudice the aims set by the IMO when it adopted the revised STCW Convention;
- it did not contain any provisions which could be interpreted as permitting any watchkeeping arrangements that contradicted the provisions of the revised Convention.

Concerning the recognition of seafarers' certificates issued by third countries, the Committee agreed with the proposed new text of Article 9(3)(a) in so far as it was in conformity with the requirements of Regulation 1/10 of the revised STCW Convention.

Finally, the Committee noted that neither Directive 94/58/EC nor the 1978 or 1995 STCW Conventions applied to fishing vessels and that a parallel convention had been adopted by the IMO (the STCW-F Convention). It urged the Commission to encourage the Member States to ratify the new convention in order to ensure a harmonised EU approach on training standards and certification of fishing vessels crews.

Relations with third countries in shipping matters

(Rapporteur: Mrs Bredima-Savopoulou)

The Committee's opinion addressed the communication on the liberalisation of maritime transport:

- it was cautious about the arguments put forward for strengthening the European Union's role in international organisations by giving the Union a single voice;
- it had no objection to the conclusion of bilateral shipping agreements by the EU subject to authorisation by the Council, nor to the inclusion of

shipping clauses in other types of agreements which the EU concluded from time to time. However, the conclusion of bilateral shipping agreements would take place under an *ad hoc* Council authorisation procedure, on the basis of a specific negotiating mandate and after the necessary prior consultations had taken place between the European Commission, the Member States and the shipping industry. There would also have to be transparency and full information for all interested parties at all stages in the negotiations;

- it felt in principle that the member States were entitled to conclude bilateral shipping agreements with third countries as long as their content did not include matters which were regulated by Community acts;
- on the revision of Regulations (EEC) Nos 4057/86 and 4058/86⁽¹⁾, it took the view that these regulations should not be modified as they were the result of compromises between the Member States and reflected very delicate balances which would be disturbed if the regulations were reconsidered.

As regards the proposed replacement of Decision 77/587/EEC, the Committee, while agreeing in principle, thought it necessary to avoid bureaucratic, time-consuming procedures such as those contained in the draft decision presented by the Commission. However, so that the EU could fulfil its mission better, the consultation and coordination procedure had to be improved. The proposed committee should operate not under the authority of the European Commission but as a Council body under the presidency of the Member State holding the Council presidency.

2.1.3. Rail transport

White Paper for a strategy for revitalising the Community's railways

(Rapporteur: Mr von Decken)

The ESC welcomed the Commission communication, presented as a further policy tool to relieve road congestion, limit environmental pollution and encourage the better integration of the entire European transport system. Its main objective was to halt the decline of rail freight and rail passenger transport by proposing a new strategy implying a radical overhaul of the

⁽¹⁾ Regulation (EEC) No 4057/86 on unfair pricing practices in maritime transport (OJ L 378, 31.12.1986, p. 14 — ESC opinion OJ C 344, 31.12.1985, p. 31); Regulation (EEC) No 4058/86 on coordinated action to safeguard free access to cargoes in ocean trade (OJ L 378, 31.12.1986, p. 21 — ESC opinion OJ C 344, 31.12.1985, p. 31).

present organisational structures which should lead to the creation of a new kind of railway.

However, the Committee regretted the inadequacy of the data on which the Commission's analysis was based, and considered it absolutely essential to clean up the existing directives and regulations and study how the directives had been transposed into national laws. As a result it should be possible to determine whether these instruments were effective and had been properly applied, so that Member States could learn from each other's experience and examine future fields of application of the instruments.

The Committee made the following comments on the various chapters of the white paper:

- **old debts, improving the financial position and infrastructure:** the reduction of old debts was an essential precondition for independent commercial management;
- **introduction of market forces:** it was not clear from the Commission's analysis of the introduction of market forces which market sectors could play a role in helping rail transport to develop in a more positive direction;
- **interoperability and infrastructure:** the Committee welcomed the plan to link national transport infrastructure in trans-European networks and to extend the European railway system to the traditional routes;
- **social aspects:** in their deliberations the Commission and the Council should not overlook discussions — in a spirit of partnership — with the workforce. Negotiations should be held with the national trade unions and in the European joint committee.

2.1.4. Road transport

Admission to the occupation of road haulage operator (Rapporteur: Mr Wright)

The Committee welcomed the proposal to pursue the process of harmonising access to the occupation of road haulage operator and strengthening the road haulage market. However, it proposed that:

- the financial thresholds set out as a test of financial standing be increased;
- the financial requirements be subjected to regular review at least every five years;

- the competent authorities assess transport operators to ensure that they had properly implemented the requirements set out in Article 3 subparagraph 1.

The Committee also called upon the Commission and Council to give urgent consideration to extending the scope of the proposal to transport operators located in countries of central and eastern Europe who were involved in bilateral trade with Member States.

Road taxes and charges

(Rapporteur: Mr Decaillon)

The Commission proposal for a Council Directive to replace Directive 93/89/EEC⁽¹⁾ on the application by Member States of taxes on certain vehicles used for the carriage of goods by road, and tolls and charges for use of certain infrastructures was accompanied by an analysis of the practical implications of the proposal, which the Committee regarded as a relatively complete and serious analysis even though it was open to debate.

On the subject of taxation, the Committee hoped that real coherence would be established between indirect taxes, which came under the tax policy heading, and direct charges levied to cover the use of infrastructure and external costs, which formed part of transport policy.

It recognised the need to guarantee Member States adequate tax revenues, but argued that:

- the charges had to be a true reflection of infrastructure use and not a generalised extension of tax revenue;
- the system of charging should be balanced, measured and fair so as not to place an undue burden on the different user classes who already faced major difficulties, not to undermine the principle of free movement, and not to introduce new intramodal and/or intermodal distortions.

The Committee noted that, while tolls were one way of applying the principle of territoriality, combining them with vehicle taxes and excise duties constituted double taxation. This was why the Committee was ultimately in favour of abolishing tolls. Technological innovations, particularly electronic toll collection, should help avoid double taxation of this kind, while still keeping traffic moving.

⁽¹⁾ OJ L 279, 12.11.1993, p. 32 — ESC opinion OJ C 19, 25.1.1993, p. 74.

Road safety

(Rapporteur: Mr Ghigonis)

The Committee fully supported the initiatives designed to promote road safety, and welcomed the Commission communication. It took the view that the European Union's priorities should be the coordination of initiatives, a better understanding of the problems and how to solve them, and fostering greater commitment on the part of both politicians and road users.

The Committee also made the following comments:

- regarding the application of the subsidiarity principle, Community action should embrace the adoption of coordinated standards, controls and penalties in areas such as vehicle roadworthiness, granting and withdrawal of driving licences, road signs and professional drivers' driving time and rest stops;
- more attention should be paid to high and inappropriate speeds and drink-driving, which are some of the main causes of accidents;
- given the importance of the human factor, great efforts should be made to encourage people to behave in a safe manner. Checks, publicity campaigns and financial penalties were all elements which could influence behaviour.

On the more specific matter of the 1997-2001 programme, the Committee pointed out the importance of having a Community budget on a par with the expectations created by the communication. It invited the Council and the European Parliament to increase the relevant budget lines in order to avoid the possibility that new expenditure allocated to collecting and analysing data could mean less money would be available in 1998 and 1999 for education and the dissemination of information.

2.1.5. Horizontal aspects

The Committee focused on the issue of intermodality and combined transport in several opinions.

Promotion of combined transport

(Rapporteur: Mr Green)

The ESC endorsed the proposed regulation concerning the granting of Community financial assistance to promote combined goods transport but called on the Commission to amend the text so as to:

- clarify unsatisfactory and incomplete definitions;

- specify which activities were or were not eligible for the proposed subsidies;
- ensure effective arrangements for monitoring the implementation and management of the approved projects.

In addition, in pointing out that the new PACT programme's provision for 30 % financial assistance for certain types of action could generate unfair competition, the Committee felt that it was vital for this programme also to be open to small enterprises.

Lastly, the Committee underlined the importance of listening to transport users as well as to service operators and other suppliers so as to remove both financial and legal barriers and further promote combined transport.

Communication on intermodality and freight transport

(Rapporteur: Mr Kielman)

The Committee supported the integrated approach to developing intermodal transport in the EU as described in the communication. However, it drew the Commission's attention to a number of points that it felt were important, namely:

- since the technical, economic and, above all, political obstacles to the market-oriented operation of the railways in particular were hardly mentioned, the Committee felt that one of the most serious, if not the most serious stumbling block to the development of intermodality was missing from the communication;
- in view of developments in road transport, one should focus on improving technology and finding solutions to obstacles in rail, inland waterway and coastal transport, so they could maintain their advantage in the fields of energy consumption, emissions and noise prevention;
- the development of intermodality often called for huge investments, especially in equipment, terminals and information systems. Government support for new services was only possible to a limited extent, while subsidies for operating losses, for example, were quite impossible, even in the initial phase. As many parties in intermodal transport could only invest very limited sums, this was a considerable barrier.

Finally, the Committee thought that red tape should be kept to a minimum when implementing the Commission's action programme and further developing intermodality. Moreover, the Commission should consult closely with all those involved; both market operators and social partners.

2.2. Telecommunications

In pursuit of the liberalisation of the European telecommunications market, launched with Directive 90/388/EEC and subsequently confirmed by several Commission communications and Council resolutions, the European Union's work in the telecommunications field has concentrated on a series of initiatives relating to new sectors such as numbering and mobile communications.

Numbering policy for telecommunications services (Green Paper and results of public consultation)

(Rapporteur: Mr Mobbs)

While welcoming the Commission Green Paper on numbering, the Committee:

- felt that harmonisation/synchronisation of the introduction of selection and pre-selection should be given serious consideration;
- strongly supported the introduction of number portability relating to location within the local area, similar service and service provider portability (including service number portability), at the earliest possible date after 1 January 1998 subject to technical feasibility;
- considered that the reform of national numbering plans should be done properly, be coordinated and be 'once and for all', in so far as this was possible and practicable;
- was of the opinion that ETNS should be adopted as soon as possible subject to a constant review of its economic and social benefits;
- required more information on the nature and role of the proposed new European numbering body.

Finally, the Committee urged the Commission to explore a proactive European role within international forums, and in particular those dealing with naming and addressing in the Internet.

Application of open network provision (ONP) to voice telephony

(Rapporteur: Mr Pé)

The Committee was generally in favour of the proposed directive to revise and replace the existing Directive 95/62/EC⁽¹⁾ so as to take account of the

(1) Directive 95/62/EC of the European Parliament and the Council of 13 December 1995, on the application of open network provision to voice telephony (the 'voice telephony directive') (OJ L 321, 30.12.1995, p. 6 — ESC opinion OJ C 236, 11.9.1995, p. 38).

forthcoming liberalisation of the telecommunications market by 1 January 1998, and to guarantee the provision of a defined universal service for telecommunications in the European Union.

It felt that mobile services should not be fully excluded from the scope of the proposal. A number of provisions — such as the rules governing subscribers' contracts and information services — should apply to mobile and fixed telephone services.

While agreeing with the definition of universal service given in the proposal, the Committee considered that universal service must not necessarily be mistaken for a minimum service, as this could lead people to believe that only minimum rights were guaranteed in Europe.

Finally, the Committee:

- underlined the need for consistency between the proposal and the future directive on interconnection;
- was pleased to see that the draft directive, in line with its previous recommendation, covered facilities additional to the universal service;
- noted with satisfaction that directory services were to be subject to universal service obligations, and welcomed the requirement to provide general access to a single emergency call number (112).

Mobile and wireless communications

(Rapporteur: Mr Mobbs)

The Committee welcomed the two Commission communications, intended to present strategy and policy orientations for the development of third-generation mobile communications (UMTS). It endorsed the main areas of consensus identified by the Commission and made more detailed comments on the following aspects:

- **Frequency spectrum:** it was essential to ensure that sufficient spectrum remained available during the transition from GSM, DCS-1800 and PCS-1900 second generation systems.
- **Licences:** according to industry expectations, the first UMTS services should enter service around 2002, with widespread global availability anticipated around 2005. To meet this timetable, an EU framework should be established to ensure that the NRAs granted licences through objective, transparent and non-discriminatory licensing procedures.
- **Regulation:** Member States would have to take necessary measures to complete the implementation and application of EU legislation. In

particular, the question of roaming between UMTS and the existing second generation systems needed to be addressed in detail.

- **Standards:** cooperation between Commission and EU Member States, and with the relevant organisations both at European and international level, should aim to ensure that the EU adopted a single approach to UMTS.
- **Societal issues:** an early solution of societal issues would contribute to the creation of a favourable environment for market growth.

Lastly, the Committee agreed with and supported the plan for Community action proposed by the Commission and awaited the concrete legislative proposals.

3. SOCIAL, FAMILY, EDUCATIONAL AND CULTURAL AFFAIRS

3.1. Employment

The Committee welcomes the decisions by the Amsterdam European Council to consider a high level of employment as a major objective of the European Union, to insert a new employment chapter in the Treaty, and to adopt a resolution on growth and employment, that closely connects economic and social policies and emphasises the complementary nature of EMU, the internal market and employment.

It suggests that the Luxembourg summit conclude a growth and employment policy coordination pact containing performance criteria and a multi-year plan backed up by specific measures and a binding timetable, as well as instruments and monitoring mechanisms to which Member States would commit themselves.

The Committee urges the Commission to develop and support social dialogue at European level, including at sectoral level. It should clearly position the social partners in the implementation of the European growth and employment strategy that needs to be developed. The improvement of social dialogue in sectors where SMEs are predominant, and the involvement of SME organisations at European level, are important since SMEs play a major role in employment creation.

The Committee recommends that the European Council charge the Commission to work out — in close cooperation with the social partners — sectoral growth and employment strategies.

Benchmarking also has great potential as a method for improving employment performance. The Committee recommends that benchmarking procedures and corresponding pilot projects be incorporated in the coordinated growth and employment strategy. The macroeconomic benchmarks of the Delors' White Paper should be reaffirmed and updated. It also suggests that the Commission include an employment impact check in each proposal for decision at European level.

Measures should be taken to enhance the employment-intensity of growth. The macroeconomic content of the Growth and Employment Policy Coordination Pact should be complemented by specific labour market objectives and policies with respect to young job-seekers, long-term unemployed and categories of the unemployed who find it difficult to get a job.

The macroeconomic policy mix should lead to the increase in investments targeted by the White Paper. In the European context, the European Investment Bank (EIB) and the European Investment Fund (EIF) are valuable instruments. The Committee welcomes this extension of the EIB's activities and its increasing support for private/public partnerships (PPPs), mobilising private capital for financing infrastructure.

The Committee particularly welcomes the EIB's proactive approach to SMEs. If necessary, the remit of the EIB/EIF should be broadened and/or adapted to maximise their budgetary and operational scope for contributing to job-creation.

The Committee has already argued for a 'root-and-branch revamping' of the Structural Funds in favour of 'lasting, additional jobs'. It therefore welcomes the call to reinforce and redirect the fund grants to the promotion of employment and job-creation, and recommends a more in-depth assessment of their employment impact.

Pacts at national, regional and sectoral level between the social partners and public authorities should include commitments from authorities on taxation, legislation and education, coupled with commitments by the social partners on wage-moderation, reduction and reorganisation of working time, reconciling work and family responsibilities, training, flexibility and security.

Measures to shift emphasis from passive income-replacing policies to active action to stimulate labour market participation should be pursued vigorously. The objective of a Europe-wide guarantee for all young people, within one year of finishing school, to have access to a job, work experience or initial or further training would be an appealing and promising commitment.

Sharper quantitative and qualitative educational and training targets should be set, through benchmarking. Higher targets should be accompanied by appropriate financial investments. European taxation policy should be reassessed from the perspective of employment impact. There should be

a coordinated European strategy for reducing non-wage labour costs, and involving commitment to more coordination and harmonisation of tax policies. The Committee recommends that in the field of VAT rates, where harmonisation has already taken place, there should be more scope for low or zero tariffs for products and services that are labour intensive and offer major opportunities for job-creation.

The Committee also appreciates the preparations of the Commission, culminating in the proposal for employment guidelines discussed at the November employment summit. It welcomes the clear objectives that the Commission has formulated as regards the average European increase of the employment rate and the decrease of unemployment percentage levels over a period of five years. These objectives may be considered as an operational application of Article 2 of the Treaty.

The Committee endorses the strategic decision of the Commission to focus on four main lines of action for the Member States. These actions must be integrated into a strategy that creates both flexibility and security.

As regards changing the way in which work is organised, the Committee proposes that the Commission could draw up a new social action programme, setting out its own initiatives and those expected from social partners using the opportunities in the Social Chapter that now is fully incorporated in the new Treaty. It is also evident that an improvement of policies for reconciliation of work and family life may give an important impetus to a higher employment rate and a breakthrough in the fight against gender segregation in jobs.

3.2. Social dialogue and the agreement on social policy

It was with great interest that the Committee examined the Commission communication on the development of social dialogue at Community level.

For the results of the talks to have any value, it is advisable to have input from as many representative European socioeconomic organisations as possible. The ESC stated that the representatives of the most important economic and social sectors (among which the ESC would certainly include small and medium-sized firms) should be involved in an adequate framework. The Committee feels that a representative organisation should satisfy the following criteria:

- (1) a European representative organisation must be widely spread over the EU. This means that it must have member organisations in at least three-quarters of the relevant EU Member States and be seeking representation in the others;
- (2) the European organisation must have a mandate from its member organisations to negotiate at European level;

- (3) all organisations affiliated to the European organisation, either in their own name or through their member organisations, must be entitled to negotiate in the Member States and must be able to implement conventions concluded at European level in accordance with national practices and usage;
- (4) the European organisation must be made up of organisations that are considered to be representative in their Member States.

The Committee also supports the proposal for a Council directive on the extension of the Council Directive on the establishment of a European Works Council and the framework agreement on parental leave concluded by UNICE, CEEP and the ETUC, to the United Kingdom of Great Britain and Northern Ireland.

3.3. Reorganisation of working practices

The Committee welcomes the Commission Green Paper on the partnership for a new organisation of work.

The Committee believes in the need for a dynamic approach striking a new balance between flexibility and social protection, within a statutory and contractually-regulated framework. There is also a need to pay greater attention to the different circumstances in the public and private sectors, and to state unequivocally how far the public authorities may intervene in the proposed partnership, in order to provide a better assessment of the possible impact at national and European level. Corporate communication machinery and collective bargaining procedures must be adapted to ensure the level of involvement needed for a participatory approach. The Commission's proposed partnership for a new organisation of work is to be firmly endorsed. The reorganisation of work and production processes can only be successfully achieved in consultation with the employees concerned, and with the participation of the representatives of company interests and the trade unions. At European and at national level, corporate experience of new forms of organisation should be exchanged, and the testing of such models should be actively supported.

Corporate restructuring and redistribution of work are often linked to the development of new wage systems. These may be a way of helping to introduce an element of participation into the working environment, for instance, via profit-sharing and other incentives, and guaranteeing real worker participation in work reorganisation and, more generally, in corporate restructuring. Employee information and consultation at a time of high unemployment makes it easier to take effective preventive action on employment in industry; in this way, particularly as far as job losses are concerned, problems may be identified and anticipated and their social

costs avoided or reduced. Greater worker participation is essential if companies are to realise their goals.

New forms of work organisation can be conducted as part of a general employment strategy designed to combat joblessness. Social security systems and pension arrangements should be adapted to fit into these new working patterns with adequate assurances that people with inflexible or atypical types of work do not receive a low level of social protection or even lose it altogether.

The Committee believes that the Green Paper is a part of the more general Commission campaign to push ahead the adaptation of the social infrastructure of Europe to the new terms of international competition and changed worker requirements. The Committee hopes that the incentives provided by authorities will play a positive role in future progress and lead to a wider debate within society and its institutions, together with collective bargaining.

3.4. Mass redundancies

The Committee approved the proposal for a Council Directive on the approximation of the laws of the Member States relating to collective redundancies (consolidation).

3.5. Equal opportunities for women and men

The Committee carefully considered the Annual Report from the Commission on equal opportunities for women and men in the European Union — 1996.

The focus of the report on equal opportunities too narrow. It gives the impression that women already have equality as far as rights are concerned. But both aspects are essential; equal rights are the basis and equal opportunities the next step.

The Community is increasingly resorting to all kinds of non-binding instruments.

The Committee broadly welcomes the Commission decision to propose a Council directive on the burden of proof in cases of gender-specific discrimination. It also shares the Commission's view that Community action is needed to uphold and enforce the principle of equal treatment.

The Committee proposes that, to make it easier for equal treatment to be enforced in law a clear rule must be established that, as a matter of principle, the plaintiff continues to bear the burden of proof, but that it is enough for the plaintiff to make out a credible case for his or her claim that gender-based discrimination has taken place. This means that, unlike the

situation in certain Member States, the courts need not have virtually watertight proof that sex discrimination has taken place — which in practice would make it inordinately difficult to take proceedings in these cases. Rather, there need only be overwhelming probability, in the light of all the facts of the case. In other words, sex discrimination may be deemed to have occurred where there are well-founded indications that a person has been treated improperly. This removes the plaintiffs difficulty in having to supply absolute proof of discrimination before the courts. In each case, therefore, it is up to the courts in each individual Member State, acting in line with national provisions, to pass judgment on the claims made.

The Economic and Social Committee feels this to be a balanced arrangement — particularly since it makes it easier for the plaintiff to furnish proof while at the same time clearly giving the defending employer the opportunity to demonstrate that there has been no gender-based discrimination.

3.6. Social protection

It was with great interest that the Committee examined the communication from the Commission on modernising and improving social protection in the European Union.

The Committee has consistently argued that social protection can stimulate economic performance. The downward spiral of poor economic performance being transposed into social protection cut-backs and therefore lower consumption and reduced demand, can be turned around into a positive integrated approach, concentrating on transforming passive into active expenditure, generating jobs, services and growth.

The potential growth areas for making social protection more employment-friendly are predominantly in the sectors where public-private partnerships can be nurtured. For example, the care sector, transport, energy and the environment are all areas where investment, through the use of non-wage income-support mechanisms and accompanying safeguards, could enable pressing needs (such as those of the elderly) to become more economically sustainable, and could be beneficial to growth and jobs. The involvement of the social partners, of the social economy and relevant NGOs and of local and regional government within such a framework could also help promote practical schemes, and ensure proper safeguards and positive incentives to assist the shift from 'welfare to work'. Similar public/private partnerships, based on part work experience and part income support, and subject to collective agreements, could be envisaged as regards the training and re-skilling of unemployed people seeking to qualify, requalify and find work.

Employment-friendly social protection also includes proposals to reduce non-wage labour costs. The Delors White Paper proposed the lowering or exemption of employers' social security contributions for low-skilled, low-

wage labour, with costs being offset by compensatory measures such as environmental taxes, excise duties on consumer products that are a health hazard, and taxes which make productive investment more attractive. The Committee has taken a similar line on compensatory measures and on alternative sources of finance.

In order to promote employment, there is widespread agreement on the need to reverse the trend of taxation towards an increasing burden on labour compared to other tax bases. This is why the Committee acknowledges the importance of the global view of the whole area of taxation sought by the High Level Tax Policy Group.

Proposals in the Commission communication in favour of a more flexible transition from work to retirement, especially through the use of voluntary part-time pre-retirement schemes, have been consistently supported by the Committee, subject to legislative safeguards and a strong framework of collective agreements.

The Committee has consistently advocated the need for social protection to promote inclusion. This requires a guaranteed minimum level of income security, linked to integration, stability and re-skilling.

The demographic 'timebomb' and resulting pressures on and doubts about the sustainability of pension schemes is a major distributional problem relating to the replacement ratio on the labour market. Various labour market adjustments, for example increased female participation and flexible transition to retirement, can help offset some of the problems, as obviously can trying to get the 18 million people in the EU who are unemployed back into work. The key issue is the share of people involved in generating GDP. Questions arising concerning the sustainability of pensions, be they 'pay-as-you-go' (PAYG) schemes or ('funded') capital-stock schemes, are in the final event inextricably linked to economic performance. Irrespective of the way in which pension insurances are organised — public, supplementary, or private — there must be adequate guarantees of their coexistence.

The Committee has endorsed all up-dates of Regulation (EEC) No 1408/71, enabling closer coordination of statutory social security arrangements for people moving within the EU. It has already specifically called for similar provisions for occupational pension schemes, including a legal framework safeguarding assets and individual rights, comparable EU-wide transfer values, and an EU coordination framework for occupational pension schemes.

3.7. Social policy and economic performance

The Committee has adopted an own-initiative opinion on this question based on the results of the conference on social policy and economic

performance held under the Dutch presidency in Amsterdam from 23 to 25 January. The conference undertook an in-depth analysis of the extent to which there can be a positive interplay between social policy and economic performance. Social policy and economic performance are interdependent. Social security, founded on solidarity, spreads risk, making life less hazardous for the individual. Overall risk is less than the sum of its parts. Sound social security schemes are thus a sine qua non of dynamic economic development. Social security also engenders a high level of social cohesion, equal opportunities and tolerance. This too has an impact on growth. Thus, social cohesion has a positive external effect on labour productivity.

A high level of economic performance releases adequate financial resources for social security and gives the bodies which administer it a secure future on which to build. The improvement of economic performance not only secures the financial basis for social policy, but also means that fewer people will find themselves in need of social assistance in the first place. High growth rates based on sustainable development have a direct and positive impact on employment and are thus able, indirectly, to help iron out problems in the redistribution of primary income, which is at the heart of social security. A high level of economic performance, coupled with high labour productivity, is also a fundamental element in minimising any negative impact of social security on incentive.

The Economic and Social Committee believes that the time has now come to use this analysis as the basis for specific reform projects. Given the radical changes now taking place in the way people live together in society, and against the backdrop of steadily rising unemployment, the Committee recognises the urgent need to give fresh impetus to the ongoing development of the European social model. With the employment crisis showing no sign of abating, essential institutional changes should focus on the promotion of employment, with job creation incorporated consistently into all policies. There should be more interinstitutional coordination and cooperation, especially in respect of macroeconomic and social policies. The Economic and Social Committee sees its role as a forum in which strategies for policy development and institutional reform can be drawn up, coordinated and appraised.

3.8. Social security

The Committee welcomes the proposal for a Council regulation (EC) amending and updating Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71.

The Committee endorses the proposal in question because it meets the need to continue the amendment and updating of legal instruments with a view to facilitating coordination of social security systems, thus paving the way for convergence of Member States' social security policies.

The proposal also seeks to simplify and accelerate administrative procedures. For migrant workers, this should facilitate access to legal instruments and improve management of documents and benefits.

The Committee notes with satisfaction that the proposal matches its repeated requests. It hopes that efforts to simplify all Community legislation will be continued and completed as soon as possible.

3.9. Education, training and youth

It was with great interest that the Committee examined the report on the results achieved in 1995 and 1996 by Socrates, the Community action programme in the field of education.

In covering the whole of the education sector, the programme successfully fosters the spirit of EU integration and cooperation. It is vitally important that cooperation links between education institutions be steadily extended. The inclusion of open and distance learning is crucial. The Committee welcomes the proposal in so far as it increases the programme's funding. However, the Committee would reiterate its view that the proposed funding is insufficient for achievement of the ambitious and important objectives.

The Committee thinks that Community aid must be allocated in the most transparent manner possible. The Commission and the Member States should introduce the requisite mechanisms to guarantee equal access opportunities for all persons interested in taking part in the programme, and to ensure that the programme reaches the maximum number of students, teachers and institutions and that aid does not remain the preserve of certain persons or institutions. The Committee would highlight its support for measures to promote and disseminate the languages of the Member States, and particularly those languages which are less widely known. The Committee has also adopted an opinion supporting the proposal for a European Parliament and Council Decision amending the basic decision on the Socrates programme to include Turkey among the recipient countries.

It was with great interest that the Committee examined the proposal for a Council recommendation on European cooperation in quality assurance in higher education.

It is both useful and necessary to create the European quality assurance network proposed in the recommendation. However, its tasks may seem incomplete without a component enabling it to establish comparisons at national and Community level as to the quality of teaching and of the

institutions. The Committee believes that the importance of quality assurance in higher education is such that it justifies the allocation of specific funds. It therefore urges the Commission and Member States to ensure financial support for the measures proposed in the recommendation.

In the recommendation, one of the principles upon which quality assurance systems are based is that of involving all the main players. It recognises the need for the social partners to be involved in the expert groups considering the external component of assessment. The Committee believes that socioeconomic operators can play an important role by providing the benefit of their own experience, which can be useful from a methodological point of view.

The Committee welcomes the report from the Commission on access to continuing training.

The approach of the final report is endorsed. The Committee supports the steps being taken to standardise the criteria used for the reports of the Member States and social partners. Harmonisation in this area in no way implies interference in the prerogatives of Member States. Using similar parameters, rather, makes it easier to assess the situation with regard to access in all Member States. Future action must concentrate on doing more for the most disadvantaged. The recommendation appears to be based on the assumption that awareness of the problem and initiatives to tackle this differ from one Member State to another. For this reason, measures to reduce disparities in the Union should be a priority, beginning with the equalisation of access to training between Member States, with initiatives being concentrated on those Member States which fall furthest below the Community average. The Committee would like to stress the role to be played by the various institutional participants. The Commission and the Member States must be the initiators of the process, but the Committee also calls for greater involvement of the social partners in the practical attainment of the objectives.

It was with great interest that the Committee examined the Green Paper on education — training — research: obstacles to transnational mobility. The Committee endorses any objective assessments of the way the European integration process is developing. The Green Paper is in itself a clear recognition of the deficiencies that have blighted the integration process over the years, especially those which have a direct impact on the public. The Committee would particularly highlight those chapters of the Green Paper dealing with third country nationals who legally reside in a Member State. These citizens experience additional problems on top of those which persistently affect Community nationals. All measures aimed at integrating third country citizens should be encouraged and supported, particularly with the objective of stepping up action to counter racism and xenophobia in the Union. All levels of training have the overriding objective of preparing young

people for the challenges of the marketplace. Accordingly, Community education, training and research programmes are an important step forward in achieving this aim.

That is why the ESC — as the legitimate representative of socioeconomic interest groups — should be directly involved in the consultations which are under way on the final version of the document, given that some proposed solutions could have a direct impact not only on the future employees of Europe's businesses, but also on today's workers and firms.

In addition to boosting the learning of Community languages in schools, the ESC calls for students to be encouraged to study subjects related to European integration and the European venture. Validation and recognition of study courses carried out in another Member State must remain a priority for the Community. It is a principle which must be extendible to vocational training and to all non-regulated studies.

The Committee gave careful consideration to the proposal for a European Parliament and Council directive establishing an action programme to improve awareness of Community law for the legal professions (Robert Schuman Project). The Committee supports the proposal, but it has some specific comments. The project solely concerns judges and lawyers, and excludes all other members of the legal profession. As the Member States have different concepts of the term 'judge and lawyer', each should use its own concept. The Committee nevertheless stresses the considerable importance of legal practitioners within companies, organisations and associations as regards day-to-day experience and practical application of Community law.

The Committee supports the Commission initiative for the establishment of a Community action programme entitled 'European voluntary service for young people'.

Voluntary service, by providing young people with special opportunities for integration into active life and the acquisition of specific vocational and workplace experience, could contribute to measures designed to combat exclusion and unemployment among the young, while generating Community added value and the desired multiplier effects for the Member States' youth policies. The Committee also feels that it should be able to participate in monitoring the programme's progress and assessing the results.

With the aim of strengthening partnership schemes, the Committee requests the Commission to ensure that cooperation with NGOs encompasses charitable associations as well as involving regional and local authorities.

The Committee reiterates the need to avoid any distortion of the labour market. Here it reminds the Commission:

- to involve workers' and employers' organisations to prevent the replacement of 'normal', employment by voluntary work. It must be clear that the Committee's endorsement of the Commission proposal is conditional on a guarantee that proper employment is not replaced by voluntary activity;
- to instigate a dialogue with the social partners and NGOs which operate humanitarian projects that could draw on voluntary helpers.

The Committee also confirms the need to provide the requisite social cover (health and accident insurance, civil liability) for the young volunteers' stay as well as supervision during their service. Unemployment and family benefit entitlements must also be preserved in the case of young people carrying out their service in another Member State. The Committee hopes that it will be financially possible in future to extend the programme further to non-EU countries.

3.10. Racism and xenophobia

It was with great interest that the Committee examined the proposal for a Council Regulation (EC) setting up a European monitoring centre for racism and xenophobia. It expressly welcomes all the tasks assigned to the monitoring centre under Article 2 of the proposal. The reports, deliberations and conclusions of the monitoring centre will be able to contribute to the formulation of proposals and the adoption of measures at both Community and national level.

The Committee would highlight the fact that racism and xenophobia can often be encouraged, or even provoked, by measures taken by public authorities. The cause and effect of racism and xenophobia may be triggered in private relationships or in the public arena. This being so, the monitoring centre's remit must be expanded to reflect this fact.

4. ECONOMIC, FINANCIAL AND MONETARY QUESTIONS

1. In its opinion on the 1997 annual economic report, which the Commission requested in connection with its preparation of the 'broad guidelines of the economic policies of the Member States and the Community' (EC Treaty Article 103), the Committee pressed for a lasting improvement in the situation on the labour market. It noted that the creation of the single market and the policies designed to pave the way for the single currency had not led to an upturn in growth or any improvements on the jobs market.

The Committee called for the implementation of employment policy initiatives in the Member States in a bid to make practical progress and actually create more jobs. It agreed with the Commission that the supply-side fundamentals in the Community were sound and should enable the economy to pick up momentum progressively, but admitted that in many of the Member States pursuit of the convergence criteria entailed tight fiscal policies which narrowed the scope for action to stimulate the economy.

The Committee pointed out that increased investment, driven by increased demand, was the best way to achieve a renewed economic upturn. Continued application of the policy based on moderate wage agreements should be accompanied by measures to stimulate demand. The Committee also referred to the structural causes of unemployment, e.g. the frequently mentioned job-market rigidities. It thought in this context that job creation could be enhanced by demand- and investment-led growth and flexible and negotiated labour market conditions and by reducing the current tendency for Europe to substitute capital for labour at a greater rate than the USA.

In addition, the Committee urged continued action against the red tape that hampered job creation. It emphasised the importance of developing small and medium-sized firms and referred in this context to the need for greater flexibility with respect to such matters as barriers to entry, access to venture capital and obtaining credit from the banks. More aggressive schemes for providing more on-the-job training and jobs for young people were also urgently required.

2. Against the background of the growing globalisation of economic activity the Committee stressed in its own-initiative opinion on employment, competitiveness and economic globalisation that the Community need not fear globalisation but rather should see it as a challenge and the driving force behind progress.

The Committee noted that globalisation has been the root-cause of a fundamental change, for now it was not so much firms which had to compete with each other in a given location but rather the business locations themselves which had to compete for internationally mobile capital. As far as employment was concerned, the conclusion to be drawn from this development was that in future it would be vital to concentrate on making a region healthy, attracting investment and creating jobs by raising capacity. The Committee recognised the danger of unduly keen competition between business locations which, as a result of lower wages and excessive cuts in public spending, might lead to loss of purchasing power, falling demand, stagnation and recession and thus to higher unemployment. In order to counter this danger and prevent a new wave of protectionism, it called for a transnationally oriented competition policy offering international versions of the cartels ban, consumer and environmental protection and social obligations in respect of assets.

In the face of competition from low-wage countries, the Committee stressed that these countries bought more from us than we bought from them. It therefore called for an active employment and labour market policy to back up structural change within Europe. Workers laid off as a result of relocating production processes outside Europe had to be trained and made available for jobs in areas where Europe had comparative advantages to offer.

3. The Committee also issued an opinion, at the Commission's request, on taxation in the European Union and the report on the development of tax systems. This opinion underlined that it was in the vital interest of the European Union, the internal market and EMU for tax dumping in Europe to be eliminated and prevented. Favourable conditions for workers, employers and consumers could not be created unless there was fair competition between tax systems. Given past trends in tax policy and in particular the current high unemployment, the Committee urged that a way had to be found of financing a reduction in the burden of tax on labour and reducing non-wage labour costs. The Committee also stressed the need for minimum harmonisation of taxes and tax bases in relation to income from capital. The further harmonisation of the internal market progressed, the more clearly differences in tax systems were felt and the more relevant they became for the decisions of economic operators.

The Committee also called for closer cooperation between national tax authorities in dealing with tax evasion and fraud, pointing to the need for joint tax inspections in cases of cross-border economic activity.

4. The Committee also commented on the work programme presented by the Commission on a common system of VAT and a programme for the single market. It considered in this connection that a further strengthening of the single market was necessary if full advantage was to be taken of its initial conception. This was particularly true of a tax such as VAT, which was a tax on goods and services whose free circulation was a basic element in the construction of the single market and which was, in its conception and legislation, a Community tax. The existence of 15 different systems of compliance and control was inconsistent with the principle of the single market and with the need for Europe to put itself in a favourable position to compete with the rest of the world.

The Committee therefore welcomed the objectives of the Commission's work programme, which were to abandon the segmentation of the single market into 15 separate tax areas and to create a simpler and more modern set of rules that put an end to the distinction between domestic and intra-EU transactions, guaranteed equal treatment of all transactions carried out in the EU and ensured that the level of VAT revenues remained the same. The Committee made special reference in this connection to the advantages of such a VAT system for traders.

The Committee strongly supported the principle of attribution of VAT revenues between Member States according to their consumption but it doubted whether a statistical basis could be established which would be sufficiently accurate. The Committee also considered that an origin-based system had to be found which would make a narrow spread possible. It believed that progress towards that goal had to give sufficient consideration to the hitherto different positions of the Member States.

The Committee recognised in this context that the introduction of a common system of VAT which was commensurate with the requirements of the internal market would mean that Member State governments would suffer an effective loss of control over their rates of VAT, which were an integral part of their existing fiscal policies. The principle of transferring control over monetary policy had already been accepted in relation to the single currency and the extension of this principle to fiscal policy could be regarded as a logical development.

5. In the field of monetary policy, the Committee adopted an own-initiative opinion on the arrangements for stage three of economic and monetary union and the stability and growth pact for ensuring budgetary discipline, reinforced convergence procedures and a new exchange rate mechanism. In this opinion the Committee agreed expressly with the idea of setting up a coordinated system of multilateral surveillance of budgetary discipline in each of the Member States participating in EMU. The Committee also welcomed the proposed procedures for extended convergence and a new exchange rate mechanism in stage three of EMU and supported the monetary stability being sought between Member States participating in EMU from the start and those not taking part initially. It pointed out in this connection that currencies not participating in EMU from the start may not be regulated according to purely 'national' criteria but that, in accordance with the Treaty, Member States had to treat their monetary policy as a matter of common interest.

Under the conditions produced by a single currency an imbalance could develop between monetary and real economic growth, since the pursuit of monetary goals would be supported by a strong European central bank. It was therefore desirable to ensure improved coordination of macroeconomic policies (growth, employment, stability, taxation, etc.) at European level.

6. In its opinion on the impact of the introduction of the euro on capital markets, which the Commission requested in the run-up to EMU, the Committee addressed the technical questions linked to the redenomination of the bond, equity and derivative markets following the introduction of EMU. With regard to the equity markets, the Committee advocated the introduction of non-par-value shares. It was opposed to reserve requirements, which, in its view, would compromise the introduction of a unified euro capital market.

In its opinion on the practical aspects of the introduction of the euro, the Committee examines those aspects which still call for decisions or initiatives in the run-up to EMU, and in particular those practical aspects of concern to currency users.

7. The Section for Economic, Financial and Monetary Questions continued to play a part in multilateral surveillance by producing a report on the economic situation in Sweden.

5. REGIONAL DEVELOPMENT AND TOWN AND COUNTRY PLANNING POLICY

5.1. Regional development and economic and social cohesion

On 19 March, first of all, the ESC adopted an opinion on the Annual Report of the Cohesion Fund 1995, an important year because it was the first year in which the machinery set up by the Cohesion Fund was fully applied. While the ESC regretted the Commission's failure to submit the Report within the established deadline and the omission, in certain cases, of adequate, comparable data enabling it to analyse as effectively as possible the appropriateness of the projects presented, it was pleased that significant improvements, reflected in the Report, had resulted, particularly in terms of management and operation, and project evaluation and monitoring, all of which fitted in with the recommendations contained in the previous ESC opinion.

The presentation of the 1996 Annual Report in June gave the ESC a second opportunity to comment on the Cohesion Fund's use and to call in particular for better regional distribution of resources, greater diversification and better balance in distribution of allocations between different modes of transport, giving priority to those which are most environment-friendly, greater focus on protection and conservation of natural resources and landscapes of particular ecological value, and greater support for the completion of environmental and transport infrastructures in the most remote regions.

The ESC also had the opportunity, in its opinion of 10 December, to declare its support for the continuation of the Cohesion Fund beyond 1999 and to stress the need to increase the complementarity and consistency between the structural policies associated with the various funds in order to bring them closer into line with each other and increase their combined effect, thus ensuring more harmonious economic and social development.

But 1997 was, above all, marked by the ESC's opinion of 23 April on the First Cohesion Report, a three-yearly report which, for the first time,

analysed trends regarding cohesion, the contribution from Member States' policies and the effects of the EU's structural and non-structural policies on economic and social cohesion. The Commission also learnt something from these analyses and used them as a base for the broad lines of its future policy.

The consultation of the ESC on these three reports, particularly the last one, provided an opportunity to make recommendations and proposals for revising the Structural Fund regulations for the next planning period, on which the ESC is to be consulted in 1998. The recommendations and conclusions concern in particular the concentration and allocation of aid, the simplification and rationalisation of planning procedures, checking application of the additionality principle, project rationalisation, follow-up, monitoring and evaluation, and involvement of economic and social interest groups in defining priorities and implementing and following through the projects financed.

Regarding this last point, and as a continuation of its 1994 opinion on the involvement of economic and social partners in the implementation and development of the Structural Funds, the ESC took a particular interest this year in the partners' role and degree of involvement in defining, implementing and following through cross-border projects. The own-initiative opinion on the role of the socioeconomic partners in the Interreg programmes and the EURES network adopted on 1 October provided the ESC with an opportunity to reaffirm the importance it attached to the involvement of the socioeconomic partners and, above all, to make recommendations for a greater and more active involvement of the latter in implementing the different projects financed.

On 23 April the ESC, as it does each year, adopted an opinion on the Seventh annual report on the Structural Funds 1995. The presentation of this report enabled the ESC to concentrate on how far the underlying principles of Structural Fund reform had been enacted within the framework of the new programming period 1994-99 and on a number of more specific, but strategically important issues regarding the actual implementation of the Structural Funds.

While the Structural Funds and the Cohesion Fund are the main tools for strengthening economic and social cohesion in the EU, other EU policies also have to contribute to achieving this aim, in line with the provisions of the Treaty. This is particularly the case of the information society, which was the subject of a Commission communication entitled 'Cohesion and the information society', on which the ESC produced an opinion on 1 October.

The communication was welcomed by the ESC since it identified a number of measures to be taken in addition to those seeking to develop the information society for the benefit of the EU's least-developed, outlying or

rural regions. The ESC made some remarks and recommendations of its own, designed to ensure that such measures were adapted to the technological, economic and social needs of the different regions concerned.

5.2. Territorial employment pact

The EU Commission president Mr Santer, asked the ESC to assist in the implementation of territorial and local employment pacts by keeping a watching brief on the process and passing on information to the appropriate levels, in particular the national organisations representing economic and social interest groups. The section subsequently drew up an information report on territorial employment pacts which it was decided to circulate to the other institutions on 30 October.

This information report was merely an initial response to the Commission president's request aimed at promoting the pacts by providing information on the methodology (proposed by the Commission) for framing the pacts and on the implementing and operating procedures.

The report should also be regarded as constituting part of the ESC's contribution to the preparation of the interinstitutional forum on the territorial pacts scheduled to be held in the spring of 1998, and in which the Commission wants the ESC to be closely involved.

In its conclusions the report highlighted the need for the pacts to form part of a wider employment strategy encompassing macroeconomic and employment policies, the operation of the labour market and regional employment growth.

This strategy must coordinate the national, regional and local levels, with a view to (i) encouraging and training new businessmen and women, especially young people; (ii) making the best possible use of financial resources; (iii) creating new products and services, both for business and for individuals; and (iv) generating real, additional lasting jobs.

Both the information report and the debate at the plenary session stressed the importance of the pacts because they helped decentralisation, restored to regional and local bodies a capital role in job creation and aimed to involve all the actors concerned.

The report also took the view that territorial employment pacts: (i) would provide a valuable opportunity to coordinate and intermesh the various public and private forms of Community, national, regional and local support, focusing them on a coherent strategy for job creation; (ii) would have to represent a quantum jump in project planning and implementation, in effective use of resources, and results as measured by the number of new jobs; and (iii) would have to be genuinely and realistically geared to the

creation of new jobs, in line with the resources available and in the light of the specific circumstances of the area concerned.

5.3. Town planning

As part of its task of promoting integration of the three 'pillars' of lasting and environmentally sound development, i.e. the economic, social and ecological dimensions, the ESC felt it should look more closely at the area of building and housing, so as to make all the parties concerned aware of the need to generate a new impetus to urban policy and make the concept of 'sustainable building and housing' an integral part of modern town and spatial management.

In its opinion of 1 October on this subject the ESC sought to encourage the adoption of a series of measures that would help achieve this aim, ranging from a reworking of legal regulations in the Member States and a change of emphasis in promotion and research to the initiation of a comprehensive social debate on the elements and objectives of sustainable building and housing.

5.4. Tourism

On 30 October the ESC adopted an own-initiative opinion on the report from the Commission on Community measures affecting tourism (1995-96), in which it sought above all to make a contribution to the work of the conference on tourism and employment due to be organised by the Luxembourg Presidency and the European Commission on 4 and 5 November.

The opinion was a follow-up to the last two opinions issued by the ESC on the subject, the first dated 14 September 1995 on the Commission Green Paper on the role of the Union in tourism, and the second dated 26 September 1996 on the proposal for a Council Decision on a first multiannual programme to assist European tourism 'Philoxenia' (1996-2000). As such, it reaffirmed the economic, social and cultural importance that the ESC attached to the tourism sector.

Since the Amsterdam Treaty made employment a specific aim of EU action, the ESC drew particular attention to the tourism sector's contribution to growth and job creation and stressed the need to create conditions that would enable the industry to exploit its job-creating potential.

6. INDUSTRIAL POLICY

1. The year 1997 was another very busy year for the Section for Industry, Commerce, Crafts and Services. Its opinions covered a range of areas, some of them subject to rapid change, such as the information society or the completion of the single market. More conventional sectors included technical standards and regulations, the customs union, competition policy, intellectual property, banking and insurance, SMEs and the craft industry, public procurement, trade, industrial competitiveness and company law.

2. The section adopted a total of 39 opinions during 1997, 62.5 % up on the previous year; held nine hearings (seven of them away from Brussels); and section members participated in 20 conferences on current issues where the Committee's views could be put forward. These conferences — some at European or even world level — covered questions such as the single market, defence-related industries, the global information society, the maritime, textiles, chemicals and other industries, Community transit, patents, the craft sector, competition and so on.

3.(a) In the **information society** sphere, the section issued opinions on broad issues such as the Commission's proposed action plan, or documents analysing the impact of this new factor (for example, living and working in the information society), and on more specific aspects. The latter included electronic commerce, satellite communications and standardisation. The special case of the protection of minors and human dignity in new digital services and illegal or harmful material on the Internet was also discussed.

3.(b) In addition to a number of opinions relating to the completion of the **single market** — public procurement, the position of the statutory auditor (following a hearing in London), or harmonisation of the rules for pension funds — a number of questions were dealt with directly by the Single Market Observatory (SMO) set up under the section's auspices. This permanent study group organised outside hearings on its own initiative, enabling it to study, in the field, the problems encountered by SMEs in cross-border commercial relations, the potential conflicts or cooperation between environmental legislation and the single market, and the situation of consumers in the single insurance market. The SMO also drew up opinions on the SLIM project (simpler legislation for the internal market), Community transit arrangements (from the point of view of combating tax fraud), and the Commission's action plans for the single market. The Committee was proud to be the first institution to propose a new single market action plan on the introduction of the euro; the proposal was taken up and acted on by the European Union. A public hearing in Brussels on 'Which single market for the single currency?' was attended by scores of interested representatives of socioeconomic organisations, as well as members of the European Parliament.

3.(c) During the course of the year, **technical standards and regulations**, essential to the proper working of the single market, accounted for subjects such as vehicles, equipment, machinery, products, harmful emissions and fuel quality, as well as the adjustment of directives to the new requirements of the information society. In connection with the customs union, the customs code and the Customs 2000 programme had to be brought into line with the information society.

3.(d) Some of the section's key opinions concerned **competition policy**. The Committee was the first institution to react to the Commission's Green Paper on vertical restraints and competition policy. The pioneering nature of this opinion, drawn up after a public hearing, meant that the Committee's views had a real influence on other bodies consulted by the Commission. The application of competition policy to the key agreements in the telecommunications sector was the subject of another opinion. Moreover, the traditional opinion on the Commission's annual report on competition policy was this year supplemented with a specific section analysing the fifth annual report on State aid.

3.(e) In the area of **intellectual property**, the section adopted an opinion supporting the EU's accession to the protocol relating to the Madrid Agreement on trade marks. This issue tied in with the single market and administrative simplification which clearly involved productivity gains for European industry.

3.(f) With regard to **banking sector legislation**, the section adopted a highly technical opinion on amendments to the capital adequacy directive. The proposed amendment would put European financial bodies on a better footing vis-à-vis their competitors — particularly in the area of the world commodities and derivatives market.

3.(g) **Craft-based industries and SMEs** merited the Committee's fullest examination. This resulted in an opinion that set out the current situation of a sector that is rightly considered to be a place where jobs flourish. It is easy to see why this opinion was greeted with a great deal of interest, given that 99 % of European businesses are micro-enterprises or small or medium-sized firms which provide employment for around 29 % of Europe's working population, often in cultural as well as economic fields of activity. A brochure containing this and two other opinions on SMEs has been in great demand.

The industry section was particularly interested to receive the referral from the Commission on its communication on European capital markets for small and medium-sized enterprises, recognising the large capacity for job creation that SMEs can have. For a number of years the section has, in fact, used its opinions to urge the development of a capital market for fast-growing firms with automatic quotation, based on the Nasdaq (National

Association of Securities Dealers Automatic Quotation) system in the United States. A visit to the USA (New York and Washington) was organised in order to enable the Committee to produce a high-quality opinion on this basic issue for financing high growth potential businesses (and therefore those that will create jobs). Many contacts were made during the three-day visit, enabling members to find out the most recent developments in this area. The lessons learned in the exchange of views with this extremely dynamic sector of the US economy will be included in an opinion to be adopted at the beginning of 1998.

3.(h) In publishing its first Green Paper on commerce, the Commission responded to a long-held desire of the business community, and for that reason it was warmly welcomed. The section's lengthy and detailed opinion on the Green Paper called for the document to be a springboard for specific new initiatives to help the approximately 4.5 million businesses in Europe in the field of commerce, that employ around 22 million people.

3.(i) The globalisation of the economy is obliging European industry to step up its competitiveness enable it to secure and maintain a healthy position against a difficult global background. The Commission has therefore extended its areas of examination, both horizontally and sectorally, of the situation in Europe. The industry section thus had the chance to issue its view on the suggested instrument — benchmarking — for assessing the competitiveness of European industry. As far as the various sectors were concerned, consideration was given to the competitiveness of the information and communication technologies (ICT) industries, and a major opinion was drawn up (and reported on and commended in a number of meetings) on the European defence industries. This opinion required that various contacts be made with the European Parliament, the Western European Union (WEU) and the Western European Armaments Group (WEAG). The Committee is proud of this opinion, which called for the technological capacity of Europe's armaments industry to be retained, while at the same time urging in firm and clear terms the exclusion of anti-personnel mines. The section is also preparing two opinions for adoption in January 1998, one on the European aerospace industry (of particular relevance to the Airbus consortium) and the other on the space industry. The European Space Agency made a valuable contribution to the latter opinion.

3.(j) The European Company Statute is an initiative in the field of company law that has been 27 years in the pipeline. Thanks to the new impetus given by the Davignon report on the role of workers in a European company — and the Luxembourg presidency's initiative in putting forward a compromise proposal in respect of the relevant directive — the initiative was relaunched. The Committee therefore had the opportunity — as it had in 1990 — to issue an opinion whose importance can be clearly measured by the fact that the full range of economic and social partners are represented in the

Committee. The European Company Statute is widely considered to be a key factor in the smooth running of the single market and a preferred management tool for a number of firms (e.g. Airbus), and as such was certainly one of the most important matters referred to the industry section in 1997.

7. EXTERNAL RELATIONS, TRADE AND DEVELOPMENT POLICY 1997

In the field of external relations, trade and development policy the ESC continued its endeavours to involve the economic and social interest groups in the debates on the main trends in EU policy. The ESC participated, through the opinions which it issued and the meetings, conferences and forums in which it was involved, in the EU-level debate on relations between the EU and the ACP States on the eve of the 21st century — challenges and options for a new partnership. Following the conclusion of the Intergovernmental Conference and the meeting of the European Council in Amsterdam, the ESC also played its part in the debate on the policy towards EU enlargement, on the basis of the Commission's communication on Agenda 2000.

The challenges posed by the enlargement of the EU, the strengthening of socioeconomic organisations and the social dialogue and the consolidation of the pre-accession strategy were discussed with representatives of economic and social interest groups from the applicant States of central and eastern Europe at a meeting, cofinanced by TAIEX, held at the ESC building in Brussels on 23 and 24 September. This meeting confirmed that during this important phase of the opening of negotiations on accession and the strengthening of the pre-accession strategy, the socioeconomic organisations wished to bring about structural improvements in their organisations, to enhance their roles at national level and to strengthen their contacts and cooperation with the ESC on a bilateral and multilateral basis. The ESC undertook to help to achieve these expectations.

The ESC took an interest in the long-term strategy for EU external policy by examining the values which should underlie EU external relations and cooperation policy; the ESC set out its views on the external aspects of human rights policy, good governance and development policy. The ESC believes that, with a view to promoting the coherence and consistency of EU policy, there is a need to establish strong links between internal and external policy and a more well-defined link between the actions of the EU and its Member States.

7.1. Relations with the countries of central and eastern Europe

Enlargement of the EU, along with reform of the Treaty and monetary union, is one of the great challenges of the turn of the century. It marks the culmination of the historic task of reuniting the continent politically, economically, socially and culturally. It will have a major impact on EU life over the coming decades, and will alter the current balance in global relations.

The ensuing benefits of enlargement will not come automatically, and will pose a challenge for the European Union.

In its own-initiative opinion the ESC seeks to make its contribution to the guidelines to be established by the Council and the Commission on the basis of Agenda 2000 and the opinions prepared by the Commission.

In the ESC's view there should be a wide-ranging debate on this matter which should, above all, involve the citizens of the applicant countries. To this end, the Committee organised a hearing in September to enable the applicant countries' socioeconomic organisations to voice their opinions.

The Committee welcomes the broad thrust of the Copenhagen criteria, but feels that it is also important to include conformity to the European socioeconomic model as a criterion in the assessment. This model seeks not merely to achieve formal democracy and economic efficiency, but also to bring about a high degree of social acceptance, an ongoing social dialogue between the social partners and the government, and social solidarity and protection for the most vulnerable.

The Committee is paying close attention to the proposal that negotiations should start at the same time for all applicant countries; this proposal is a clear sign of the Council's concern and it will help overcome even the most severe problems with regard to delays.

The new EU financial framework proposed in Agenda 2000 is heavily influenced by the current climate of austerity, and by the reluctance of the Member States to increase Community resources.

The Member States and their citizens will have to be persuaded that the financial effort is worthwhile, and that it is in the common interest.

The Committee believes that the problem of the smooth political and institutional operation of the Union should be dealt with long before membership exceeds 20, and that a new intergovernmental conference should be convened when a decision is taken on the timetable for negotiations, in order to tackle the problems left unsolved at the Amsterdam Summit.

The Committee believes that the momentum needed to overcome stumbling blocks and resistance could be provided by adopting a more democratic

method, requiring the political consent of the European Parliament and the involvement of the socioeconomic organisations.

The Committee has repeatedly emphasised the importance of the European social model as part of the existing body of EU law (the *acquis communautaire*) and the fact that the new Member States must be able to sign up to it without weakening it. The ESC points out that recognition of economic and social organisations and their involvement in the political decision-making process is one of the key features of the type of society chosen by the European Union.

The ESC feels that the reinforced pre-accession strategy is important, and hopes that it will be enforced purposefully and that each country's progress will be monitored on an annual basis. If the accession partnership agreements and Phare are to be fully effective, it is vital to involve the social partners and not just regional and local administrations.

The ESC notes with interest the Commission proposal to set up a conference of all European States which hope to join the EU and are linked to the Union through association agreements.

7.2. Relations with the Baltic Sea region

In an Information Report the Committee supported and stressed the need for promoting the dialogue within the Baltic Sea region in a multilateral framework on issues of common interest, to foster regional economic cooperation with some priority given to trade, infrastructure, investment, energy and nuclear safety and development of activities by local entities and the private sector.

The Committee considers that functional cooperation and a concrete agenda for action offer the best means to exploit the region's potential. The basis for multi-level cooperation exists but better coordination and greater commitment are needed. The involvement of economic and social interest groups in regional cooperation increases the chances of success, and the Committee intends to participate in the development of the EU's relations with the Baltic Sea region.

7.3. Relations with Asia

The Committee continued its work in the field of EU-ASEAN relations by issuing an additional own-initiative opinion as a follow-up to its previous opinion on creating a new dynamic in EU-ASEAN relations.

The opinion calls for a consideration of cultural aspects, because there can be no significant development of economic relations until cultural exchanges are stepped up, involving in particular young people.

More stress should be laid on the fact that the spread of small businesses is beneficial not only economically, but also in disseminating know-how and participation and thus in furthering the cultural growth of society and the affirmation of democratic values.

As concerns human rights, and more particularly the problems of East Timor, the Committee recommends a negotiated solution based on the UN resolutions, to which the EU troika could contribute.

In February the Council decided to consult the Economic and Social Committee on the two Commission proposals for Council regulations temporarily withdrawing access to the generalised tariff preferences for industrial and agricultural goods from the Union of Myanmar because of its suspected use of forced labour.

The Committee fully supports the Commission's proposal to withdraw from Myanmar the advantages of the generalised scheme of tariff preferences as long as forced labour practices in that country remain.

Furthermore, the Committee requests the Commission to explore ways and means of addressing in an appropriate way human rights violations in future meetings with ASEAN, of which Myanmar became a member in July 1997.

In its opinion on relations between EU and China the ESC warmly welcomes the Council's and Commission's policy of medium and long-term support for reforms in the People's Republic of China and sees them as a great challenge and a growing opportunity for the EU and its Member States.

While it is obvious that the country is facing enormous problems of economic development that cannot legitimise ongoing infringements of fundamental human rights, it is not acceptable that the Chinese authorities should use the specific problems and conditions prevailing in China as an argument to provide their own interpretation of universal human rights.

Consistent support for the difficult process of economic and social reform now under way lies wholly in Europe's interest.

The ESC believes that open dialogue on all questions of common interest needs to be expanded by involving the Chinese socioeconomic organisations, even if these are based on differing political, economic and social principles.

On the Chinese side the obvious dialogue partner for this major task is the National Committee of the Chinese People's Political Consultative Conference (CPPCC) which indeed hosted the ESC delegation on its fact-finding visit to China in October 1996.

The improvement of economic and social cooperation includes China's gradual integration into the world economy and China's entry into the WTO.

The measures to be taken by China include greater liberalisation, improvement of information on trading conditions and development of trading rights for companies with foreign capital.

The ESC hopes that China will be able to ratify the ILO Conventions on the right to organise, on the right to bargain collectively, on forced labour and on discrimination in labour and employment. Clarification on tax arrangements for foreign companies is also needed.

Other proposals for the development of economic and social cooperation, put forward by the committee include:

- the harmonisation of trade relations and the introduction of confidence-building measures between the two trading partners;
- tax arrangements for foreign companies pose major problems and clarification is needed;
- the improvement of the climate for the rapid expansion of medium and long-term investment;
- the intensification of scientific and technical cooperation;
- support for urgently required action in the fields of environmental protection, the development of infrastructure and the improvement of energy supplies;
- priority support for measures to promote the interests of women, protect children and young people and combat poverty, within the context of economic and social reforms;
- a general all-round expansion of two-way information;
- greater liberalisation;
- the improvement of information on trading conditions;
- the ratification of the ILO Convention on the right to organise, on the right to bargain collectively, on forced labour and on discrimination in labour and employment.

7.4. Development cooperation

With a view to helping increase the effectiveness of EU development programmes, the ESC issued an own-initiative opinion, which came out before the Green Paper. In its opinion the ESC draws attention to the following points:

- Good governance is central to sustainable development. It should therefore become a criterion in determining the amount of funds allocated to each country.
- A critical component of good governance is the participation of social forces independent of the government. This should be further promoted by the EU.
- In future, part of EU aid should be specifically earmarked for decentralised cooperation.
- To reduce the incidence of corruption the Commission should play a more prominent role in the choice of development programmes and the design and management of projects, where contracts have been obtained corruptly they should be cancelled and any grant money repaid.

In issuing its opinion on the Commission's Green Paper on the reshaping of EU-ACP relations, the ESC seeks to play a key role in the discussions. On the basis of the conclusions of the annual meetings between EU and ACP economic and social interest groups, the ESC can provide a grassroots view of how the cooperation provided for in the Lomé Convention operates in practice.

The Committee calls for a strengthening of the spirit of partnership and dialogue founded on equality; this has been the moving force behind the originality and vigour of Europe's commitment to development cooperation. To be effective, however, this partnership needs to be extended on all sides to embrace new players.

The Committee suggests overhauling the Lomé Convention to take more account of geographical differences and different levels of development.

The Committee reiterates that the main objectives of cooperation are sustainable economic and social development, action to eradicate poverty and an across-the-board increase in living standards.

In this connection, the Committee points to the fundamental role played by women as leading players in development.

Education and training are vital since the human factor must be at the heart of all development policy.

Support for the private sector and for the spirit of enterprise are the deciding factors where wealth creation and improving living standards are concerned. The new Convention should therefore be founded on these objectives.

Regional cooperation strategy should rely on the most prosperous countries to create a 'domino effect' to increase well-being and raise living standards, as well as promote investment attracted by sufficiently large markets.

Environmental protection, the development of an agricultural sector that meets the needs of the people, urban planning, research, the dissemination of new technologies, and culture must also be encouraged because investment in these areas will, in the long term, secure the conditions for sustainable development.

The Committee endorses the option of 'differentiated reciprocity', to secure gradual participation of the ACP countries in international trade and to revitalise EU-ACP trade. This option will also encourage the emergence of regional markets made up of the ACP countries themselves.

The Committee supports the inclusion of the European Development Fund in the EU budget in order to ensure smooth funding arrangements which are consistent with the measures taken by the EU Member States.

The Committee issued opinions on two Commission proposals relating to the generalised system of preferences (GSP) in respect of particular manufactured goods and agricultural products originating in developing countries.

The Committee welcomes the Commission's proposal to grant additional customs concessions to developing countries which can demonstrate that their legal provisions and the way in which they are implemented both protect workers' rights and safeguard the environment. A yardstick for such standards is observance of the ILO conventions on freedom of association and the abolition of child labour and the standards laid down by the International Tropical Hardwood Organisation. The Committee also hopes that the Commission will seriously consider including in its proposed instrument the fundamental ILO conventions on forced labour and discrimination.

The Committee also expresses its concern that the practical application of the new system of incentives detracts from the advantages of the 1995 reform of the overall system, namely simplicity, transparency and reliability.

In the case of the least developed countries, which already profit from a tariff level fixed at zero, the Committee proposes that additional measures must be taken in order to provide an incentive to respect labour rights and undertake environmental protection.

In view of the fact that it had also called for priority to assisting particularly poor developing countries, the Committee welcomes in a second opinion the exclusion of South Korea, Hong Kong and Singapore from the GSP. The volume of aid released in this way should be allocated to poorer developing countries as soon as possible, on the basis of the principle of 'global neutrality'.

The ESC welcomes the Commission proposal that the regional cumulation mechanism in respect of the origin of products should not be affected by the removal of States from the GSP; Singapore, in particular, participates in this mechanism within the framework of ASEAN.

7.5. External dimension of human rights

The Economic and Social Committee's Opinion on the external dimension of human rights policy, in its turn, was drawn up to comment on and attempt to add new impetus and suggestions on the basis of underlying principles, set priorities and instruments.

The ESC categorically and unreservedly endorses the principles on which the EU human rights policy is based. The ESC also approves the Commission's view on how this policy should be implemented. However, concern over the violation of human rights and the insistence on these rights to be respected cannot be regarded as interference in the internal affairs of a State. In the ESC's view, while dealing with non-member States, the EU must take into full account major political, economic, social, cultural, and religious characteristics of various countries.

The principal aim of the opinion is to indicate what, in the ESC's view, should be the main thrust of a coherent, consistent EU human rights policy. The Committee also calls for the key elements of this policy to be the subject of a wider debate in Europe than has hitherto been the case. An important basic principle which the ESC feels should be applied is the idea that the internal and external human rights policies should be firmly linked. Moreover, clearer links have to be established between the EU policy and policies of Member States in this field. The ESC is ultimately inclined towards a policy determined at the EU level.

In the ESC's opinion, there would appear to be three ways to strengthen the EU's internal human rights policy. This could be done through the EU's accession to the European Convention for the protection of human rights and fundamental freedoms, the drawing-up of the EU's own 'bill of rights', and through the incorporation of a number of specific provisions on human rights in the revised Treaty. The EU 'bill of rights' would incorporate not only civil and political rights but also economic, social and cultural rights, as it was laid down in the European Social Chapter.

The ESC shares the Commission's view that the International Labour Organisation's human rights conventions are important instruments of human rights policy and considers that the EU should make a distinct contribution to the campaign of achieving a broader ratification of the ILO conventions on basic human rights.

Finally, the ESC puts forward three practical proposals in the context of the EU's short and medium-term human rights policy. These are: establishment of an advisory body, publication of a 'human rights reference handbook', adequate arrangements — in agreements with third countries — for monitoring compliance with human rights clauses, involvement of non-governmental players.

7.6. Cooperation in the field of training

In its opinion on amendments to the regulation establishing the European Institute for Vocational Training, whose role was hitherto to help the central and eastern European countries to restructure their vocational training systems, the ESC welcomes the Commission's proposal that the institute's work be extended to cover the MEDA States of the Mediterranean basin. With this aim in view, consideration should be given to slightly increasing the institute's funding.

The Commission earlier submitted an action plan for the exchange between Member State administrations of national officials engaged in the implementation of Community legislation required to achieve the internal market (the 'Karolus programme'). The Committee endorses the Commission's proposals to extend the Karolus programme for a two-year transitional period, to widen its application during that period to other States and to develop a modified programme with a wider scope to take the place of the existing programme at the end of the transitional period.

8. ENERGY POLICY, NUCLEAR QUESTIONS AND RESEARCH

Of the 10 opinions adopted in 1997, four related to research and technological development (RTD) issues, five energy issues and one nuclear questions. One opinion was drawn up on the Committee's own initiative, four on proposals for a Council decision and five on communications from the Commission.

8.1. Energy

Referrals regarding the energy sector presented by the Commission were conditioned by the failure to include an energy chapter in the Amsterdam Treaty.

Due to the lack of an energy title and the necessity to build a coherent energy policy, the Commission, following the Council and Parliament indications, outlined the first steps to follow to achieve a framework programme containing the Community activities in the energy sector.

In its April plenary session the Committee adopted the opinion on the proposal for a Council decision concerning 'the organisation of cooperation around agreed Community energy objectives'.

In accordance with its previous opinions the Committee welcomed the Commission's proposal to establish a framework for energy cooperation between the Community and Member States around energy objectives.

The Committee underlined that if the compatibility of national energy policies with the agreed energy objectives are to be verified it will have to be clearly and precisely stipulated, in future, how this cooperation, exchange of information and joint examination of national energy policies are to be established and maintained. The Committee also backed the aim of increased transparency of action in the energy sector through the regular publication of a report on energy policy developments at Community and Member State level in relation to the agreed objectives. The report will serve as a basis for evaluation and adjustment of energy objectives.

The lack of a common energy policy or of a greater cooperation in the energy sector results in duplication and incoherence of Community and national measures. Since national energy policies and Community energy initiatives are complementary, they should be viewed as a whole, since their effectiveness depends on their consistency with each other. Whilst the Committee feels that the definition of Community energy objectives is crucial, equally crucial is their practical implementation and the instruments required for this. The Committee is aware that the attainment of the Community objectives involves using all the instruments provided under the Treaties in a coordinated fashion and in line with the subsidiarity principle.

Furthermore, in April the Committee adopted its opinion on the communication from the Commission 'Energy for the future: renewable sources of energy' (Green Paper for a Community Strategy). The Committee has always supported renewable energy sources and has issued opinions on the following subjects: opinion on the Altener programme, own-initiative opinion on Community energy policy and an opinion on the Green Paper for a European Union energy policy.

In this opinion the Committee recommended support for renewable energies as a means of ensuring sustainable development with financial incentives to accelerate the penetration of renewables and that priority be given to promoting the market for renewables in developing countries.

It welcomed the Green Paper on renewable energy sources (RES) as a valuable stimulus to debate and underlined that present policies were not sufficient to promote these important technologies.

In October the Committee voted its opinion on the Commission communication on an overall view of energy policy actions'. The Committee underlined

that a common energy policy should be drawn up at EU level and reiterated that since the Treaty lacks a chapter on energy there is a risk that the common energy policy will simply be a consequence of Community policies. Furthermore, it found that many of the proposed initiatives had neither new elements nor additional substance. Therefore the proposals can be seen only as a starting point. Moreover, the Committee pointed out that the future challenges facing the EU could be jeopardised by a short-lived energy shortage, or an excessive increase in the cost of imported energy. It is therefore vital that the energy sector — and hence energy policy — rises to these challenges and meets the demands of European citizens.

At the end of October the Committee also adopted the opinion on the proposal for a Council decision on a multiannual programme for the promotion of renewable energy sources in the Community (Altener II). The Committee reiterated its support for a strengthened Altener programme and endorsed the conclusions of the first report of the Altener programme which called for future actions to focus on particular strategic aspects, such as solving market penetration problems, whilst avoiding unwarranted distortions of competition. However, it stressed that the objectives, criteria and access procedures should have been defined immediately and not on an annual basis, whilst keeping the intervention levels flexible and within predetermined limits in order to avoid distortions of competition. Finally, the Committee deplored the failure to include a specific title on energy policy in the Treaty on the European Union and felt that, in the meantime, RES support actions should be included in a strategic framework programme and be coordinated with other relevant Community and Member State policies.

At the end of October the Committee also adopted the opinion on the Commission communication: on the energy dimension of climate change. The Committee stressed that the scientific basis for the forecasts used by the Commission to draw up climate policy objectives is narrow and should be extended, particularly in regard of the relationship between economic growth and energy consumption, the impact of technological innovations and objectives for climate-relevant gases other than CO₂. Further, it underlined that climate policy cannot be implemented unless its objectives are integrated into other policy areas. As such, more emphasis should be placed on transport policy. The energy sector has a crucial role in implementing a climate strategy and the action plan could be expanded to include arrangements of the kind already introduced by regulatory means in some Member States, such as the non-fossil fuel obligation, or the obligation to buy electricity generated from renewables. It stressed that if there is to be any significant reduction in CO₂ emissions then nuclear energy together with renewables will play key roles. However, the continued, or even expanded use of nuclear energy requires solving problems of operating safety and waste disposal.

8.2. Nuclear questions

In its April plenary session the Committee adopted the opinion on the Commission communication, 'Illustrative nuclear programme for the EU'. The Committee welcomed the draft programme as it provides a basis for a wide debate in the EU. However, more detailed information is needed. It believes that the proposed principles should be supported. The Committee considers that the extent of public concern, the deregulation and opening-up of a hitherto secure market which has been conducive to long-term capital intensive investments, plus the arrival of competitively priced natural gas used in smaller more efficient and cheaper generation plants, are crucial factors which make it unlikely that nuclear generation will be continued when existing plants come to the end of their operating lives. This prospect must raise serious strategic questions for EU energy policy. For the loss of its nuclear generation would not only compromise the EU's ability to ensure satisfactory security of supply conditions in respect to the future import of fuel for electricity generation, it would also powerfully counteract the EU's efforts to reduce its CO₂ emissions. Regarding the dangers which may arise from nuclear facilities to the east of the EU, there should not be any doubt as to the deeply damaging effect on public attitudes if there were to be another major nuclear accident. Nuclear safety should be reviewed by the PHARE and TACIS programmes and then the results published.

8.3. Research and technological development

The Committee welcomed the Commission communication on 'Inventing tomorrow: Europe's research at the service of its people' and the accompanying working document on the forthcoming fifth RTD framework programme and regarded it as paving the way for the upcoming opinion on this fifth framework programme.

In its opinion adopted in February the Committee recommended a major search for innovative proposals capable of mustering the support of all those involved in research around medium-long-term strategic objectives, with more than cosmetic changes in the framework programme, the full implementation of Title XV of the Treaty on European Union, with particular regard to Articles 130k, 130l and 130n as an integral part of the framework programme, a thorough overhaul of European research as regards framing strategic scenarios, identifying priorities, new structures, greater flexibility, improved access, clearer assignment of responsibilities and assessment of results, improved management, simplified procedures and more efficient back-up arrangements.

The Committee called, *inter alia*, for the immediate implementation of a European technology and industrial assessment mechanism, the use of a bottom-up approach, concentrating on areas in which Community research makes a substantial contribution towards solving the problems of society, industry and individuals. Lastly, it called for future framework programmes to have a pyramid structure with horizontal actions at the base, cross-sector research and cross technology problem-solving at the centre, and, at the apex, major 'open variable geometry', priority projects, of strategic interest for European competitiveness, employment and social affairs.

In October the Committee adopted its opinion on a new Commission working paper: 'Towards the fifth framework programme: scientific and technological objectives' and on the proposal for a European Parliament and Council Decision concerning the 'Fifth framework programme of the European Community for research, technological development and demonstration activities (1998-2002)'.

The Committee pointed out that the Commission proposal suffered from the tendency for specific subprogrammes of past framework programmes to be self-perpetuating and from the lack of adequate instruments for defining strategic criteria.

The Committee therefore called on the Commission, the European Parliament and the Council:

- to adopt an integrated approach closely binding the horizontal with the thematic programmes, together with other EU instruments for structural intervention and international cooperation;
- to provide the necessary interface for Community and national actions by applying the basic legal framework for Articles 130k, l and n;
- to adapt the multiannual programming of RTD work and establish a real common European strategy that directly involves research players and end-users, particularly the various types of SMEs, from the planning of the framework programme right through to the innovative application of research results;
- to concentrate research on a limited number of key actions;
- to rebuild a relationship of trust with research players and end users.

In its December plenary session the Committee approved the opinion on the amended proposal for the Council decision on the fifth framework programme regarding overall funding and suggested the following

breakdown for the ECU 15 533 million (which is slightly over the Commission's proposed figures):

(million ecus)

Horizontal programmes	Committee proposal	Commission proposal
International cooperation	575	(491)
Innovation and SMEs	550	(350)
Researcher mobility	1 402	(1 402)
Thematic programmes	11 491	(11 775)
Flexibility reserve	700	(0)
JRC	815	(815)
Total	15 533	(14 833)

In October the Committee also adopted an own-initiative opinion of the impact on SMEs of the steady, widespread reduction in funds allocated to research and technological development in the EU. The Committee has repeatedly drawn attention to the difficulties facing SMEs in developing their activities particularly in research and technological development. The aim of this own-initiative opinion was to study the serious impact that a general decline of resources might have on European society in general and look in detail at the effects on SMEs. It believes that the access of SMEs to Community RTD programmes is vitally important. Despite a number of attempts, the Commission has never really succeeded in increasing the involvement of SMEs in Community RTD programmes. Furthermore, the involvement of SMEs is central to the task of disseminating innovation — an important factor in increasing competitiveness and job creation in Europe.

It was stressed that if SMEs are to meet increased competition and to contend with the internationalisations of business strategies, they must have access to new technologies. The Committee, recognising the crucial role that technical and financial back-up for industrial RTD plays in promoting growth and employment, called for a new approach which draws a distinction between (a) small technology-intensive enterprises, (b) enterprises which have unused applied research capacity and (c) enterprises which simply make use of the 'final products' of RTD, giving priority, in EU programmes, to the needs of small technology intensive enterprises and gearing the Structural Funds to the abovementioned approach with a view to promoting economic and social cohesion.

Lastly, no description of the section's activity throughout the year would be complete without referring to its external activities, particularly those focusing on the Community institutions.

The traditional visits by figures responsible for subjects of relevance to the section continued.

The section welcomed Mr Pablo Benavides, Director-General of DG XVII — (Energy) of the European Commission, and Mr Robert Priddle, director of the International Energy Agency, in January, Mr Peter Schütterle, Secretary-General of the Secretariat on the Energy Charter Treaty Organisation, in February, Mrs Edith Cresson, Member of the European Commission dealing with research affairs, Mr Pierre Decker, representative of the Luxembourg Presidency of the Research Council, responsible for research and technological development questions at the Luxembourg Ministry of Education, in July, Mr Marco Hoffmann, representative of the Luxembourg presidency of the Energy Council, administrative attaché of the Luxembourg Government to the Ministry of Energy, in November.

The section president Mr Gafo Fernández made several official visits amongst which were Prague (energy aspects of PECO countries), Montpellier (Euro-Mediterranean Energy Aspect) and Montevideo (Economic and Social Forum of Mercosur), representing the ESC. Contacts were maintained with the Research and Energy Commission of the European Parliament and Mr Papoutsis, European Commission Member. Lastly, the president and other members of the section presented the Committee's views on research and nuclear questions in several events in Brussels, Toulouse, Seville, Copenhagen, London and Vienna.

Another important event in 1997 was the meeting during the month of May of the Study Group on the fifth framework programme at the Institute for Prospective Technological Studies (IPTS) in Seville. This meeting enabled the Committee to witness the work and efforts undertaken by the IPTS and in general the JCR.

8.4. Sub-committee on services of general interest in Europe

In May the Committee adopted its opinion on the communication from the Commission 'Services of general interest in Europe'. It questioned the relevance of the distinction which the Commission communication made between 'services of general interest' and 'universal services'. It recommended that only the term 'services of general interest' should be used. It defined such services as to be 'accessible to everyone in the EU' and to 'satisfy high quality requirements and to be available at affordable prices'.

The Committee also emphasised that although the introduction of competition in general interest service sectors may result in more effective and efficient service provision, the quest for profitability may mean that services for certain regions or groups are threatened. Regulatory measures are needed to remedy this. The Committee also called for a specific reference to services of general interest in the Treaty.

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

9.1. Waste management

As part of the review of the Community strategy for waste management, on which the Council passed a resolution in December 1996, the Committee has called on the various authorities responsible to take on clear commitments, particularly as regards:

- clear objectives and time frames for a reduction in waste generation and for uniform reuse and recycling rates for materials;
- clear objectives and time frames for restrictions on, and where necessary the elimination of, toxic substances from products and the production cycle;
- provisions to ensure uniform, EU-wide environmental requirements for waste treatment and recovery plant, to avoid unfair competition between the Member States having a distorting effect on waste transactions and transport;
- adoption of uniform standards for waste treatment in industrial plants and in specific treatment plants, to take account of the priority objective of prevention;
- an increase in funding for research into prevention and recycling, and the creation of an integrated waste management system, making judicious use of the available financial instruments;
- promotion of the recycled products market through initiatives targeted on priority sectors;
- support and dissemination of know-how and information on experience and successful schemes at local level;
- promotion of public awareness and consumer education campaigns, actively harnessing the respective associations and organisations.

As regards more specific points, the ESC has examined a draft directive on the marking of packaging, on which it has expressed a number of reservations. In its opinion, the Committee:

- considers that a European mark to indicate reusability or recyclability should: (a) build on existing, widely recognised marks, and (b) have international recognition;

- recognises that this may mean some delay in introducing a European mark;
- **participation** — it is necessary to set up consultative bodies with the competent authorities, and to establish public registers (at river basin district level) in respect to any data which are relevant to the implementation of the framework directive.

9.3. Air emissions

The Economic and Social Committee fully endorses the proposal for a post-2000 monitoring mechanism of Community CO₂ and other greenhouse gas emissions' limitations and reductions, and for the extension of such mechanism to anthropogenic emissions of *all greenhouse gases not controlled by the Montreal protocol*; as well as the deadlines in respect of monitoring which it contains.

The Committee would, however, wish to make a number of comments:

- the methodology to be used to calculate anthropogenic greenhouse gas emissions and the cushioning effect of using sinks needs to be based on the methodology being developed by the international group of experts on climate change (IPCC). However, the very lack of more detailed information in this connection raises doubts concerning its availability and adoption by the Member States by a date which is in keeping with the deadlines set out in the proposed decision;
- there is a need for a single, clearly applicable methodology designed for the precise evaluation of current emissions at national level and by sources, and of their impact over the next five, 10 and 20 years in line with the global warming potential (GWP), together with the effect of the corrective measures adopted in each Member State.

The Economic and Social Committee supports the proposal for a directive on the limitation of the emission of organic compounds due to the use of organic solvents in *certain process and industrial installations*, subject to the provisos set out below, which refer to the need for the European Commission to:

- make an overall assessment of the combined effect of all these measures on air quality, in terms of precursors of tropospheric ozone formation, in the various regions of the European Union;
- develop a uniform reduction methodology for each individual sector and strike a balance, in cost-benefit terms, when setting individual reduction levels for each sector;

- ensure that the directive is correctly implemented throughout the European Union and simplify the criteria for the subsequent monitoring of compliance;
- provide sufficient detail about the criteria on which the definitions of minimum solvent use thresholds and emission levels for each sector are based;
- to classify water uses on the basis of their different characteristics at source (ease of treatment as drinking water, etc.);
- to take measures to reduce the impermeability of ground surfaces in suburban areas and to prevent the compaction of soil on agricultural land;
- to limit abstraction wherever possible to the effective replenishment capacity of water tables;
- to encourage rational use and recycling of water;
- to cooperate with third countries preparing for EU membership to bring those countries into line with European standards.

In relation to pollution from diffuse sources, the Committee highlights the following needs:

- rehabilitation of land contaminated by historic or accidental pollution;
- a Community reference framework for responsibility and the funding of 'cleaning-up' measures;
- an agricultural policy geared towards gradual long-term changes in conjunction with the CAP reform;
- the implementation of an agricultural code of conduct;
- the monitoring of substances introduced into recycled sewage sludge;
- the setting of stricter limits for atmospheric emissions that cause acidification.

The Economic and Social Committee endorses the proposal for a framework for Community action in the field of water policy as a whole as it improves earlier legislation and at the same time retains the *acquis communautaire* which has served to create the EU's water policy. Nonetheless, the Committee considers it necessary to make a number of general comments with a view to improving the effectiveness of water policy:

- **water pricing** — financial transfer mechanisms should be devised so that future increases in the cost of water can be reinvested in conservation measures, and costs do not rise for those most affected;

- estimates it more urgent that the Member States put into place sufficient reuse, recycling and, in the right conditions, recovery facilities combined with information to consumers.

The Committee is pleased to see that the new version of the Directive on landfill of waste has taken on board many of the recommendations and comments made by the Committee and the Parliament on the first version of the directive; however, some important points have been overlooked and these should most definitely be included:

- firstly, there is a need for programme guidelines on the training of landfill technicians and managers. Exchange of experience could help to establish career briefs at Community level;
- secondly, the proposal should reflect the environmental-information access criteria specified in the relevant directive, and provide for suitable levels of public participation in decisions on disposal operations;
- given that the directive also aims to encourage waste pre-treatment and recovery techniques, the Committee also calls on the Commission to provide fresh impetus to the following:
 - research to collate reliable statistics on waste production and types of waste, particularly for industrial waste;
 - specific directives and regulations on priority waste-flow management, starting with the recovery of used tyres;
 - Community regulations on civil liability for environmental damage.

9.2. Community water policy

In its opinion on an action programme for integrated groundwater protection and management, the Economic and Social Committee makes a number of general comments on the need for:

- uniform monitoring by the Commission to ensure the correct application of Community policy;
- a Community reference framework for responsibility for environmental damage;
- binding limits for dangerous substances to which priority is attached under the current legislation;
- (proper) funding for the proposed measures.

The Committee also makes some observations on the main aspects of the proposed action programme. For the planning and management of groundwater protection and use, the Committee underlines the need, *inter alia*:

- **transnational river basin management plans including non-EU countries** — the Commission should introduce and/or strengthen international institutional agreements, and also boost voluntary agreements with non-Community productive sectors, official bodies, users, etc.;
- **penalties** — should not be laid down by the national authorities and their content should be governed by some general criteria to prevent disputes on the grounds of inequality between different countries.

The Committee proposes a number of additions and/or suggestions aimed at enhancing the general content of the framework directive:

- **definitions** — add the following 'uses': domestic, industry and energy production, agriculture, and leisure and sport;
- **administrative bodies** — they must be allowed considerable freedom in the way they work out the cooperation strategies necessary to meet the requirements of the river basin management plans. Exceptions should be as few as possible, be clearly defined, and be reported to the Commission;
- **environmental impact studies** — they must be carried out in the case of both water regulation and distribution works, and of any economic activities which use and affect bodies of water;
- **drinking water** — an annual review must be carried out of the state of bodies of water likely to be used for human consumption. The public must have access to the inventory of these bodies which has to be drawn up for each river basin;
- **charges** — the Commission must determine with the utmost clarity the content of the charging arrangements to be established by each Member State for the various types of water use;
- **fight against pollution** — the framework directive must offer a uniform methodology for setting environmental quality standards required to combat water pollution at all levels (Community, national, etc.);
- **annexes** — the conceptual part of the annexes should be incorporated in the main body of the directive in order to harmonise compliance with the recommendations and technical specifications, and to avoid discretion in their transposition;
- **information** — the competent authorities and administrative bodies should draw up a public register to centralise all the information in each State; this register should be updated periodically;
- take account of the economic cost and of the considerable risk of losing competitiveness, and possibly jobs;

- show regional differences in the cost of the measures;
- consider whether the harmonisation criterion are justified on the basis of regional differences on air quality;
- consider whether the implementation of national emission reduction plans could distort competition; and the fact that the national plans should take air quality in various parts of a country as a basic criterion for determining the reduction measures needed in each of the affected sectors or firms.

The Committee takes the view that the proposed directive on the reduction of the sulphur content of certain liquid fuels and amendment to Directive 93/12/EEC is a good starting point from which to move on to fixing higher levels of environmental protection in the future.

Given the inclusive nature of the strategy for combating acidification, which should take into account Directive 88/609/EEC on large combustion plants and the high percentage of SO₂ emissions coming from solid fuels, the Committee therefore thinks that the present proposal should be put before the Council and adopted and implemented simultaneously with the revision of Directive 88/609/EEC and a directive on the use of solid fuels (in plants not covered by Directive 88/609/EEC).

Lastly, the Committee takes the view that the use by refineries of the various intermediate sidestreams for heat generation which would otherwise have no market outlet should be made more flexible.

In response to the Commission communication on climate change in view of the Kyoto Conference, the Committee welcomes the effort to substantiate the EU's negotiating position by demonstrating the feasibility of ecologically compatible development. However, it reserves the right to return to this subject after the conference in order to evaluate the concrete measures proposed, and their distribution within the EU.

9.4. Chemical products

The Committee has adopted two opinions on Commission proposals regulating dangerous substances and preparations.

The proposal on the classification, packaging and labelling of dangerous preparations brings the current directive on classification, packaging and labelling of dangerous preparations up to date while improving the presentation and introducing some new elements. The Committee approves the proposal subject to the comments below:

- **introduction of plant-protection products (PPPs)** — an annex under this directive gives clear, unambiguous rules for labelling these products and to amend Directive 91/414/EEC as necessary;

- **extension of safety data sheets (SDS)** — in the case where one component substance poses health hazards (within the context of Article 16), there should be simplified information sheets giving only those details which are really needed for users or consumers;
- **environmental dangers** — the annexes should deal only with the technical parts of the assessments; this would allow more rapid adaptations of the technical part in line with progress;
- **alternative names** — the use of alternative names should be permitted when justified and when it entails no additional risk for users and consumers and does not lower the level of information;
- **evaluation of health hazards** — it needs to be made clear that the increase in the permitted variations only applies in the rare cases where properties of the preparation are first assessed by testing rather than by calculation from the constituents.

The Economic and Social Committee approves the proposal for restrictions on the marketing and use of certain dangerous substances and preparations (17th amendment), and especially welcomes the steps being proposed by the Commission at EU level to protect consumers from exposure to carcinogens, mutagens or substances toxic to reproduction.

Nevertheless, the Committee considers that it would be better if the restriction on the sale of carcinogens, mutagens or substances toxic to reproduction would follow automatically after their classification under the requirements of Directive 67/548/EEC. In this case, it notes that the use of a Committee procedure would help to speed up the process, although there would have to be prior consultation of the various socioeconomic partners and interests involved.

9.5. Noise pollution

In its opinion on the Green Paper on future noise policy the Committee broadly endorses the Commission's proposals but does express the hope that the Green Paper will not delay the start of the action programme.

On the most important noise sources the Committee points out, *inter alia*, that:

- in dealing with road traffic noise, further research and rational traffic management are very important;
- more can be done to combat railway noise (e.g. by the use of low-noise trains);
- in combating air traffic noise, account must also be taken of air traffic for private and sporting purposes, helicopter noise and military practice

flights; relief for people affected by air traffic noise can also be achieved by overall reduction of air traffic;

- there must be a comprehensive programme for protection against noise from machines used in the open air;
- as regards industrial noise, the framework fixed by the IPPC directive for the major noise sources should be completed by emission values.

9.6. Environmental policy instruments

In 1997 the Committee issued a number of opinions on Commission proposals relating to environmental policy instruments.

In its opinion on the Commission proposal for a regulation establishing a revised Community eco-label award scheme, the Committee stresses that it attaches considerable importance to the success of the EU scheme, since it is the only product-related voluntary instrument for encouraging sustainable consumption.

On the Commission's specific proposals, the Committee:

- expresses concern about the introduction of a graded label, as there is no evidence that manufacturers support this, and it could confuse consumers;
- agrees to the five-year period for retaining national labels for a specific product, once Community criteria have been drawn up;
- supports establishment of a European eco-label organisation (EEO), having explored possible alternatives (European Committee for Standardisation);
- urges the Commission to find adequate solutions to the concerns raised by the relevant national bodies which prefer the Commission, at least for the moment, to retain ultimate responsibility for adopting the criteria;
- stresses that it is essential to consult socioeconomic interest groups, and stresses the need for retention of Article 6 of the present regulation, involving trade unions in the forum and ensuring proper representation for SMEs;
- takes the view that the role of the consultative forum should be officially recognised;
- calls for a review of the funding system after three years, in order to assess to what degree the scheme could be financially self-sufficient; the ESC also thinks that the Member States should contribute to the operation of the system once the Commission ceases its financial support.

In its opinion on the Commission communication on environmental taxes and charges in the single market, the Committee starts by reiterating its earlier opinion that environmental levies should not entail an increase in the overall tax burden in any of the Member States and that consideration should be given to the possible effects of such levies on competitiveness and employment in the Community. The Committee then urges the Commission to complete its analysis of the economic and environmental impact of environmental levies in as short a time as possible and to put into practice the general policy conclusions.

Secondly, the ESC argues that the lack of clear and precise Commission guidelines may result in the uncontrolled development of environmental levies and pose a threat to the single market. The Committee considers that the legal framework laid down in the communication only partly allays these concerns.

The Committee therefore urges the Commission, as soon as it has completed its analysis of the economic and environmental impact of the levy, to draw up an additional communication setting out the criteria which should govern the imposition of such levies by the Member States. The Committee thinks it would be useful for the Commission to submit a prior resolution not only to the Environment Council but also to the Ecofin and Single Market Councils so as to provide a legal basis for this initiative.

In its own-initiative opinion on environmental agreements, the Committee endorses the main points of the relevant Commission communication. However, it puts a different emphasis on certain points and proposes a number of additional provisions.

Thus, on the possibilities for applying agreements, the Committee points out *inter alia* that the use of this instrument for transposing directives into national law entails a number of problems. The Commission would therefore do well to give close attention to the possibility of using agreements to implement directives which have already been transposed into national law (agreements as legislative instruments versus agreements as implementing instruments). In the ESC's view, only a very limited role is reserved for agreements concluded at EU level; where such agreements are nonetheless concluded, the EU institutions responsible for legislation (including the ESC) should be involved in the process.

The opinion also dwells on the requirements to be taken into account when concluding environmental agreements. To complement the Commission communication, the opinion stresses *inter alia* that:

- the rights and obligations which flow from an agreement must be more or less balanced between the two sides;

- account must be taken of EC environmental legislation, and particularly of the objectives and principles laid down in Article 130r of the EC Treaty;
- environmental objectives and limit values must be determined at political level, not in negotiations between government and industry;
- monitoring of the implementation of the agreements must be done mainly at the individual enterprise level.

In its opinion on the Commission proposal for a Directive on the assessment of the effects of certain plans and programmes on the environment, the Committee — after supporting the concept of ‘strategic environmental impact assessments’ as such — makes the following comments:

- the interconnections between the various directives on environmental controls, procedures and authorisations should be more clearly defined, so as to prevent overlap, duplication and excessive red tape;
- mechanisms for ad hoc comparisons should be provided to make the technical requirements of strategic environmental assessment clearer, and the Commission could issue non-binding indicative guidelines to assist Member States in taking better coordinated action;
- implementation of the directive should be adapted to the level at which decisions are actually taken;
- the scope of the directive must be extended to include plans submitted to the Commission under the Structural Fund’s regulations;
- as regards public consultation, there is a need for greater precision in defining procedures and means of access.

In its opinion on the Commission communication on implementing Community environmental law, the Committee maintains *inter alia* that:

- economic, administrative and geographical factors cannot be used as an excuse for failure to comply with the regulations;
- the Commission’s proposals for harmonising environmental inspection systems are worth supporting; the Commission should reinforce its monitoring and inspection powers under Treaty Article 155, and provide itself with instruments to facilitate the implementation of measures;
- minimum criteria must be established for use in non-judicial procedures for environmental complaints, which vary from one country to another;
- access to the courts must be improved by broadening the right to bring an action and reducing the legal costs;

- as regards national sanctions, other measures should be taken, such as suspension of administrative authorisations and of Community financial assistance.

The Economic and Social Committee approves the activities of the European Environment Agency and agrees that its tasks should be consolidated along the lines set out by the Commission. The Committee hopes that the agency's work on gathering and disseminating information will be expanded to benefit the whole of EU society and that the information will be available in the official languages of the EU, which means releasing the required funds. Furthermore, the Committee wants to emphasise the following areas:

- **Cooperation with CEEC countries:** the agency should have a distinct role in the establishment of cooperation with CEEC countries preparing to join the EU so that it is easier for them to acquire the information needed to update their environmental legislation.
- **EU's socioeconomic organisations:** a greater openness on the part of the agency towards socioeconomic organisations is needed for future developments in the area of sustainable development.
- **Policy integration:** the agency should be a vehicle for the integration of all policies with environmental repercussions and to this end it needs to work together not only with the Commission, but with all bodies active in the environment.
- **Functions of the agency:** the agency should be given responsibilities for carrying out a 'strategic or integrated environmental assessment' and for performing the task, in conjunction with the Commission, of monitoring implementation of the Community's environmental legislation.
- **Funding:** the agency should receive funding commensurate with its functions (i.e. it should be given its own budget).

9.7. Public health

In its opinion on the Commission communication on the Community role in combating tobacco consumption, the Committee welcomes the Commission's intention to step up the drive to combat smoking. The Committee stresses that prevention policy must be directed primarily at children and young people, and regards information, instruction and health education as extremely important in that context. At the same time, the ESC calls for recognition of the socioeconomic importance of the raw tobacco sector and for ways to be found of helping tobacco growers switch over to non-farm activities.

The Committee also makes these specific observations:

- there is a need to support the phased limitation of the tar and nicotine content of tobacco, as proposed by the High Level Cancer Experts Committee;
- cigarette manufacturers should be required to prove that any additives used are harmless; the process of using additives to 'doctor' tobacco in order to enhance the effectiveness of nicotine, thereby increasing addiction, must be banned;
- health warnings should be bigger and more visible; consideration should be given to taking further measures to bring about detailed labelling of tobacco additives;
- Member States should make use of the scope for increasing taxation of tobacco products;
- action must be taken to follow the recommendation of the High Level Cancer Experts Committee that tobacco advertising be banned;
- the Commission's proposals concerning smoking in public buildings and at the workplace should be supported;
- the Committee endorses the proposal that the proportion of raw tobacco payments allocated to the Tobacco Research and Information Fund be raised to 2 %.

9.8. Action programmes in the field of public health

The Economic and Social Committee congratulates the Commission on the latest proposals for action programmes in the context of the communication for action in the field of public health.

The Committee is pleased that the Commission is carrying out an in-depth analysis of the health circumstances of specific age groups (i.e. children, young and elderly people) and environments (i.e. home and schools) as reflected in the proposal for a Community action programme for 1999-2003 on injury prevention. However, the Committee has a number of specific comments concerning:

- **Budget:** it is critical that from the onset the continuity of the programme is guaranteed until the year 2003.
- **Consistency:** the action programme on injury prevention cannot function without the Ehllass system which should be extended. It is also vital for the Commission to issue guidelines on the methodologies to be followed for data collection in order to achieve comparability of information between Member States.

- **Product safety:** there should be a strong cross-link established between injury prevention and Directive 92/59/EEC on general product safety.
- **Health monitoring:** it is vital to avoid any duplication or overlap of work with the future Community action programme on health monitoring.
- **Comitology:** the views of the various socioeconomic partners and interests involved in injury prevention should be considered when making nominations for the Advisory Committee.

The Committee welcomes the proposal for a Community action programme on rare diseases as a step towards a more systematic approach to the problem of rare diseases in the Community. Nonetheless, the Committee wishes to make the following recommendations:

- **Community information:** the Internet should be used as a means of consulting the proposed European rare disease database.
- **Contacts between patients and professionals:** the Internet ('news-groups') can play a very useful role in fostering contacts between patients and professionals.
- **Rare disease clusters:** practical guidelines for different diseases must be established as well as a rare disease monitoring system to identify regional clusters and trends over time (even after 2003).

The Committee endorses the proposal for a Community action programme on pollution-related diseases because it is well-reasoned, and well-founded, and because the proposed measures are clearly set out. Moreover, it has a number of observations to make which do not detract from the value of the proposal or the importance of the subject it addresses:

- **Improvement of information:** it is important to compile scientific data on the causal relationship between pollution and disease and to collate and evaluate existing data on causality in cooperation with Member States.
- **Risk perception and management:** in order to (i) prevent needless alarm among the general public and (ii) encourage people to minimise exposure to environmental risks, considerably more than the provision of information alone is needed.
- **Respiratory diseases and allergies:** using the same general criteria, the action programme could have been targeted at some other important diseases. It is also important to prevent other allergies, such as food allergies.
- **Cooperation:** there is a need to cooperate with national authorities, the European Environment Agency, the WHO and third countries.

- **Consistency:** the proposed measures should be consistent with, and complementary to, actions envisaged under the health monitoring programme and any other Community action relevant to pollution-related diseases.
- **Funding:** it would be desirable if the Commission could put forward at least an outline of the funding requirements for the years 2000-2003.

9.9. Consumer affairs

The Committee endorses the proposal on the labelling of wines and other alcoholic beverages. It nevertheless recommends that labelling rules for alcoholic beverages should be decided by the Standing Committee on Foodstuffs, and not by the common market organisation committees, in the interests of greater transparency.

The Committee notes that the amendment to the regulation on veterinary medicinal residues concerns various procedural aspects and deadlines, which should each be considered in detail.

Given the rate at which substances already in use are being examined, and the fact that over 200 remain to be studied, the Committee can only approve the extension specified in the first and second paragraph of Article 14.

The Committee does not, however, consider two years to be sufficient, given the time required for the in-depth examination essential to consumer and animal health protection, and if the practice of repeated extensions is not to be repeated. This is also based on the data gathered by the European Agency for the Evaluation of Medicinal Products. The Committee proposes that a definitive deadline be set for 1 January 2000, with no possibility of extension.

Since the Committee considers that consumer protection is already provided for at national level under the rules set out in Directive 92/18/EEC and by the good clinical practices laid down in Directive 92/18/EEC, it does not believe that establishing a provisional maximum residue level (MRL) will enhance consumer safety.

The Committee sees the Green Paper on the general principles of food law in the European Union as a valuable basis for discussions and as an opportunity to make European food legislation more transparent and more efficient. There are therefore a number of general suggestions and points it wishes to raise:

- the need for a comprehensive, integrated EU food policy as well as for a general directive on food;

- the importance of strengthening Articles 129 and 129(a) of the Treaty to give consumers a firm guarantee that health problems take precedence over economic interests;
- the need for a strict application of the precautionary principle and a clear commitment to the principle of preventative health and consumer protection;
- the fact that legislative and other provisions must be as simple as possible and only go into detail where necessary;
- the great importance of continuing to secure the free movement of goods.

The Committee welcomes the communication on consumer health and food safety and takes the view that:

- the document is an essential step towards a consistent policy on cosmetics, animal nutrition, animal health and animal welfare;
- expert committees need to be strengthened whilst changes to the decision governing detailed procedures — on which the Commission is required to submit a proposal by the end of 1998 — are extremely important; at the same time the powers invested in the Commission to enact implementing measures should be defined precisely;
- the increasing tendency to consult scientific committees is to be welcomed as long as decision-making reflects the principles of excellence, independence and transparency;
- a multidisciplinary approach is needed to fulfil the tasks of scientific committees whilst the discussions and conclusions reached by these committees should be accessible to the public;
- the establishment of a scientific steering committee to coordinate different committees is to be welcomed;
- the introduction of a new approach which would embrace the monitoring of the whole food production chain is to be welcomed;
- the establishment of a strong and efficient inspection and control authority whose task is to 'monitor monitoring' is welcomed.

10. DELEGATIONS AND RELATIONS WITH THIRD COUNTRIES

For some years, the ESC's external activities have been increasing dramatically, mainly as a result of the following:

- its wish to broaden its action so as to enhance the involvement of economic and social partners in the management of international issues;

- the attraction which the Committee's consultation 'model' holds for most third countries;
- the growing need to open up international dialogue to include new subjects, and, with this in mind, to have input from those involved in economic and social spheres and in civil society as a whole.

In 1997, the ESC placed particular importance on:

- incorporating the economic and social partners into the European Union's strategy for enlargement towards central and eastern Europe through in-depth dialogue and joint consultative committees;
- managing the aspects of the Euro-Mediterranean partnership linked to relations between the economic and social partners.

The ESC furthered relations with economic and social representatives in Turkey, the African, Caribbean and Pacific countries, and the European Free Trade Association countries, and launched a number of initiatives in the field of transatlantic relations.

10.1. Countries of central and eastern Europe (CEEC)

In its opinions on relations between the European Union and the associated countries of central and eastern Europe, the ESC encourages the establishment of joint committees of its members and those of corresponding bodies in the associated countries. Each association agreement stipulates that the Association Board may establish such committees.

On 16 July 1996, the EU/Hungary Association Board formally adopted the decision to establish, under the Europe agreement, a joint consultative committee to promote dialogue and cooperation between economic and social interest groups in the Community and in Hungary.

On 18 February 1997, the European Union-Hungary Joint Consultative Committee held its inaugural session in Budapest. This was attended by the president of the Economic and Social Committee and the Hungarian labour minister.

The Committee, which is made up of six ESC members and an equal number of representatives of economic and social interests in Hungary, and which is scheduled to meet at least once a year, comments on the economic and social aspects of relations between the European Union and Hungary, with the objective being to monitor the accession process.

At the inaugural meeting, the president of the Committee recalled that the ESC had for a long time supported an inclusion policy for the countries of central and eastern Europe, and Hungary in particular. The accession

strategy should not place greater emphasis on economic aspects than on social aspects.

The Hungarian labour minister stressed the importance of the Joint Consultative Committee in guaranteeing the involvement of the economic and social partners in the accession process and the widest possible support for this accession process.

The Joint Consultative Committee decided to examine the question of reforming the social protection system at its next meeting.

The inaugural meeting was followed by a meeting of co-presidents in Brussels on 3 March, and another meeting in Budapest on 28 April, during which the two co-presidents met the Hungarian foreign affairs minister. Discussions focused on the role which the JCC could play in the accession process and on the need for cooperation with the Association Board.

The EU-Hungary JCC held its second meeting in Brussels on 1 December, adopting a joint resolution on reforming social welfare systems in the European Union and Hungary. The JCC resolution stresses that:

- the European social model — founded on solidarity between the generations and in society as a whole — should be maintained and strengthened, and constitutes an essential objective for the applicant countries. This model is based on the conviction that economic competitiveness and a high level of social protection are not conflicting, but rather mutually-reinforcing;
- one of this model's main strengths lies in its social policies: the shared responsibility of the State in pursuing a high level of employment, income redistribution policies, guaranteeing the level and quality of social security benefits, workers' health protection, and equal opportunities policies;
- social protection should be adapted to the changes taking place in the labour market, as well as to the consequences of demographic trends and of the completion of the single market.

It also states that:

- employment policies and reforms in social protection should be decided and implemented in close consultation with the social partners and other civil society organisations in individual countries and at EU level;
- the guidelines (for employment) recently proposed by the Commission, all centred on active labour market policies, should be combined with concerted macroeconomic policies designed to keep economic growth strong and sustainable;

- in the case of applicant countries, alongside the objective of sustainable growth, over the long term, growth must be high enough to converge with the average European level;
- joint efforts are needed to alleviate the most serious problems of the Hungarian social protection system as early as possible in the pre-accession period. In this context the opinion on enlargement — adopted by the Economic and Social Committee at its plenary session of 29 and 30 October — stresses the importance of simplifying procedures, strengthening the role of the social partners and civil society organisations in the management of the PHARE programme, in order to genuinely promote a strong social partnership;
- the Community should have greater resources at its disposal to assist applicant countries in meeting requirements stemming directly from their specific national priorities, with particular reference, in the case of Hungary, to:
 - regional and local development,
 - educational development,
 - positive action to assist disadvantaged groups,
 - strengthening civil society.

The Economic and Social Committee and representatives of economic and social spheres in several countries of central and eastern Europe have urged the other Association Boards to set up joint consultative committees.

The objective sought in the Economic and Social Committee's work on the associated countries and in its contacts with partners in these countries, is to get economic and social organisations involved in the structured dialogue of the pre-accession strategy. The Committee is convinced that the restructuring and change necessary for closer relations between the European Union and the associated countries of central and eastern Europe requires the involvement of economic and social players.

In this respect, it is worth noting:

- the visit of a Polish delegation of the Committee for European integration, to the Economic and Social Committee building in Brussels on 2 and 3 June;
- the oral evidence on the accession strategy taken by the Section for External Relations, Trade And Development Policy on 23 and 24 September.

10.2. Euro-Mediterranean Partnership

The Euro-Mediterranean ministerial conference held in Barcelona on 27 and 28 November 1995 entrusted the ESC with the task of promoting the strengthening of economic and social links in the Mediterranean region. At the meeting, it was agreed that the implementation of the Euro-Mediterranean partnership would be facilitated by encouraging contacts between the economic and social partners.

The work programme appended to the Barcelona Declaration adopted at the conference stated that 'regular contact between other European bodies, in particular the Economic and Social Committee of the European Communities, and their Mediterranean counterparts, would contribute to a better understanding of the main issues involved in the Euro-Mediterranean partnership. To this end, we call upon the Economic and Social Committee to take the initiative to establish links with its Mediterranean counterparts'.

In accordance with this decision, the economic and social councils or similar institutions in the European Union and the Mediterranean rim countries, including representatives of Euro-Mediterranean countries that have no economic and social council, met for the first time in Madrid in December 1995. This first summit was followed by a second in Paris in November 1996.

At the second summit, it was decided that the third Euro-Mediterranean summit of economic and social councils would be held in Casablanca on 27 and 28 November 1997.

The ESC found itself faced with a significant challenge, namely:

- coordinating and running the working group, which involves regular contact with all economic and social councils and similar institutions in the countries of the European Union and the associated Mediterranean countries;
- drawing up reports by establishing as much contact as possible with partners of the European Union and Mediterranean third countries.

The Committee proceeded as follows:

- it established contact with economic and social partners in Jordan, Egypt, Israel and Palestine, through investigative missions by the president of the Euro-Mediterranean follow-up committee;
- it commissioned a study group to draw up a report on the role of economic and social interest groups in implementing social support measures (particularly in the field of vocational training) for the development and upgrading of economies, in cooperation with the Greek and Algerian economic and social councils.

At the third Euro-Mediterranean summit held in Casablanca on 27 and 28 November, the economic and social councils and similar institutions to which the appointed representatives of Mediterranean countries with no economic and social council are associated, restated their commitment to the broad principles announced and adopted at the ministerial conferences in Barcelona (27 and 28 November 1995) and Malta (15 and 16 April 1997). These principles define an overall framework for partnership between the European Union and the southern and eastern Mediterranean; a partnership designed to establish an area of peace, shared prosperity, and stability.

The final resolution stresses the following points:

- Euro-Mediterranean cooperation involves the countries of the northern, eastern and southern Mediterranean taking joint responsibility for defining and promoting a model for growth and balanced economic, social and cultural development. This process should take account of the wide-ranging repercussions, particularly on the social front, of economic globalisation on the entire Euro-Mediterranean area.
- ESCs, similar institutions, and economic and social players have an important role in obtaining resources for establishing this 'partnership area'. The process cannot succeed without the active involvement of the various civil society and economic and social players in securing Euro-Mediterranean integration.
- Implementation of partnership programmes between northern, southern and eastern Mediterranean States will require a series of economic, financial, institutional and regulatory reforms in the southern and eastern Mediterranean States if they are to have the best chance of adjusting to the new realities attendant upon the establishment of the future free trade area. The EU should deploy a wide range of instruments to underpin this reform drive.
- There is an important need to strengthen interregional cooperation as part of the Euro-Mediterranean partnership. With this aim in view, the resolution stresses how important it is for the Euro-Mediterranean countries that the regional component of the MED programme be boosted substantially; the programme currently accounts for only 10 % of overall cooperation, the remaining 90 % still falling under bilateral arrangements.
- The MED programmes, which will channel the bulk of Euro-Mediterranean cooperation between actors in the field of civil society, should be given a new impetus as soon as possible and also receive additional funding. Employment, training and social policy must be given priority in these programmes; the economic and social partners should be involved in this respect.

- The importance of agriculture and ancillary activities to the Euro-Med economies is acknowledged. The participants stress the need, in keeping with the principles of reciprocity and complementarity, to include this sector in the liberalisation process set in train by the establishment of a free trade area. This approach should make for a better assessment of the impact of the process on agriculture and agricultural structures in the Euro-Mediterranean area.
- If these objectives are to be achieved, it will be necessary to establish machinery for following up the measures and actions adopted at the various summits of economic and social councils and similar bodies and to undertake regular appraisals of the outcome of the programmes.

The participants of this third summit also proposed an action programme based on the conclusions and recommendations contained in the papers presented at the summit.

With regard to water, the programme seeks to secure more effective exploitation of existing and potential resources, rational and forward-looking management of these resources and close cooperation between the States and the peoples of the Euro-Mediterranean area.

The programme should also foster the right conditions for promoting and strengthening the small and medium-sized enterprises/industries (SMEs/SMIs) sector so as to give the strongest possible boost to employment.

Implementation of the action programme would give the Euro-Mediterranean nations a better insight into both the limitations of and the scope for social measures to back-up efforts to upgrade the economies of the region, with a view to establishing a free trade zone by 2010.

The action programme seeks to strengthen cooperation based on solidarity in accordance with the spirit of the Barcelona Declaration and in tune with the close links between the peoples of the Euro-Mediterranean region, by virtue of geographical proximity and history.

More specifically: on the subject of water as a means and objective of cooperation in the Euro-Mediterranean area, recommendations were drawn up to:

- promote water as a means and objective of cooperation and solidarity;
- develop scientific research in the areas of water and the environment;
- rationalise water management techniques in order to promote sustainable development;
- preserve resources and protect water quality and the environment;
- step up measures to combat erosion and desertification.

On the subject of the establishment and development of SMEs and inter-firm cooperation in the Mediterranean, proposals were put forward to:

- create new firms, additional wealth and promote employment;
- promote SMEs/SMIs in a free trade area;
- create incentive arrangements and competitiveness for SMEs/SMIs;
- incorporate SMEs/SMIs fully into the European Union's Mediterranean policy;
- strengthen SMEs/SMIs and associations;
- encourage the development of human resources;
- guarantee access to finance for SMEs/SMIs.

In relation to the role of the social partners in social measures to back up economic development, there were recommendations to:

- promote information and awareness measures;
- promote social dialogue between the economic and social partners;
- develop regional cooperation and vocational training;
- promote employment and labour market measures;
- encourage decentralised cooperation and local development.

Furthermore, the ESC was involved in several Euro-Mediterranean partnership events:

- Seminar on the cooperative movement in the Euro-Mediterranean partnership, in Bari, 28 February.
- Conference on governance in the Euro-Mediterranean region, The Hague, 17 and 18 March.
- Government experts' seminar on economic transition, Brussels, 20 and 21 March.
- Euro-Mediterranean Forum of Economic Institutes, Marseilles, 24 and 25 March.

10.3. Turkey

The EU-Turkey Joint Consultative Committee, made up of 18 representatives of Turkish economic and social interest groups and an equivalent number of members of the Economic and Social Committee of the European Communities (ESC), held its fourth meeting in Gaziantep on 12

June, which was chaired jointly by the president of the board of the Chamber of Industry in Istanbul and the president of the Workers' Group of the ESC.

At its meeting, the EU-Turkey Joint Consultative Committee examined the working of the EU-Turkey Customs Union. It noted that the amount and make-up of the trade balance following the implementation of the customs union should be examined with caution. It also expressed its intention to pay particular attention to the economic and social impact of the customs union in the near future. The Consultative Committee also observed that financial cooperation had still not entered into force 18 months after the implementation of the customs union and expressed the hope that it would soon be possible to rapidly find an appropriate solution.

The Committee adopted a resolution on the energy sector in the context of relations between the European Union and Turkey.

The main proposals put forward by the resolution are as follows:

- the need for Turkey to develop a clean-coal programme as well as a programme designed to reduce losses in the electrical network;
- the adoption by Turkey of a nuclear programme designed to satisfy the need for qualified staff in the fields of approval, testing and standardisation procedures, quality management and related infrastructures;
- the reduction of Turkish dependence on oil and natural gas imports and the need for more active use of renewable energy sources and improved energy efficiency.

The Joint Committee also adopted a resolution on industrial small and medium-sized enterprises (SMEs) and vocational training in which it:

- calls upon the European Commission to submit a proposal amending Council Decision 97/15/EC on the multiannual action programme 1997-2000 to include Turkey as a beneficiary country;
- calls upon EU-Turkey association bodies to jointly agree on arrangements for cooperation in areas affecting SMEs and suggests the establishment of specialised working groups including experts from organisations representing European and Turkish SMEs, particularly in areas of common interest;
- stresses the importance of upgrading and harmonising statistical data and methods relating to SMEs, in particular by including Turkey in the annual reports of the European Observatory for SMEs.

As regards vocational training, the Committee believes that it is vital for Turkey to be eligible for the 1998 stage of the Leonardo, Socrates and

Youth for Europe programmes. The Joint Committee calls upon the European Parliament and the Council to quickly adopt a Commission proposal to extend these programmes to Turkey.

10.4. African-Caribbean-Pacific countries

The 21st annual meeting of representatives of ACP-EU social and economic interest groups was held in Brussels, under the aegis of the ACP/EU Joint Assembly, on 13, 14 and 15 October. The meeting examined the conditions for successful integration of the ACP countries, on favourable terms, into international trade.

In the final declaration adopted at the meeting, the representatives express concern over the decline of the ACP world market share and point out that the integration of ACP countries into world trade must be regarded not as an end, but as a means. They agree that such integration on equitable terms can contribute to sustained economic and social development.

The representatives ascribe the ACP countries' current difficulties to a combination of factors, including the inadequacy of both local and foreign investment and heavy foreign debt which significantly curtails investment potential and the development of efficient public infrastructures and services. They also note several examples of malfunctioning which need to be rectified, in particular, a lack of familiarity with over-complicated preferential procedures, of which local firms take little or no advantage, and excessively rigid interpretation of the rules of origin.

On the basis of these observations, the representatives of ACP/EU economic and social interest groups put forward a number of recommendations, including the following:

- the European Union must help, through its technical cooperation programmes, in fostering a more favourable climate: support for the private sector and the organisations that represent this sector, more efficient public services and public administration, education and training exchange programmes, improvement of communications infrastructure;
- ACP countries, with the assistance of the European Union, must be encouraged to organise regional or sub-regional groupings to form sufficiently large markets;
- the return of foreign investors whose goals do not conflict with the economic and social aspirations of the ACP countries is a sine qua non in stepping up ACP export and development capacity and improving the

employment situation. Such efforts must go hand in hand with greater local investment;

- the European Union must assist in alleviating the strain on the countries with the heaviest debt burden so that they will remain able to invest in education, training, infrastructure and a more efficient administration;
- the future Lomé Convention should enshrine the principle of fairer trade terms focusing on sustained economic and social development. Here special emphasis needs to be placed on protecting workers' and trade unions' rights, combating discriminatory practices against women and gradually eliminating child labour;
- while retaining a single framework to preserve solidarity among the ACP countries, the differentiated reciprocity formula in line with WTO principles seems to be the most appropriate trade system. It provides both an encouragement to intra-ACP regional integration and a means of fostering genuine free trade in the long term.

The representatives of ACP-EU economic and social interest groups instruct the Follow-up Committee, in consultation with representative socio-economic organisations, to draw up a new outline plan and a new timetable for meetings, which should anticipate the new provisions regarding relations between the European Union and ACP countries, to involve civil society players more closely.

Furthermore, a delegation of representatives of ACP-EU economic and social interest groups was involved in the work of the 25th ACP-EU Joint Assembly in Lomé, Togo from 27 to 30 October.

The ESC was also involved in the following events:

- a day to promote and assess pilot initiatives in the field of school twinning and youth exchanges organised by the 'Youth and ACP-EU cooperation' programme in Brussels, on 9 January;
- a consultative meeting on information and communication tools used to promote agricultural trade in Africa, at the Agriculture Technical Centre (ATC) in Wageningen, from 28 to 30 January;
- a seminar entitled 'Beyond Lomé IV: For improved partnership: future EU/ACP cooperation', organised by the NGO Liaison Committee, on 10 April.

10.5. European Economic Area (EEA)

The Consultative Committee of the European Economic Area is made up of nine representatives of economic and social interest groups in the

European Free Trade Association and nine members of the Economic and Social Committee. It is co-chaired by the president of the Consultative Committee and the president of the Economic and Social Committee. The consultative committee held its fifth meeting in Brussels on 6 May. At the meeting, there was an exchange of views on the situation of the EEA and, more particularly, on the functioning of the single market and the perception of environmental problems on both sides. Furthermore, two joint resolutions were adopted on the following issues:

- the information society;
- unemployment in the European Economic Area.

10.6. Other areas

A committee delegation attended a conference in Washington on 5 and 6 May. The transatlantic conference entitled 'Bridging the Atlantic — People-to-People Links' organised under the fourth section of the new transatlantic agenda addressed issues relating to electronic exchanges, civil society, education, culture, youth and partners in the world economy.

11. COMMUNICATIONS POLICY

11.1. Press and media

The measures taken in 1996 were stepped up in 1997, especially as regards relations with media accredited to the European Union and in the Member States.

The mailing list of mainstream and specialist press has been updated regularly. There are now 2 525 recipients.

11.1.2. Communications with the media

Press releases

During 1997 the press and media division sent out 175 press releases in all of the EU languages. As far as possible, account is taken during dispatching of the various categories of recipients and of their priority interests. The impact of all this was significant: six collections of press cuttings were

published, grouping more than 900 press articles on the consultative work of the ESC and its members.

Press releases on major issues are systematically placed in the European Commission press room and are put on the databases of the Commission (RAPID) and the European Parliament (Epistel), which offer journalists and others swift access to documents of the various EU institutions.

Press releases were distributed to all the Commission information offices in the EU and non-member States as well as to national and regional economic and social councils and to members of the International Association of Economic and Social Councils.

ESC-Info

The ESC-Info bulletin is still published monthly in all the Community languages. The efforts made during 1996 to improve the presentation and content of this monthly were also continued. A special effort was made to cut preparation and distribution times. The English and French versions of ESC-Info are now distributed in the second week after plenary sessions. ESC-Info is targeted mainly at the mainstream press and the general public. It is presently enjoying a growing success and some 14 000 copies for all languages are distributed each month.

Booklet 1996-98

This presents the ESC for the 1996-98 term of office. It has been published in all EU languages and contains information about the ESC, its structure, its role and its work.

Audio-visual

A video cassette presenting the ESC for the 1996-98 term of office has been produced in English, French, German, Italian, Spanish and Portuguese. It is available on request from the press and media division.

The 'Europe by satellite' service gives journalists and media the highlights of most plenary sessions. At the press and media division's request, the 'Europe by satellite' service has also broadcast summaries of ESC plenary sessions that can be picked up by anyone with a satellite dish.

The division has also laid foundations for collaboration with the Euronews TV channel to provide more regular coverage of the ESC's activities;

contacts are being established with Télé Création Citoyenne in Paris and Télé Bruxelles.

Press conferences and lunches

Press conferences were held to mark, for instance, the visit of Mr Jacques Santer to the ESC (February), the setting-up of the EU-Turkey Joint Consultative Committee (February), the president's official visit to Greece (April), the forum on social protection in Europe (June) and the third Euro-Mediterranean Summit (December).

Press dinners were held for British, French and German members of the Brussels press corps. These dinners, which are also attended by ESC members, have proved very successful and will be continued in 1998.

In-house communication

A public folder — which can be opened at any time — was set up to replace e-mailing of press releases to Committee staff.

ESC members and staff can consult a number of newspapers and magazines, as well as ESC-Info and other publications, in the reading room.

11.2. Information and visits

11.2.1. Visitors groups

The information and visits department welcomed 268 visitors' groups (totalling 7 288 persons) to the ESC in 1997. The groups were addressed by a variety of speakers, and some visits were organised jointly with the Commission, the European Parliament or the Committee of the Regions. The speakers briefed the groups on the ESC's work, its opinions and its place in the EU's institutional set-up. Both ESC officials and Committee members (which represents significant added value) addressed groups.

The appended table gives further details.

<i>EU Member States</i>	<i>Number of groups</i>	<i>Number of visitors</i>
Belgium	3	69
Denmark	13	373
Germany	56	1 643
Greece	1	5
Spain	17	411
France	30	898
French overseas departments and territories	5	30
Ireland	—	—
Italy	10	567
Luxembourg	—	—
Netherlands	11	280
Austria	8	159
Portugal	11	329
Finland	16	260
Sweden	8	110
United Kingdom	24	764
New EU officials	5	275
<i>Total</i>	<i>214</i>	<i>6 163</i>
<i>Non-EU Countries</i>	<i>Number of groups</i>	<i>Number of visitors</i>
ACP States	2	32
Bosnia and Herzegovina	1	11
Cyprus	1	20
Estonia	1	7
Japan	3	140
Latin America	5	68
Latvia	1	12
Malta	2	24
Norway	2	30
Poland	3	42
Romania	2	36
Slovakia	3	27
Slovenia	3	22
Turkey	2	48
USA	8	175
Other	15	431
<i>Total</i>	<i>54</i>	<i>1 125</i>
<i>Grand total</i>	<i>268</i>	<i>7 288</i>

11.2.2. Publications in 1997

The following publications were issued by the specialised department for information and visits with the cooperation of the ESC departments most directly concerned:

- Forum — 'The future of European society' (ES, DE, EN, FR);
- Relations between the European Union and the countries bordering the Baltic Sea (DA, DE, EN, FI, SV);
- EC relations with the countries of central and eastern Europe — Volume 2 (DE, EN, FR);
- A brochure on the ESC and the Single Market Observatory (DE, EN, FR, NL);
- Education and training — The transfer of knowledge (ES, DE, EN, FR);
- Towards an EU consumer protection policy (DE, EL, FR, IT, NL);
- SMEs and craft industries in the European Union (DE, EN, FR, IT);
- Ten issues of the ESC Monthly Bulletin (11 languages).

11.2.3. Documentation and letters

The information and visits department answered many requests for documentation and information throughout the year. Although such requests often fall outside the strict scope of the Committee's work, the department tries — as far as is possible — to provide information or reply with details of where it can be found.

The department is also responsible for running the secretariat of the Association of Former ESC Members. The association held its annual general meeting in April and made a fact-finding visit to Luxembourg in September. Mr Alfons Margot was re-elected association president for this year.

11.3. Conferences and public relations

As part of the ESC's external communications policy, this department organised a series of events:

1. The 'Citizens' Europe' programme: following the conferences held in Milan, Utrecht and Vienna in 1996, conferences were held in Helsinki and Stirling.

The Vienna Conference (not covered in the 1996 Annual Report) was hosted in collaboration with the *Beirat für Wirtschaft und Sozialfragen*

(advisory council for economic and social questions) on the theme '*Economy and society in an enlarged Europe*'. It was attended by the minister for economic affairs, Mr Farnleitner, and the speaker of the Austrian parliament, Mr Fischer. Representatives of economic and social groupings from Austria and from the 10 central and eastern European countries discussed the following themes: the institutions and the dialogue with the economic and social partners, or the opportunities and risks presented by the enlargement of the European Union from the point of view of different social groups.

A conference was held in Helsinki in April, with the collaboration of the Finnish social and economic partners. The topics discussed included the advantages of the single market and the euro, the impact on the single market of the integration of the CEEC and the prospects for cooperation in the Baltic area. Among those attending the conference were Mr Norrback, the Minister for European affairs, and Mrs Siitonen, the Mayor of Helsinki, together with representatives of the social and economic partners of the three Baltic states, Poland and Russia.

Another conference was held in Stirling (Scotland) in November, in collaboration with Stirling Council and representatives of Scottish social and economic groupings. Among those attending were Mr Henderson, Minister of State at the Foreign and Commonwealth Office, and Mr Chisholm, Parliamentary Under-Secretary of State at the Scottish Office responsible for local government and transport. The conference discussed the challenges that EMU is presenting to local economies, problems relating to cohesion and the revision of the Structural Funds, and living and working conditions in the information society.

2. Another public relations event in which the ESC played an active part, in collaboration with the department for information and visits, was the Intergovernmental Youth Conference, sponsored by the Brussels-Europe Liaison Office and the European institutions based in Brussels. As regards ESC participation, a group of some 150 young people from Brussels in their last year at secondary school drew up an opinion, which was debated at a 'plenary session' in April, on 'Proposals of the first intergovernmental youth conference'.

3. The ESC sponsored the production of a computer animation film by children at a school in Brussels, at the initiative of the non-profit-making organisation 'Informing and educating Europe and democracy', which was co-sponsored by Mrs Bonino, a member of the Commission, and by the Europartners Association (chaired by the MEP Elisabeth Guigou). The video was first shown at a function attended by Mrs Bonino and Mrs Guigou, the president of the ESC, Mr Jenkins, and the president of the European Parliament, Mr Gil Robles. The early stages of the were supported by the ESC's section for economic and financial questions, and it was shown to

visitors to the ESC's Open Day on 9 May, thus enabling the ESC to make a special contribution to the occasion.

4. As part of its participation in interinstitutional communications the ESC opened its doors to the general public for the first time on its open day, which was set for 10 May to coincide with Europe Day. Approximately 1 500 people visited the Committee buildings, an extremely high number given the geographical location of the ESC buildings in Brussels when compared with those of the other institutions which participated in the exercise (the Council, Commission, Parliament and Committee of the Regions). ESC staff also operated several stands at the Council buildings and at Rond-Point Schuman, which were visited by around 8 000 people.

5. As part of the organisation for the open day, the ESC was actively involved in the production of the 'Virtual visit to the institutions in Brussels', an operation launched by the European Commission which enables interactive visits to be paid to the EU institutions via the Internet. In the future this will also be possible via CD ROM.

6. Another important aspect of interinstitutional cooperation and of publicity for the ESC's work was the initial development of a cooperation programme with the TAIEX office (Technical Assistance Information Exchange) of the European Commission. This has already enabled several ESC members to participate in seminars for the countries of central and eastern Europe, and provide the ESC's views on various aspects of the Union's policies. Such cooperation has also meant that TAIEX can be counted upon to contribute towards the expenses arising from the attendance of representatives of economic and social partners from the CEEC at the 'Citizens' Europe' conference in Helsinki and at their hearing in Brussels with the section for External Relations on EU enlargement.

7. As part of the priority actions determined by the Commission and the European Parliament, the ESC helped develop the Citizen's Information Programme (Prince). A seminar on the euro, held in Portugal, targeted a large Portuguese consumers' association (DECO). This seminar will be followed by three others to be held in Spain (also aimed at consumers), Italy and the United Kingdom (in collaboration with the European Trade Union Academy and the European Trade Union Confederation, as well as the CISL — the Confederation of Italian Trade Unions — for Italy and the TUC in the United Kingdom).

8. When it has been able to do so, the ESC has had stands at different European-level events. This has enabled the ESC to inform a significant number of people about its activities and distribute documentation. There were stands at:

Strasbourg (24 to 26.2.1997 — Directory: Internal and external inter-regional communication);

Brussels (5.3.1997 — Hearing on the Single Market Observatory);

Paris (25 to 27.3.1997 — Seventh Forum of works councils and the CHSCT — Committee for industrial health and safety and working conditions);

Helsinki (21.4.1997 — Citizens' Europe conference);

Brussels (10.5.1997 — Open Day — 3 stands at the ESC, Council and Rond-Point Schuman);

Lyon (27 to 29.5.1997 — First congress of the Chemical Energy Federation CFDT);

Amsterdam (16 and 17.6.1997 — European Council);

Helsinki (23 to 25.6.1997 — Third Pan-European Transport Conference);

Brussels (23 and 24.9.1997 — Hearing on the enlargement of the European Union);

Brussels (26.9.1997 — Symposium to mark the 50th anniversary of the International Centre for Research and Information on the Collective Economy);

Brussels (13 to 15.10.1997 — 21st Annual meeting of the representatives of ACP/EU economic and social groupings);

Brussels (29.10.1997 — European Trade Union Confederation — colloquium on the statutes and social protection of public sector workers);

Luxembourg (4 and 5.11.1997 — Employment and tourism: guidelines for action);

Stirling (20.11.1997 — Citizens' Europe Conference);

Luxembourg (20 and 21.11.1997 — European Council. Special session);

Luxembourg (12 and 13.12.1997 — European Council).

9. The ESC updated its presence on the Internet by constructing a website, launched at the end of the year, which will give a large number of 'visitors' access, via the Europa server at DG X of the Commission, to a broad range of information on the ESC. It is to be hoped that this site will enable permanent external interactive relations (thanks to the hyperlink system), and it has been constructed in three large zones (activities, structure and documentation). The inclusion of a section for the Single Market Observatory will enable this function to be carried out interactively and will provide an important support to the ESC's work. Many requests for information on the EU were received via the website during its initial period of operation.

While it is still not possible to construct a completely multilingual site, much of the information that is contained in this site is available in the 11 EU languages. This ongoing site will continue to be adapted to future circumstances.

10. Preparation of a new ESC logo, greetings cards and pocket and table diaries, in coordination with the COS print room and external suppliers.
11. Cooperation in the preparation of Mrs Tiemann's conference on 'The future of social protection — the German example'.
12. Participation in interinstitutional task forces (Open Day, Expo '98 Lisbon, Internet, etc.).

CHAPTER III

The groups

1. GROUP I — EMPLOYERS

During 1997 seven new members joined Group I Mr Espuny Moyano, Mr Franz, Mr Garcia Alonso, Mrs Hornung-Draus, Mr Jung, Mr Ravoet and Mr Reiterer.

As the year began the group was deeply affected by the sudden death of Mr Jean Pardon, Director of the Legal and Fiscal Department of the Belgian Banking Association. Mr Pardon had been an ESC member since 1986 and was chairman of the Section for Economic, Financial and Monetary Questions. His brilliant analytical powers and professional competence, his clarity and humour are sadly missed.

In due course, Mr Göke Frerichs was elected to chair the section.

October 1997 saw the retirement of Mr Werner Löw after 15 years of membership. With his departure the group lost its senior vice-chairman and its principal adviser on social affairs.

Mr Jens Peter Petersen also retired. His knowledge of the central and eastern European countries is unmatched among ESC members. The numerous opinions of which he has been rapporteur over the years have been instrumental in increasing an understanding in the CEECs of the role of the socio-professional organisations at European level and in creating a new role for the Economic and Social Committee.

Mr Löw and Mr Petersen were guests of honour of the group at the annual dinner on 30 September.

Throughout the year the group maintained its self-appointed standard by producing almost half of the opinions adopted by the Committee. With 68 members, Group I has remained considerably smaller than the other two groups.

Right at the beginning of the year the work done by Group I in examining the identity role, organisation and working methods of the Committee blossomed in the shape of a decision by the Bureau to set up a three-

member advisory group to prepare a report on the Committee's working methods. The report was duly sent to all members in September. At the December meeting Group I debated the report in depth on the basis of written comments sent in by members in preparation for an enlarged ESC Bureau meeting in January. It is hoped that this cooperation, between the groups and the bureau and group and section chairmen, may enable some fundamental decisions to be reached by the committee before the end of the current mandate which will streamline its working methods in preparation for future enlargement.

Throughout the year the group has actively supported the work of the Single Market Observatory, which must now determine its own intensified work programme in relation to the Commission's action plan for 1999. This will include giving priority to efficiency and simplification of rules for single market 'users', taking on board the challenges presented by the introduction of the euro; examining the situation of other European countries involved in the operation of the single market; and using all the means at its disposal to monitor the progress and impact of the single market especially in relation to employment.

Group I is in constant contact with UNICE (Union of Industrial and Employer's Confederations of Europe), CEEP (European Centre of Public Enterprises), Eurochambres (European Permanent Conference of Chambers of Commerce and Industry) and Eurocommerce (the retail wholesale and international trade representation to the European Union). They each receive a monthly newsletter immediately after each plenary session to keep them up to date on all new subjects of consultation or initiative and to enable them to propose experts to assist Group I members on specific topics. The group also maintains links with a large number of trade and sectoral associations at European level whose advice enhances the accuracy of many of the more specifically technical opinions.

2. GROUP II — WORKERS

During 1997, Group II membership was extended to include Mr Quentin (FO — France); Mr Cambus (CGC — France) and Mrs McGrath (TUC — UK). There are now 79 members of the Workers' Group, whose president is Mr R. Briesch (CFDT — France).

Group II attached particular importance to its contribution towards the programme of the Committee president (Mr T. Jenkins, TUC — UK), especially as regards employment issues (other programme items included the role of the Committee, the euro, the single market, Citizens' Europe and external relations).

In preparation for the extraordinary summit on employment, sponsored by the Luxembourg presidency and held in November, the Committee reiterated the stance it had adopted on Mr J. Delors' white paper and confirmed its support for President Santer's Employment Pact in two opinions drafted by Mrs Van den Burg (Group II member and President of the Social Affairs Section).

In the wake of these opinions, the Bureau authorised an in-depth analysis of employment policies. The ESC is the ideal forum for such a debate, given its nature and membership — the grass-roots experience of the representative organisations of European society, and their expert knowledge of employment issues. The Committee called for a consultation and cooperation agency to be set up with employment policy players, on the basis of the new Treaty provisions. This employment conference is expected to take place in early 1998. The European Parliament, the European Commission, the Employment and Labour Market Policy Committee, and the COR could be amongst those invited to attend. The conference could become an annual event, and confer on the Committee the status of key player in the new employment chapter.

In order to build on the facts and figures already at its disposal, members of the Workers' Group and other committee members attended the traditional Employment Week, sponsored by the European Commission.

In pursuance of the presidency programme, and in answer to Commission requests, Group II was particularly active in the sphere of external relations (Mr Carroll, president of the Section for External Relations). Whilst not neglecting Mercosur and ASEAN work, the section focused particularly on enlargement and the Mediterranean. A number of CEEC hearings were held at the Committee and in various CEEC countries, and key opinions were adopted on these issues, including one on enlargement and others on Agenda 2000. Group II members were rapporteurs for these opinions: Mr E. Masucci (also vice-president of Group II), Mr V. Cal and Mr H. Wilms, respectively.

The Committee sponsored (under the chairmanship of Group II president, Mr R. Briesch) the third Euro-Mediterranean summit of Economic and Social Councils and similar institutions, held in Casablanca on 26 to 28 November. The ESC rapporteur on 'The role of the economic and social interest groups in implementing social measures (particularly vocational training) to back up economic development' was a member of Group II.

The annual ACP conference was held in October at the committee building. The conference focused on the 'conditions for successful integration of the ACP States, on favourable terms, into international trade'. A final declaration was adopted by the representatives of economic and social interest groups in attendance.

Other work included the proceedings of the EU-Turkey Joint Committee — whose co-chairman is the president of Group II — on the social impact of the customs union, the EU-Hungary Joint Committee (social protection), and the Joint Committee on the European Economic Area (unemployment in the European Economic Area). Group II members were appointed as rapporteurs for these topics.

As part of its new remit under the Treaty of Amsterdam, and in response to a request from the European Parliament, the ESC carried out a review of its working practices. A Group II member was appointed to the three-member Advisory Group which drew up the preliminary report. The issue is of particular importance to the Committee's future. It was broached at two extraordinary meetings of Group II — attended by the secretary-general and the ETUC — and in early January 1998 will be the subject of a (probably final) discussion at a joint extraordinary meeting in Cardiff of Bureau members, and group and section presidents.

Turning to the broader framework of the year's activities, the Citizens' Europe Conference, held in April in Helsinki, discussed the advantages of the single market and cooperation in the Baltic Sea region, with a Group II member acting as rapporteur on integration of the CEEC; and the Citizens' Europe Conference was held in Stirling (UK) in November, with a member of Group II acting as rapporteur for the Structural Funds debate.

With reference to the Committee's other responsibilities, it is important to mention the Single Market Observatory: the Industry Section has been instructed to help develop this role, and the Permanent Study Group (of which one of the co-chairmen is a Group II member) is to provide an interface with the other sections, and act as a steering committee.

Within the framework of its other priority areas, the Committee asked the Commission to provide facilities for seminars in Portugal, Spain, the United Kingdom and Italy (the latter two with the help of ETUC organisations and institutions) on 'The euro: a currency for Europe'. The aim is to train people who will then go on to shape opinion in their respective associations.

Workers' Group members took part in other major events organised by ETUC organisations and institutions, and by the European institutions. The themes included EU-Mercosur relations, EU-US relations, the social aspect of external policies, Interregional Trade Union Committees, social policy (the fight against racism, migrants, equal opportunities, social dialogue, health and safety at work, civil and social rights, social protection), works councils, territorial pacts, cohesion, food policy, the information society, the Pan-European Transport Conference, urban policies, defence.

Group II contributed actively to the work of the various sections by appointing rapporteurs and co-rapporteurs on other key subjects, including:

- social dialogue, modernising social protection, a new organisation of work, supplementary pensions;
- employment, competitiveness and economic globalisation;
- European company statute;
- economic and social cohesion, the role of the economic and social partners in the Interreg and EURES programmes, territorial employment pacts, services of general interest;
- sustainable development in building and housing in Europe;
- GSPs, protection of human rights, workers' rights and protection of the environment;
- EU-China relations;
- waste, environmental agreements, transport of dangerous goods, water, climate change, pollution-related diseases;
- defence industries, space industry;
- voluntary service for young people, training of seafarers, admission to the occupation of road haulage operator;
- equal opportunities for women and men;
- seasonal labour and migration in rural areas;
- forestry;
- nuclear programme;
- taxation in the EU, taxation of heavy goods vehicles, taxation of energy products, indirect taxation, airport charges;
- the information society.

3. GROUP III — VARIOUS INTERESTS

The composition of the Economic and Social Committee reflects the changing face of European society.

The presence of the Various Interests group, alongside the Employers' and Workers' groups, ensures that the Committee is able to give full voice to the

concerns of the various social, occupational, economic and cultural organisations that make up civil society.

The unique feature which forges Group III's identity is the wide range of categories represented within it: its 74 members are drawn from farmers' organisations, SMEs, the crafts sector, the professions, cooperatives and non-profit associations, consumer organisations, environmental organisations, and associations representing the family, women, persons with disabilities, and the scientific and academic community.

These diverse groupings are bound together by the joint action which continued to characterise the group's activity during 1997, and which was aimed at a clearly-defined target: to help fill the democratic deficit of the EU decision-making process. Here, Group III asserts the essential role of the Economic and Social Committee, in the firm conviction that democracy is deepened and strengthened by the active, responsible participation of those who represent the various social, economic and occupational interests in civil society.

The unanimous position of Group III in particular was voiced during the Committee's work on the Commission communication concerning the development of the social dialogue at Community level.

In spite of the efforts made by the rapporteur to accommodate the recommendations of Group III, the opinion adopted by the Committee follows the Commission's approach and thus reflects an outdated view that no longer corresponds to the situation of European society, which has changed dramatically in recent years.

Group III contests this conception of social dialogue, in the name of all those bodies which play an economic and/or social role, not least in the fight against exclusion, and which must therefore be involved in consultations.

Group III contests this conception of social dialogue, in the name of the economic, productive, occupational and social categories which represent the majority of the EU working population and which must therefore be involved in negotiations.

In keeping with this stance, Group III asked for the Economic and Social Committee to draw up an own-initiative opinion on the proposal for a Council directive presented by the Commission concerning the framework agreement on part-time work concluded by UNICE (Union of Industrial and Employers' Federations of Europe), CEEP (European Centre for Public Enterprises) and ETUC (European Trade Union Confederation).

This was the second framework agreement reached by the three organisations involved in the negotiations as part of the social dialogue (the first concerned parental leave). Group III asked for the Committee, which was

not officially consulted, to make its views known through an own-initiative opinion, as it was entitled to do.

The Group III request was rejected by the ESC bureau. However, the urgency of a re-examination of the way the social dialogue currently operates was pointed out from several quarters.

Speaking at forum in The Hague in April on the future of the social dialogue, Commissioner Pádraig Flynn acknowledged that since 1985, other organisations had matured and moved into the frame, and that they too were willing and able to play a constructive role in the interprofessional social dialogue.

* * *

Although they come from highly diverse sectors, the common aim of Group III members is then to achieve a real economic and social democracy in Europe, by means of the participation of organised citizens. The group's work is geared to this end and is reflected in all the Committee's work in which the group is involved, providing rapporteurs for a range of opinions, and in specific initiatives promoted by the group.

One particularly important initiative of this kind was the meeting with representatives of the European organisations and associations represented within the group, which took place during the course of the extraordinary group meeting.

The meeting, attended by more than 20 presidents and secretaries-general from the main social and professional bodies and associations, provided an opportunity to discuss relations between Group III — and, consequently, the Economic and Social Committee — and the European organisations, from the angle of each side's expectations.

The Committee's fundamental role — through Group III — as a link between these bodies and the Community institutions was confirmed.

During the meeting, also attended by the ESC president and secretary-general, an awareness emerged among the representatives of all the different categories and sectors of the need to continue stepping up joint action to back the demand for so many European citizens to be given a voice.

The need for broad-based participation in EU decisions was also the focus of discussions attended by MEP Philippe Herzog, who took part in the group's work in October 1997.

Mr Herzog, the European Parliament's rapporteur for a resolution on the participation of citizens and the social partners in the EU institutional system, picked out a stronger Economic and Social Committee as one of the most important ways of bringing the Community institutions closer to citizens. This question has always been at the heart of Group III discussions and action.

CHAPTER IV

Internal aspects of the secretariat

1. STAFF

The number of permanent posts in the secretariat-general in 1997 amounted to 135.

These were divided as follows:

- 48 category A posts, including one special career bracket;
- 29 category B posts;
- 58 category C posts.

Protocol 16 of the Maastricht Treaty set up a common organisational structure (COS) for the Economic and Social Committee and the Committee of the Regions. The Amsterdam Treaty provides for the abolition of this structure upon ratification, which is expected in the course of 1998. The staff currently employed within this structure come largely from the Economic and Social Committee (about 80 %).

There were 519 COS posts, divided as follows:

- 18 category A posts
- 53 category B posts
- 208 category C posts
- 42 category D posts
- 198 category LA posts.

Although ratification of the Amsterdam Treaty cannot yet be taken for granted, the ESC and COR administrations have already started preparing for the possible consequences of the abrogation of Protocol 16. A number of scenarios are currently being examined, with a view to ensuring the harmonious operation of both bodies outside the present framework of their joint services.

However, the way in which the problem may be resolved depends largely on the number of posts available for distribution between the two institutions. In the absence of a major increase in posts, it is possible that some services will continue serving both the Economic and Social Committee and the Committee of the Regions, at least initially.

More generally, it should be pointed out that the Economic and Social Committee has always been open to broad interinstitutional cooperation, from which it benefits in fields such as competitive examinations, training, interpreting and so on.

2. BUDGET

The following table shows Section VI appropriations under the general budget of the European Union for 1996 and 1997.

	<i>(in ecu)</i>	
	1996	1997
Economic and Social Committee	27 621 595	27 865 858
Committee of the Regions	16 070 395	15 595 700
Common Organisational Structure	52 631 062	53 775 429
Total	96 323 052	97 236 987

3. MEETINGS

There were nine plenary sessions and nine bureau meetings in 1997.

Working bodies also met as follows:

Sections	74
Study groups	326
Groups, I, II and III	30
Recognised sub-groups	133
Visitors' groups	216
Delegations, preparatory meetings	473

4. STRUCTURE OF THE GENERAL SECRETARIAT IN 1997

President and vice-presidents

President's secretariat

Group secretariats

Group I

Group II

Group III

Secretariat-General

Secretary-General

Secretary-General's secretariat

Directorate for the Registry of the Assembly and the Bureau and for Planning

Mail/archives

Specialised department for the assembly/bureau, official publications and the annual report

Specialised department for institutional affairs and relations with (national and regional) economic and social councils

Directorate for Personnel

Specialised department for legal questions

Division for recruitment, careers and induction

Missions — reimbursement of expenses, transfers — assignment — attachment of salary

Directorate for Communication

Press and media division

Specialised department for information and visits

Specialised department for conferences and public events

Directorate A — Consultative work

Division for industry, commerce, crafts and services

Specialised department for the Single Market Observatory

Specialised department for energy, nuclear questions and research

Specialised department for protection of the environment, public health and consumer affairs

Specialised department for regional development and town and country planning

Division for transport and communications

Directorate B — Consultative work

Division for economic, financial and monetary questions

Division for external relations, trade and development policy

Specialised department for delegations and relations with third countries

Division for social, family, educational and cultural affairs

Division for agriculture and fisheries

5. COMMON ORGANISATIONAL STRUCTURE

Financial control division

Directorate for the Common Organisational Structure

Security

Library

Planning division

Specialised department for printing and distribution

Pre-press

Offset/finishing

Photocomposition

Dispatch/distribution

Dispatch

Distribution/documentation

Specialised department for informatics and telecommunications (IT)

Telecommunications/fax/telex

Administrative informatics

LAN operation

Database applications

Specialised department for finance

Cash office

Accounts

Budget

Specialised department for staff support

Privileges and immunities, salaries, pensions, social security of other servants

Sickness fund (officials made available to the Commission)

Working conditions

Department for competitions, vocational training, in-service training, social activities and communication

Medical-welfare department

Logistics department

Offices

Buildings

- Reservation of rooms/reception/travel/conferences
- Technical maintenance
- Session ushers

General services — switchboard/telex/drivers/ushers

Restaurant/cafeteria/distribution of beverages

Directorate for translation and typing

Linguistic coordination

General services

- Dispatch
- Documentation

Spanish language division

Danish language division

German language division

Greek language division

English language division

French language division

Italian language division

Dutch language division

Portuguese language division

Finnish language division

Swedish language division

Secretariat of staff representative bodies

ANNEX A

**List of opinions
and information reports
issued during 1997**

342nd PLENARY SESSION OF 29 AND 30 JANUARY 1997

Draft Council decision amending Council Decision 91/116/EEC setting up the European Advisory Committee on statistical information in the economic and social spheres

(ESC 95/97)

Rapporteur working without study group: Mr Vasco Cal

Communication from the Commission on the review of the Community strategy for waste management and draft Council resolution on waste policy (ESC 96/97)

Rapporteur: Mr Sergio Colombo

Proposal for a Council decision amending Decision 93/389/EEC for a monitoring mechanism of Community CO₂ and other greenhouse gas emissions

(ESC 97/97)

Rapporteur: Mr José Gafo Fernández

Proposal for a European Parliament and Council decision on an action programme for integrated groundwater protection and management (ESC 107/97)

Rapporteur: Mr Etienne de Paul de Barchifontaine

Communication from the Commission to the Council and the European Parliament: A Community strategy to reduce CO₂ emissions from passenger cars and improve fuel economy

(ESC 98/97)

Rapporteur: Mr José Gafo Fernández

Communication from the Commission to the Council and the European Parliament on standardisation and the global information society: the European approach

(ESC 99/97)

Rapporteur: Mr Michael Mobbs

Proposal for a Council Decision approving the accession of the European Community to the protocol relating to the Madrid agreement concerning the international registration of marks, adopted at Madrid on 27 June 1989

Proposal for a Council regulation (EC) modifying Council regulation (EC) No 40/94 of 20 December 1993 on the Community trade mark to give effect to the accession of the European Community to the protocol relating to the Madrid agreement concerning the international registration of marks, adopted at Madrid on 27 June 1989

(ESC 100/97)

Rapporteur: Mr Manuel Ataíde Ferreira

Proposal for a European Parliament and Council directive amending Council Directives 76/116/EEC, 80/876/EEC, 89/284/EEC and 89/530/EEC on the approximation of the laws of the Member States relating to fertilisers (ESC 101/97)

Rapporteur: Mr Nikolaos Lerios

Proposal for a Council regulation (EC) concerning the granting of financial assistance for actions to promote combined goods transport (ESC 102/97)

Rapporteur: Mr Bo Green

Proposal for a Council regulation (EC) amending regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71 (ESC 103/97)

Rapporteur: Mr Pierre Chevalier

Commission communication concerning the development of the social dialogue at Community level (ESC 106/97)

Rapporteur: Mr Jan Jacob van Dijk

Proposal for a Council regulation (EC) amending regulation (EEC) No 3760/92 establishing a Community system for fisheries and aquaculture (ESC 104/97)

Rapporteur: Mrs Maria Luisa Santiago

Stocktaking of the first three years of the CAP reform (own-initiative opinion) (ESC 108/96)

Rapporteur: Mr Etienne de Paul de Barchifontaine

Creating a new dynamic in EU-ASEAN relations (additional own-initiative opinion) (ESC 105/97)

Rapporteur: Mr Antonello Pezzini

Relations between the EU and the countries bordering the Baltic Sea (information report) (ESC 949/96 fin)

Rapporteur: Mr Filip Hamro-Drotz

343rd PLENARY SESSION OF 26 AND 27 FEBRUARY 1997

Green Paper on the role, the position and the liability of the statutory auditor within the European Union

(ESC 224/97)

Rapporteur: Mr Robert J. Moreland

Proposal for a European Parliament and Council directive laying down a procedure for the provision of information in the field of technical standards and regulations (codified version)

(ESC 225/97)

Rapporteur working without study group: Mr Leopold Maurer

Proposal for a European Parliament and Council directive on the approximation of the laws of the Member States relating to machinery (codified version)

(ESC 226/97)

Rapporteur working without study group: Mr Wolfgang Burkhard

Proposal for a Council directive amending Directive 93/75/EEC concerning minimum requirements for vessels bound for or leaving Community ports and carrying dangerous or polluting goods

(ESC 227/97)

Rapporteur: Mr Eduardo Chagas

Proposal for a Council decision on the promotion of sustainable and safe mobility

(ESC 228/97)

Rapporteur working without study group: Mr Joseph Konz

Proposal for a European Parliament and Council directive on the application of open network provision (ONP) to voice telephony and on universal service for telecommunications in a competitive environment

(ESC 238/97)

Rapporteur-general: Mr Jacques Pé

Communication from the Commission: 'Inventing tomorrow — Europe's research at the service of its people'

(ESC 229/97)

Rapporteur: Mr Giannino Bernabei

Proposal for a Council regulation (EC) introducing arrangements for the management of fishing effort in the Baltic Sea

(ESC 230/97)

Rapporteur: Mr Seppo Ilmari Kallio

Proposal for a Council regulation (EC) amending Regulation (EEC) No 1442/88 on the granting for the 1988/89-1997/98 wine years, of permanent abandonment premiums in respect of wine-growing areas
(ESC 231/97)

Rapporteur: Mr Leopoldo Quevedo Rojo

Proposal for a Council directive amending Directive 93/113/EC concerning the use and marketing of enzymes, microorganisms and their preparations in animal nutrition
(ESC 232/97)

Rapporteur: Mr Sergio Colombo

Proposal for a Council regulation (EC) supplementing Regulation (EEC) No 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs to include livestock production
(ESC 234/97)

Rapporteur: Mr Jan Olsson

Proposal for a Council regulation (EC) amending Council Regulation (EEC) No 2377/90 laying down a Community procedure for the establishment of maximum residue limits of veterinary medicinal products in foodstuffs of animal origin
(ESC 233/97)

Rapporteur-general: Mr Sergio Colombo

Proposal for a European Parliament and Council directive amending for the 17th time Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations
(ESC 237/97)

Rapporteur-general: Mr Bo Green

Green Paper on education, training and research — the obstacles to transnational mobility
(ESC 239/97)

Rapporteur: Mr José Isaiás Rodríguez García Caro

Proposal for a Council directive on the burden of proof in cases of discrimination based on sex
(ESC 236/97)

Rapporteur: Mrs Anne-Marie Sigmund

Proposal for a Council regulation (EC) temporarily withdrawing access to generalised tariff preferences for industrial goods from the Union of Myanmar

Proposal for a Council regulation (EC) temporarily withdrawing access to generalised tariff preferences for agricultural goods from the Union of Myanmar

(ESC 240/97)

Rapporteur-general: Mr Thomas Etty

344th PLENARY SESSION OF 19 AND 20 MARCH 1997

Communication from the Commission to the European Parliament, the Council and the Economic and Social Committee concerning regulatory transparency in the internal market for information society services

Proposal for a European Parliament and Council directive amending for the third time Directive 83/189/EEC laying down a procedure for the provision of information in the field of technical standards and regulations

(ESC 320/97)

Rapporteur: Mr Kommer de Knecht

Communication from the Commission — The challenges facing the European defence-related industry, a contribution for action at European level

(ESC 326/97)

Rapporteur: Mr Mario Sepi

Craft industries and small and medium-sized enterprises (additional opinion)

(ESC 328/97)

Rapporteur: Mr Antonello Pezzini

Proposal for a Council regulation (EC) establishing a European monitoring centre for racism and xenophobia

(ESC 322/97)

Rapporteur: Mrs Soscha zu Eulenburg

Proposal for a Council directive on the approximation of the laws of the Member States relating to collective redundancies

(ESC 323/97)

Rapporteur working without study group: Mr Werner Löw

Proposal for a European Parliament and Council decision establishing the Community action programme 'European voluntary service for young people'

(ESC 324/97)

Rapporteur: Mr Giorgio Liverani

Proposal for a decision of the European Parliament and of the Council amending the basic decision relating to the Socrates programme to include Turkey among the beneficiary countries

Proposal for a decision of the European Parliament and of the Council amending the basic decision relating to the third phase of the Youth for Europe programme to include Turkey among the beneficiary countries
Proposal for a decision of the Council amending the basic decision relating to the Leonardo programme to include Turkey among the beneficiary countries

(ESC 329/97)

Rapporteur-general: Mr Giacomina Cassina

Annual Report of the Cohesion Fund 1995

(ESC 321/97)

Rapporteur: Mr Paulo Barros Vale

Employment, competitiveness and economic globalisation (own-initiative opinion)

(ESC 325/97)

Rapporteur: Mrs Ursula Konitzer

Relations between the EU and China (own-initiative opinion)

(ESC 327/97)

Rapporteur: Mr Göke Frerichs

Co-rapporteur: Mr Thomas Etty

Proposal for a European Parliament and Council directive concerning the approximation of the laws, regulations and administrative provisions of the Member States relating to the classification, packaging and labelling of dangerous preparations

(ESC 330/97)

Rapporteur: Mr Kenneth J. Gardner

345th PLENARY SESSION OF 23 AND 24 APRIL 1997

Proposal for a Council directive on the control of *Pseudomonas solanacearum* (Smith) Smith

(ESC 463/97)

Rapporteur: Mr Antoon Stokkers

Proposal for a Council regulation (EC) amending Regulation (EEC) No 1765/92 establishing a support system for producers of certain arable crops

(ESC 464/97)

Rapporteur-general: Mr José Bento Gonçalves

Proposal for a Council regulation (EC) laying down general rules for the application of measures to improve the production and marketing of honey

(ESC 465/97)

Rapporteur: Mr Vassilis Zarkinos

Forestry in the European Union: present situation, problems and potential for developing forestry policy (own-initiative opinion)
(ESC 476/97)

Rapporteur: Mr Seppo Ilmari Kallio
Co-rapporteur: Mr Hans-Joachim Wilms

European Commission Green Paper on future noise policy
(ESC 454/97)

Rapporteur: Mr Klaus Boisseree

Communication from the Commission: implementing Community environmental law
(ESC 455/97)

Rapporteur: Mrs María Candelas Sánchez Miguel

Energy for the future: renewable sources of energy (Green paper for a Community strategy opinion) (own-initiative opinion)
(ESC 462/97)

Rapporteur: Mr Peter Morgan

Communication from the Commission on the nuclear industries in the European Union (an illustrative nuclear programme according to Article 40 of the Euratom Treaty)
(ESC 470/97)

Rapporteur: Mr John Lyons

Proposal for a Council decision concerning the organisation of cooperation around agreed Community energy objectives
(ESC 475/97)

Rapporteur: Mr Bernardo Hernández Bataller

The European Union and the external dimension of human rights policy (own-initiative opinion)
(ESC 474/97)

Rapporteur: Mr Thomas Ety

1997 Annual Economic Report
(ESC 471/97)

Rapporteur: Mr Harry Byrne

Green Paper on living and working in the information society: people first
(ESC 456/97)

Rapporteur: Mr Roger Burnel

Report of the Commission on the SLIM pilot project — simpler legislation for the internal market
(ESC 457/97)

Rapporteur: Mr Philip H. Noordwal

Communication from the Commission to the European Parliament and the Council on the impact and effectiveness of the single market
(ESC 476/97)

Rapporteur: Mr Flavio Pasotti

SMEs in frontier regions — problems encountered in cross-border business relations, including those relating to technical requirements (Single market observatory) (own-initiative opinion)

(ESC 468/97)

Rapporteur: Mr Eugène Muller

Co-rapporteur: Mr Christos Folias

Communication from the Commission to the European Parliament and the Council on a future strategy for the control of atmospheric emissions from road transport taking into account the results from the Auto/Oil Programme Proposal for a European Parliament and Council Directive relating to the quality of petrol and diesel fuels and amending Council Directive 93/12/EEC Proposal for a European Parliament and Council Directive relating to measures to be taken against emissions from motor vehicles and amending Council Directives 70/156/EEC and 70/220/EEC

(ESC 473/97)

Rapporteur: Mr José Ignacio Gafo Fernández

7th Annual Report on the Structural Funds (1995)

(ESC 461/97)

Rapporteur: Mr John Simpson

First cohesion report 1996

(ESC 469/97)

Rapporteur: Mr Vasco Cal

Proposal for a European Parliament and Council Decision establishing an action programme to improve awareness of Community law for the legal professions (Robert Schuman project)

(ESC 466/97)

Rapporteur: Mr Manuel Cavaleiro Brandão

Proposal for a Council Directive on the charging of heavy goods vehicles for the use of certain infrastructures

(ESC 458/97)

Rapporteur: Mr Joël Decaillon

White Paper on a strategy for revitalising the Community's railways

(ESC 459/97)

Rapporteur: Mr Claus-Benedict von der Decken

Proposal for a Council directive amending Directive 94/58/EC on the minimum level of training for seafarers
(ESC 460/97)
Rapporteur: Mr Eduardo Chagas

Proposal for a Council directive on the registration of persons sailing on board passenger ships
(ESC 472/97)
Rapporteur working without study group: Mr Francis J. Whitworth

346th PLENARY SESSION OF 28 AND 29 MAY 1997

Environmental agreements (own-initiative opinion)
(ESC 587/97)
Rapporteur working without study group: Mr Klaus Boisseree

Proposal for a European Parliament and Council directive on marking of packaging and on the establishment of a conformity assessment procedure for packaging
(ESC 588/97)
Rapporteur: Mrs Ann Davison
Co-rapporteurs: Mr Sergio Colombo, Mr Paul Verhaeghe

Proposal for a Council directive on limitation of emissions of organic compounds due to the use of organic solvents in certain industrial activities
(ESC 597/97)
Rapporteur: Mr José Ignacio Gafo Fernández

Proposal for a European Parliament and Council directive amending Directive 79/112/EEC on the approximation of the laws of the Member States relating to the labelling, presentation and advertising of foodstuffs
(ESC 598/97)
Rapporteur: Mr Leopold Erich Maurer

Proposal for a Council directive on the assessment of the effects of certain plans and programmes on the environment
(ESC 608/97)
Rapporteur: Mr Giampaolo Pellarini

Communication from the Commission on the application of the competition rules to access agreements in the telecommunications sector
(ESC 589/97)
Rapporteur: Mr Carlo Ernesto Meriano

Green Paper on the protection of minors and human dignity in audiovisual and information services

(ESC 590/97)

Rapporteur: Dame Jocelyn Barrow

Green Paper on commerce

(ESC 595/97)

Rapporteur: Mr Christos Folias

Communication from the Commission to the European Parliament and the Council on the draft action plan for the single market

(ESC 606/97)

Rapporteur-General: Mr Flavio Pasotti

Green Paper entitled 'public procurement in the European Union: exploring the way forward'

(ESC 607/97)

Rapporteur: Mr Henri Malosse

Towards a European numbering environment — Green Paper on a numbering policy for telecommunications services in Europe

(ESC 591/97)

Rapporteur: Mr Michael Mobbs

Proposal for a Council directive amending Directive 96/26/EC on admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas, certificates and other evidence of formal qualifications intended to facilitate for these operators the right to freedom of establishment in national and international transport operations

(ESC 592/97)

Rapporteur: Mr George Wright

Note to the Council of Ministers and to the European Parliament on the olive and olive oil sector (including economic, cultural, regional, social and environmental aspects), the current common market organisation, the need for a reform and the alternatives envisaged (own-initiative opinion)

(ESC 600/97)

Rapporteur: Mr Leopoldo Quevedo Rojo

Commission proposals on the prices for agricultural products and related measures (1997/98)

(ESC 601/97)

Rapporteur: Mr Staffan Mats Wilhelm Nilsson

Proposal for a Council regulation (EC) amending regulation (CEEC) No 1696/71 on the common organisation of the market in hops

(ESC 602/97)

Rapporteur-General: Mr Adalbert Kienle

Proposal for a Council directive amending Directive 77/388/EEC as regards the value added tax arrangements applicable to telecommunications services

(ESC 594/97)

Rapporteur working without study group: Mr Kenneth Walker

Arrangements for stage three of economic and monetary union: stability pact for ensuring budgetary discipline, reinforced convergence procedures, a new exchange rate mechanism (own-initiative opinion)

(ESC 603/97)

Rapporteur: Mr Umberto Burani

Social policy and economic performance (own-initiative opinion)

(ESC 604/97)

Rapporteur: Mrs Ursula Konitzer

Socrates: the Community action programme in the field of education — Report on the results achieved in 1995 and 1996

(ESC 593/97)

Rapporteur working without study group: Mr José Isaiás Rodríguez García Caro

Services of general interest in Europe (Commission communication)

(ESC 605/97)

Rapporteur: Mr Jan Jacob van Dijk

Development aid, good governance and the role of the socioeconomic interest groups (own-initiative opinion)

(ESC 596/97)

Rapporteur: Mr Michael Strauss

Co-rapporteur: Mr Ettore Masucci

347th PLENARY SESSION OF 9 AND 10 JULY 1997

Proposal for a European Parliament and Council directive relating to motor vehicles and their trailers with regard to the transport of dangerous goods by road and amending Directive 70/156/EEC in respect of the type-approval of motor vehicles and their trailers (own-initiative opinion)

(ESC 765/97)

Rapporteur: Mr Michael Kubenz

Proposal for a Council directive on transportable pressure equipment (ESC 766/97)

Rapporteur: Mr Nikolaos Lerios

Communication from the Commission on benchmarking — implementation of an instrument available to economic actors and public authorities
(ESC 767/97)

Rapporteur: Mr Henri Malosse

Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on Europe at the forefront of the global information society: rolling action plan (own-initiative opinion)
(ESC 768/97)

Rapporteur: Mr Giampaolo Pellarini

Green Paper on vertical restraints in EC competition policy
(ESC 769/97)

Rapporteur: Mr Giacomo Regaldo

Equal opportunities for women and men in the European Union — 1996
(ESC 770/97)

Rapporteur: Mrs Dédée Drijfhout-Zweijtzer

Proposal for a Council regulation (EC) laying down certain technical measures for the conservation of fishery resources in the waters of the Baltic Sea, the Belts and the Sound (codified version)
(ESC 771/97)

Rapporteur: Mr Seppo Ilmari Kallio

Taxation in the European Union — report on the development of tax systems
(ESC 772/97)

Rapporteur: Mr Michael Geuenich

A common system of VAT — a programme for the single market
(ESC 773/97)

Rapporteur: Mr Kenneth Walker

Communication from the Commission to the Council and the European Parliament on the present and proposed Community role in combating tobacco consumption
(ESC 774/97)

Rapporteur: Mr Christoph Fuchs

Proposal for a Council regulation (EC) establishing a revised Community Eco-label Award Scheme
(ESC 775/97)

Rapporteur: Mr Joop Koopman

Green Paper on relations between the European Union and the ACP countries on the eve of the 21st century — challenges and options for a new partnership

(ESC 776/97)

Rapporteur: Mr Henri Malosse

348th PLENARY SESSION OF 1 AND 2 OCTOBER 1997

Proposal for a Council directive on the landfill of waste
(ESC 980/97)

Rapporteur: Mr Sergio Colombo

Co-rapporteurs: Mr Klaus Boisseree
Mr Rudolf Gauder

Communication from the Commission: Environmental taxes and charges in the single market

(ESC 993/97)

Rapporteur: Mr José Gafo Fernández

Proposal for a Council directive establishing a framework for Community action in the field of water policy

(ESC 994/97)

Rapporteur: Mrs Maria Candelas Sánchez Miguel

Proposal for a Council directive relating to a reduction of the sulphur content of certain liquid fuels

(ESC 979/97)

Rapporteur: Mr José Ignacio Gafo Fernández

Communication from the Commission: Action plan for transit in Europe — a new customs policy (Single Market Observatory) (own-initiative opinion)

(ESC 992/97)

Rapporteur: Mr Helmut Giesecke

Communication from the Commission on the EU action plan: Satellite communications in the information society

(ESC 981/97)

Rapporteur: Mr Michael Mobbs

Cohesion and the information society

(ESC 982/97)

Rapporteur: Dame Jocelyn Barrow

The role of the socioeconomic partners in the various frontier regions and in the Interreg programmes (own-initiative opinion)
(ESC 984/97)

Rapporteur: Mr Jan Jacob van Dijk
Co-rapporteur: Mr John Simpson

Sustainable development in building and housing in Europe (own-initiative opinion)
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Rapporteur: Mr Hans Joachim Wilms

Proposal for a Council decision setting up a consultation procedure on relations between Member States and third countries in shipping matters and on action relating to such matters in international organisations and an authorisation procedure for agreements concerning maritime transport
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Rapporteur: Mrs Anna Bredima Savopoulou

Towards the fifth framework programme — scientific and technological objectives: Proposal for a European Parliament and Council decision concerning the fifth framework programme of the European Community for research, technological development and demonstration activities (1998-2002); Proposal for a Council decision concerning the fifth framework programme of the European Atomic Energy Community (Euratom) for research and training activities (1998-2002)
(ESC 987/97)

Rapporteur: Mr Giannino Bernabei

Impact on SMEs of the steady, widespread reduction in funds allocated to research and technological development in the EU (at Community and national level) (own-initiative opinion)
(ESC 986/97)

Rapporteur: Mr Henri Malosse

Seasonal labour and migration in rural areas: stocktaking and outlook (own-initiative opinion)
(ESC 988/97)

Rapporteur: Mr Hans-Joachim Wilms

Proposal for a Council regulation (EC) amending Regulation (EC) No 822/97 on the common organisation of the market in wine
(ESC 989/97)

Rapporteur: Mr Carlo Gottero

Proposal for a European Parliament and Council decision on reference laboratories for monitoring bacteriological and viral contamination of bivalve molluscs
(ESC 990/97 - 97/0182 CNS)

Rapporteur: Mr Joseph Ballé

The role of the economic and social interest groups in implementing social measures (particularly vocational training) to back up economic development (information report)

(ESC 575/97 end)

Rapporteur: Mr Vasco Cal

Co-rapporteur: Mrs Teresa Costa Macedo

Economic growth and action to boost employment (opinion addressed to the European Council on employment)

(ESC 991/97)

Rapporteur: Mrs H.C.H. van den Burg

Co-rapporteurs: Mr Werner Löw

Mr Antonello Pezzini

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General principles of food law in the EU (Commission Green Paper) and consumer health and food safety (communication from the Commission)

(ESC 1188/97)

Rapporteur: Mr Johannes Jaschick

Proposal for a European Parliament and Council decision adopting a programme of Community action from 1999 to 2003 on injury prevention in the context of the framework for action in the field of public health

(ESC 1170/97)

Rapporteur: Miss Ada Maddocks

Co-rapporteurs: Mr Georges Linssen

Mrs Christina Wahrolin

Proposal for a European Parliament and Council decision adopting a programme of Community action 1999-2003 on rare diseases in the context of the framework for action in the field of public health

(ESC 1171/97)

Rapporteur: Mr Christoph Fuchs

Co-rapporteurs: Mr Markku Matti Lemmetty

Mr Georges Linssen

Proposal for a European Parliament and Council decision adopting a programme of Community action 1999-2003 on pollution-related diseases in the context of the framework for action in the field of public health

(ESC 1172/97)

Rapporteur: Mr Markku Matti Lemmetty

Co-rapporteurs: Mr Christoph Fuchs

Mr Georges Linssen

Communication from the Commission on Climate change — The EU approach for Kyoto
(ESC 1192/97)

Rapporteur-general: Mr Giampaolo Pellarini

Abuse of environmental legislation (own-initiative opinion) (Single Market Observatory)
(ESC 1195/97)

Rapporteur: Mr José Ignacio Gafo Fernández

Proposal for a European Parliament and Council directive amending Council Directive 93/6/EEC on the capital adequacy of investment firms and credit institutions
(ESC 1173/97)

Rapporteur: Mr Malcolm Levitt

Communication from the Commission: A European initiative in electronic commerce
(ESC 1191/97)

Rapporteur: Mr Christos Folias

Co-rapporteur: Mr Knud Erik Skouby

Proposal for a Council Directive on registration documents for motor vehicles and their trailers
(ESC 1174/97)

Rapporteur: Mr Michael Kubenz

Territorial employment pacts (information report)
(ESC 656/97 end)

Rapporteur: Mr Ettore Masucci

Report from the Commission on Community measures affecting tourism (1995-96) (additional opinion)
(ESC 1200/97)

Rapporteur: Mr Colin Lustenhouwer

Proposal for a Council directive establishing a safety assessment of third countries' aircraft using Community airports
(ESC 1175/97)

Rapporteur: Mr Michael Mobbs

Communication from the Commission on intermodality and intermodal freight transport in the European Union: a systems approach to freight transport — strategies and actions to enhance efficiency, services and sustainability
(ESC 1176/97)

Rapporteur: Mr Dethmer H. Kielman

Communication from the Commission regarding the consultation on the Green Paper on a numbering policy for telecommunication services in Europe

(ESC 1177/97)

Rapporteur: Mr Michael Mobbs

Proposal for a Council decision concerning a multiannual programme for the promotion of renewable energy sources in the Community — Altner II (ESC 1178/97)

Rapporteur: Mr Giannino Bernabei

Communication from the Commission — An overall view of energy policy and actions

(ESC 1179/97)

Rapporteur: Mr Nikolaos Lerios

Communication from the Commission on the energy dimension of climate change

(ESC 1193/97)

Rapporteur: Mr Klaus Boisseree

Proposal for a Council recommendation on European cooperation in quality assurance in higher education

(ESC 1180/97)

Rapporteur: Mr José Isaiás Rodríguez García Caro

Report from the Commission on access to continuing training in the Union (ESC 1201/97)

Rapporteur: Mr José Isaiás Rodríguez García Caro

Proposal for a Council directive on the extension of Council Directive 94/45/EC of 22 September 1994, on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees, to the United Kingdom of Great Britain and Northern Ireland

Proposal for a Council directive extending Council Directive 96/34/EC of 3 June 1996, on the framework agreement on parental leave concluded by UNICE, CEEP and the ETUC, to the United Kingdom of Great Britain and Northern Ireland

(ESC 1181/97)

Rapporteur: Miss Ada Maddocks

Proposal for a Council regulation (EC) laying down additional general rules on the common organisation of the market in milk and milk products for drinking milk

(ESC 1189/97)

Rapporteur-general: Mr Staffan Mats Wilhelm Nilsson

Proposal for a Council regulation (EC) amending regulation (EC) No 2847/93 establishing a control system applicable to the common fisheries policy

(ESC 1190/97)

Rapporteur-general: Mr Eduardo Chagas

Proposal for a Council directive amending regulation (EC) No 2201/96 on the common organisation of the markets in processed fruit and vegetable products

(ESC 1246/97)

Rapporteur-general: Mr Jean-Claude Sabin

Enlargement of the European Union (own-initiative opinion)

(ESC 1197/97)

Rapporteur: Mr Ettore Masucci

Proposal for a Council regulation (EC) amending for the second time Regulation (EEC) No 1360/90 establishing a European Training Foundation

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Rapporteur: Mrs Giacomina Cassina

Proposal for a Council directive on restructuring the Community framework for the taxation of energy products

(ESC 1194/97)

Rapporteur: Mr Klaus Schmitz

Proposal for a European Parliament and Council Decision establishing a programme of Community action to reinforce the functioning of the indirect taxation systems of the internal market (Fiscalis programme)

(ESC 1183/97)

Rapporteur working without a study group: Mr Michael Geuenich

Proposal for a European Parliament and Council regulation (EC) amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States

(ESC 1184/97)

Rapporteur: Mr Kenneth Walker

Proposal for a European Parliament and Council regulation (EC) amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States, with specific reference to the nomenclature of products

(ESC 1185/97)

Rapporteur: Mr Kenneth Walker

Proposal for a Council regulation (EC) concerning short-term statistics

(ESC 1202/97)

Rapporteur: Mr Vasco Cal

Proposal for a Council directive amending Directive 77/388/EEC on the common system of VAT (the Value Added Tax Committee)
(ESC 1186/97)
Rapporteur: Mr Kenneth Walker

Proposal for a Council directive amending Directive 92/12/EEC on the general arrangements for products subject to excise duty and on the holding, movement and monitoring of such products
(ESC 1187/97)
Rapporteur: Mr José Bento Gonçalves

Agenda 2000 — for a stronger and wider Union — the challenge of enlargement
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Mr Robert J. Moreland

Proposals for guidelines for Member States' employment policies 1998
(ESC 1198/97)
Rapporteur: Mrs H.C.H. van den Burg

Proposal for a Council directive on airport charges
(ESC 1383/97)
Rapporteur: Mr Alexander-Michael von Schwerin

Proposal for a Council directive amending Directive 95/2 1/EC concerning the enforcement, in respect of shipping using Community ports and sailing in the waters under the jurisdiction of the Member States, of international standards for ship safety, pollution prevention and shipboard living and working conditions
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Communication from the Commission: Promoting road safety in the EU — the programme for 1997-2001
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Rapporteur: Mr Hubert Ghigonis

Proposal for a directive amending Directive 97/33/EC with regard to operator number portability and carrier pre-selection
(ESC 1401/97)
Rapporteur-general: Mr Michael Mobbs

Communication from the Commission on the further development of mobile and wireless communications: Challenges and choices for the European Union; Communication from the Commission: Strategy and policy orientations with regard to the further development of mobile and wireless

communications (UMTS) — outcome of the public consultation and proposals for creating a favourable environment
(ESC 1402/97)

Rapporteur-general: Mr Michael Mobbs

Proposal for a Council regulation (EC) amending Regulation (EEC) No 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EEC) No 574/72 laying down the procedure for implementing Regulation (EEC) No 1408/71
(ESC 1384/97)

Rapporteur: Mr Maurizio Angelo

Communication from the Commission on modernising and improving social protection in the European Union
(ESC 1397/97)

Rapporteur: Miss Ada Maddocks

Co-rapporteur: Mr Pierre Chevalier

Cooperation with charitable associations as economic and social partners in the field of social welfare (own-initiative opinion)
(ESC 1398/97)

Rapporteur: Mrs Soscha zu Eulenburg

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Communication from the Commission on the competitiveness of the European information and communication technologies (ICT) industries
(ESC 1376/97)

Rapporteur: Mr Umberto Burani

Proposal for a European Parliament and Council directive on connected telecommunications equipment and the mutual recognition of the conformity of equipment
(ESC 1377/97)

Rapporteur: Mr Bo Green

Proposal for a European Parliament and Council directive relating to motor vehicles and their trailers transporting certain animals and amending Directive 70/156/EEC in respect of the type-approval of motor vehicles and their trailers
(ESC 1378/97)

Rapporteur: Mr Kenneth J. Gardner

Proposal for a European Parliament and Council decision amending the Decision of 19 December 1996 adopting an action programme for customs in the Community (Customs 2000)
(ESC 1379/97)
Rapporteur: Mr Helmut Giesecke

Proposal for a European Parliament and Council regulation (EC) amending Regulation (EEC) No 2913/92 establishing the Community customs code (transit)
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Rapporteur: Mr Helmut Giesecke

XXVIth Report on competition policy (1996)
(ESC 1381/97)
Rapporteur: Mr John Simpson

Green Paper from the Commission on supplementary pensions in the single market
(ESC 1403/97)
Rapporteur: Mr Harry Byrne
Co-rapporteur: Mr Jan Jacob van Dijk

European company statute (additional opinion)
(ESC 1405/97)
Rapporteur: Mr Bernard Boussat
Co-rapporteur: Mr Klaus Schmitz

Annual Report on the Cohesion Fund 1996
(ESC 1382/97)
Rapporteur: Mr José Bento Gonçalves

Green Paper on partnership for a new organisation of work
(ESC 1404/97)
Rapporteur: Mr Carlo Ernesto Meriano
Co-rapporteur: Mrs Ursula Engelen-Kefer

Communication from the Commission: Practical aspects of the introduction of the euro
(ESC 1406/97)
Rapporteur-general: Mr Umberto Burani

The impact of the introduction of the euro on capital markets
(ESC 1408/97)
Rapporteur: Mr Robert Pelletier

Proposal for a Council directive amending Council Directives 66/400/EEC, 66/401/EEC, 66/402/EEC, 66/403/EEC, 69/208/EEC and 70/458/EEC on the marketing of beet seed, fodder plant seed, cereal seed, seed potatoes,

seed of oil and fibre plants and vegetable seed, and the common catalogue of varieties of vegetable species
(ESC 1419/97)

Rapporteur: Mr Staffan Mats Wilhelm Nilsson

Proposal for a Council regulation (EC) introducing a scheme to compensate for the additional costs incurred in the marketing of certain fishery products from the Azores, Madeira, the Canary Islands and the French department of Guyana as a result of those regions' remoteness
(ESC 1386/97)

Rapporteur-general: Mr José Bento Gonçalves

Proposal for a Council regulation (EC) amending regulation (EC) No 3072/95 on the common organisation of the market in rice and Regulation (EEC) No 2358/71 on the common organisation of the market in seeds
(ESC 1387/97)

Rapporteur-general: Mrs María Luísa Santiago

Proposal for a Council regulation (EC) on the granting, for the 1988/89 to 1997/98 wine years, of permanent abandonment premiums in respect of wine-growing areas
(ESC 1388/97)

Rapporteur: Mr Adalbert Kienle

Proposal for a Council regulation (EC) amending regulation (EEC) No 2075/92 on the common organisation of the market in raw tobacco
(ESC 1395/97)

Rapporteur-general: Mr Seppo Ilmari Kallio

The agricultural aspects of the Commission's Communication 'Agenda 2000' (own-initiative opinion)
(ESC 1396/97)

Rapporteur: Mr Jean-Paul Bastian

Co-rapporteur: Mr Hans-Joachim Wilms

Proposal for a Council regulation (EC) amending regulation (EC) No 1626/94 laying down certain technical measures for the conservation of fishery resources in the Mediterranean
(ESC 1399/97)

Rapporteur-general: Mr Jesús Muñis Guardado

Proposal for a European Parliament and Council decision amending Decision 92/481/EEC of 22 September 1992 on the adoption of an action plan for the exchange between Member State administrations of national officials who are engaged in the implementation of Community legislation required to achieve the internal market (Karolus programme)
(ESC 1389/97)

Rapporteur: Mr Kenneth Walker

Proposal for a Council regulation (EC) applying the special incentive arrangements concerning labour rights and environmental protection provided for in Articles 7 and 8 of Council regulations (EC) Nos 3281/94 and 1256/96 applying the scheme of generalised tariff preferences in respect of certain industrial and agricultural products originating in developing countries

(ESC 1390/97)

Rapporteur: Mr Thomas Etty

Proposal for a Council regulation (EC) applying Article 6 of Council regulations (EC) Nos 3281/94 and 1256/96 on multiannual generalised tariff preferences schemes in respect of certain industrial and agricultural products originating in developing countries, excluding the most advanced beneficiary countries from entitlement to generalised tariff preferences

(ESC 1391/97)

Rapporteur: Mr Helmut Giesecke

Relations between the European Union and the countries bordering the Baltic Sea (own-initiative opinion)

(ESC 1392/97)

Rapporteur: Mr Filip Hamro-Drotz

Proposal for a Council regulation (EC) amending regulation (EEC) No 1210/90 of 7 May 1990 on the establishment of the European Environment Agency and the European environment information and observation network

(ESC 1400/97)

Rapporteur: Mrs María Candelas Sánchez Miguel

Amended proposal for a European Parliament and Council decision concerning the fifth framework programme of the European Community for research, technological development and demonstration activities (1998-2002); amended proposal for a Council decision concerning the fifth framework programme of the European Atomic Energy Community (Euratom) for research and training activities (1998-2002) (additional opinion)

(ESC 1407/97)

Rapporteur: Mr Giannino Bernabei

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on its own initiative during 1997**

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Creating a new dynamic in EU-ASEAN relations (ESC 105/97) Rapporteur: Antonello Pezzini	January 1997
Craft industries and small and medium-sized enterprises (ESC 328/97) Rapporteur: Antonello Pezzini	March 1997
Proposal for a decision of the European Parliament and of the Council amending the basic decision relating to the Socrates programme to include Turkey among the beneficiary countries Proposal for a decision of the European Parliament and of the Council amending the basic decision relating to the third phase of the Youth for Europe programme to include Turkey among the beneficiary countries Proposal for a decision of the Council amending the basic decision relating to the Leonardo programme to include Turkey among the beneficiary countries (ESC 329/97) Rapporteur: Giacomina Cassina	March 1997
Employment, competitiveness and economic globalisation (ESC 325/97) Rapporteur: Ursula Konitzer	March 1997
Relations between the EU and China (ESC 327/97) Rapporteur: Göke Frerichs Co-rapporteur: Thomas ETTY	March 1997
Forestry in the European Union: present situation, problems and potential for developing forestry policy (ESC 476/97) Rapporteur: Seppo Ilmari Kallio Co-rapporteur: Hans-Joachim Wilms	April 1997
The European Union and the external dimension of human rights policy (ESC 474/97) Rapporteur: Thomas ETTY	April 1997

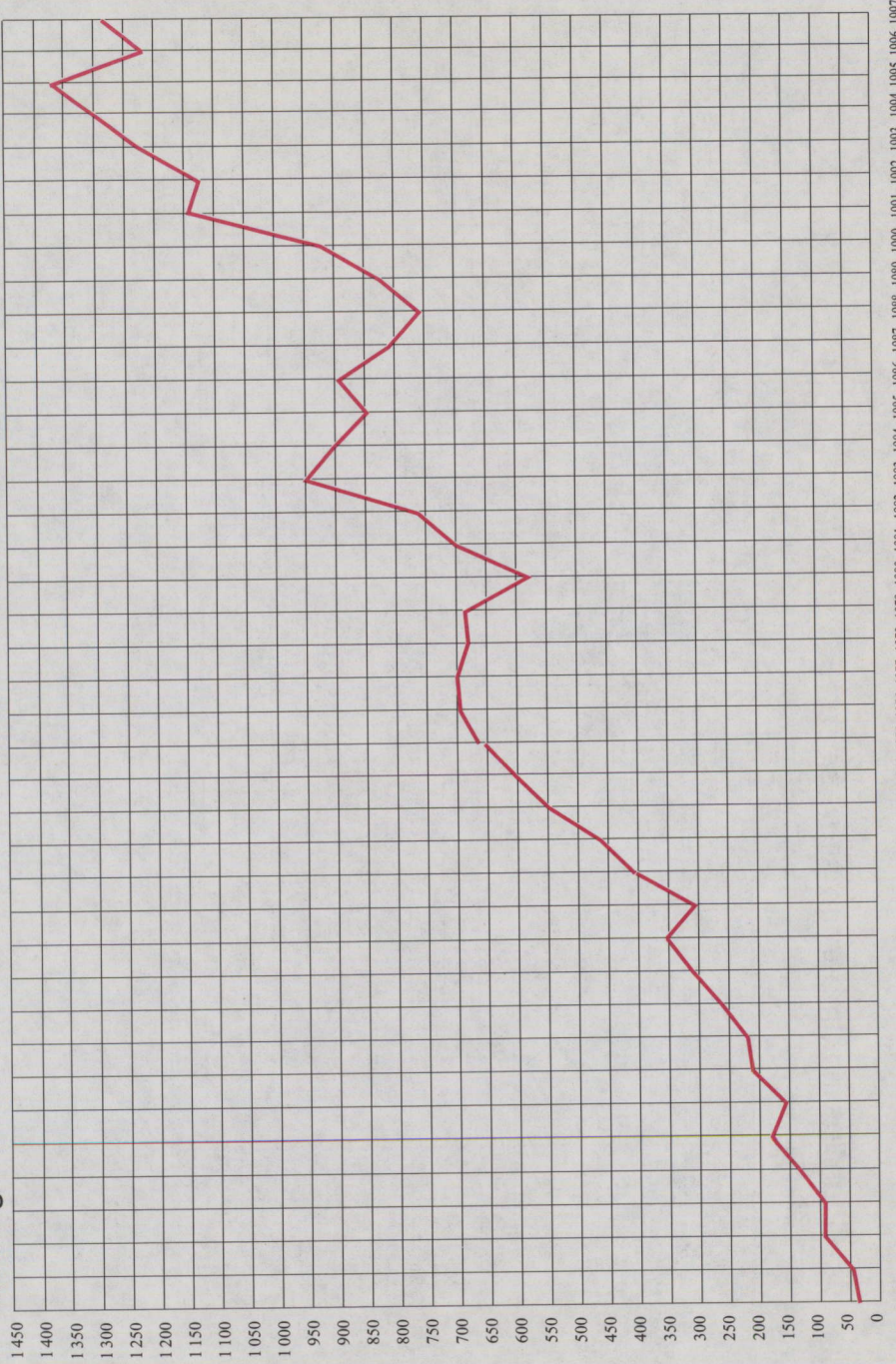
SMEs — cross-border business relations (Single Market Observatory) (ESC 468/97) Rapporteur: Eugène Muller Co-rapporteur: Christos Folias	April 1997
Environmental agreements (ESC 587/97) Rapporteur working alone: Klaus Boisserée	May 1997
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Arrangements for stage three of economic and monetary union: stability pact for ensuring budgetary discipline, reinforced convergence procedures, a new exchange rate mechanism (ESC 603/97) Rapporteur: Umberto Burani	May 1997
Social policy and economic performance (ESC 604/97) Rapporteur: Ursula Konitzer	May 1997
Development aid, good governance and the role of the socioeconomic interest groups (ESC 596/97) Rapporteur: Michael Strauss Co-rapporteur: Ettore Masucci	May 1997
Communication from the Commission — action plan for transit in Europe — a new customs policy (Single Market Observatory) (ESC 992/97) Rapporteur: Helmut Giesecke	1 and 2 October 1997
The role of the socioeconomic partners in the various frontier regions and in the Interreg programmes (ESC 984/97) Rapporteur: Jan Jacob van Dijk Co-rapporteur: John Simpson	1 and 2 October 1997

- Sustainable development in building and housing in Europe (ESC 983/97)
Rapporteur: Hans-Joachim Wilms 1 and 2 October 1997
- Impact on SMEs of the steady, widespread reduction in funds allocated to RTD in the EU (at Community and national level) (ESC 986/97)
Rapporteur: Henri Malosse 1 and 2 October 1997
- Seasonal labour and migration in rural areas: stocktaking and outlook (ESC 988/97)
Rapporteur: Hans-Joachim Wilms 1 and 2 October 1997
- The single market and protection of the environment: coherence or conflict (Single Market Observatory) (ESC 1195/97)
Rapporteur: José Ignacio Gafo Fernández 29 and 30 October 1997
- Enlargement of the European Union (ESC 1197/97)
Rapporteur: Ettore Masucci 29 and 30 October 1997
- Cooperation with charitable associations as economic and social partners in the field of social welfare (ESC 1398/97)
Rapporteur: Soscha zu Eulenburg December 1997
- The agricultural aspects of the Commission's Communication 'Agenda 2000' (ESC 1396/97)
Rapporteur: Jean-Paul Bastian
Co-rapporteur: Hans-Joachim Wilms December 1997
- Relations between the EU and the countries bordering the Baltic Sea (ESC 1392/97)
Rapporteur: Filip Hamro-Drotz December 1997

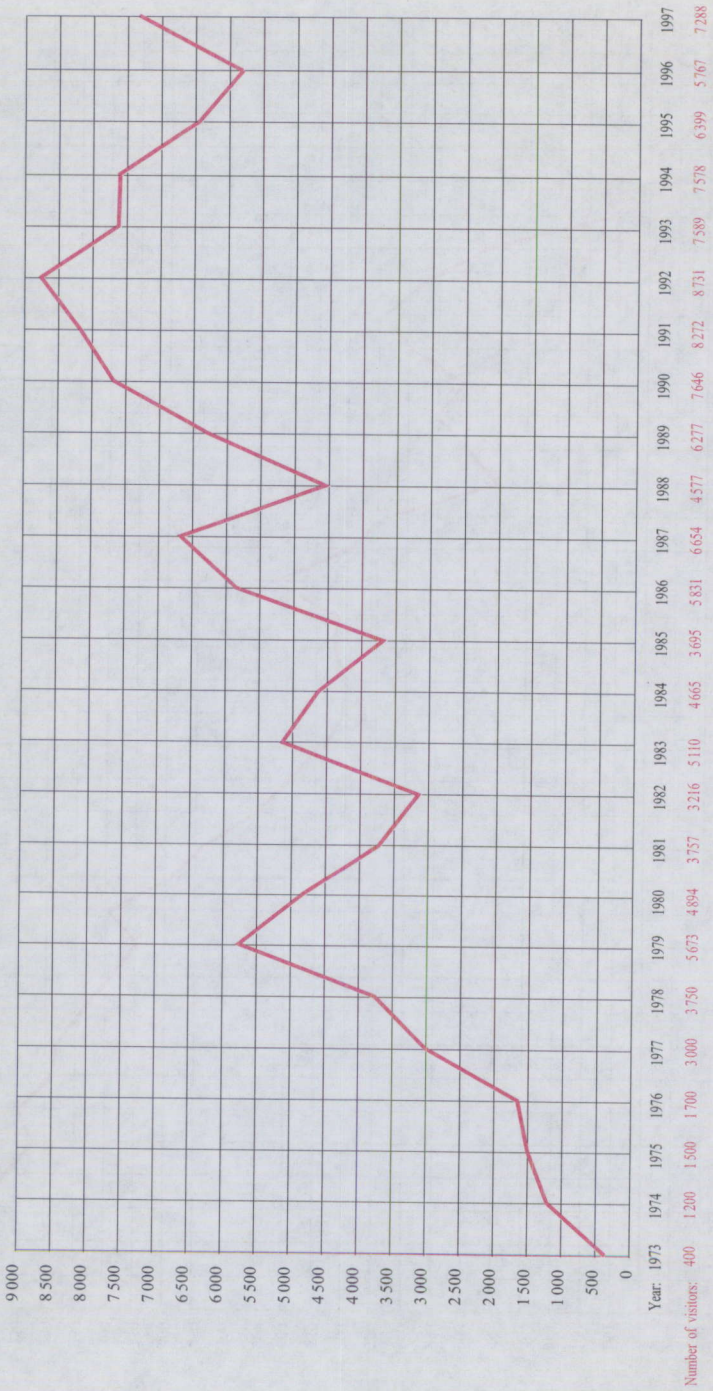
ANNEX C

Graphs

Meetings

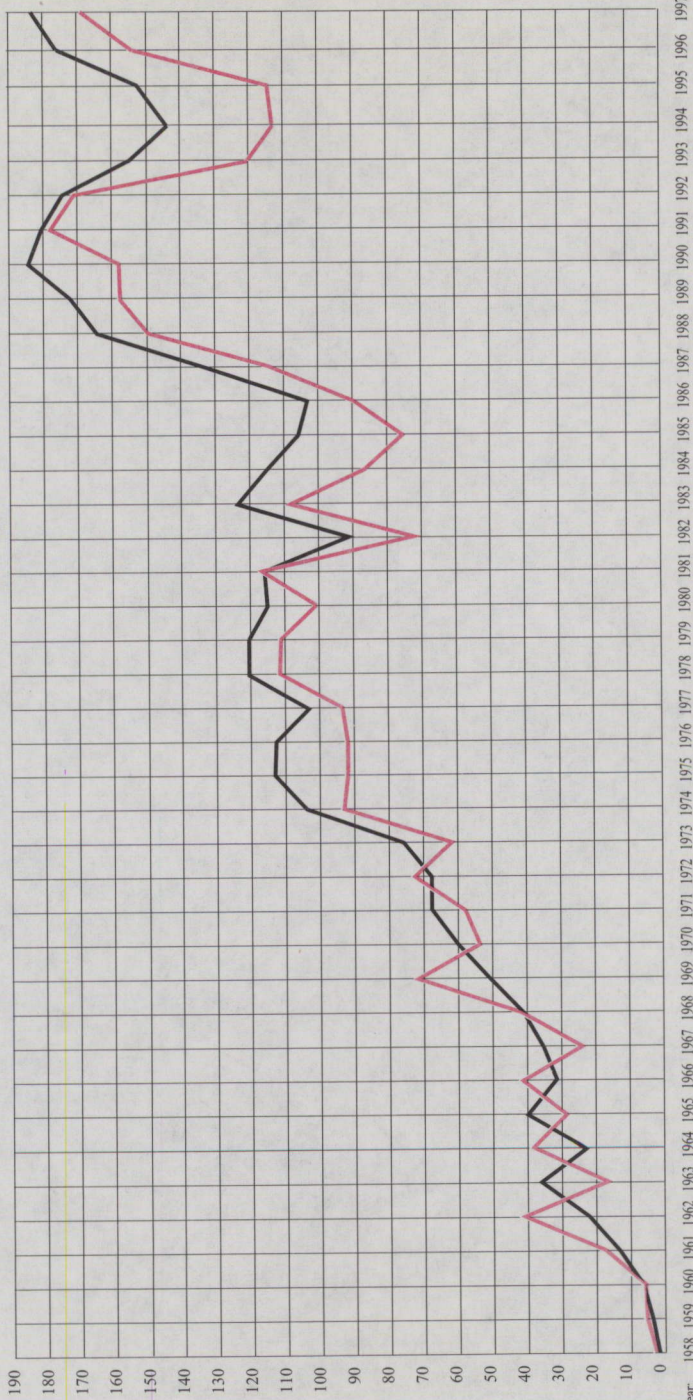


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