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EURATOM: Verification procedures at Sellafield (UK) are extended

A recent agreement between EURATOM, the European Community's nuclear energy agency, and the British government, strengthens its role in the verification of civil nuclear material at Sellafield. EURATOM's inspectors have always had access to its civil areas. But Sellafield is also the largest of the so-called "mixed facilities" in the EC, whose installations handle nuclear material intended for military purposes also.

Under the new agreement, EURATOM's inspectors now have access to the "mixed" areas also. Inspection at the mixed Magnox site started, in fact, at the end of March this year. With this agreement, the application of the safeguards procedures within the Community has been improved, according to the European Energy Commissioner, Nic Mosar.

Under these procedures (1) records must be kept of the flow, and stocks, of civil nuclear material; (2) monthly accountancy reports made to EURATOM in Luxembourg; and (3) its inspectors given access to both records and material itself, to allow them to verify that none has been diverted to other than declared uses.

EURATOM safeguards were never intended to apply to military installations. This is because the founding members included France, then a potential Nuclear Weapons State (NWS). Obviously there was no question of France giving up its military programme on signing the EURATOM Treaty. As a result, the Treaty's powers of verification are limited to civil programmes.

As the great majority of nuclear installations in the Community are purely civil ones, EURATOM has been able to apply its safeguards satisfactorily. But in the case of the "mixed facilities" EURATOM must carry out its work while avoiding involvement with the nuclear material which is intended for the military cycle. This is a particularly delicate task, for obvious reasons, and explains the long delay in reaching an agreement with the U.K. authorities.

The European Commission in fact favours the separation of the civil and military cycles, a move advocated at the last nuclear non-proliferation treaty review conference. From a purely technical viewpoint, separation would make the application of safeguards to the civil material easier, although it might add to the costs for the Member States.

SOCIAL SECURITY: Good news for part-time workers

R.H. Kempf is a German music professor who works part-time in the Dutch town of Zwolle. He has twice applied to the Dutch authorities for permission to reside there, only to be refused both times. The latter have argued that as an immigrant with an insufficient income he would be a charge on social security.

The European Community's Court of Justice has now ruled in favour of Mr Kempf. It has held that nationals of one member state of the EC, who are working part-time in another, have a right to social security in that state and on the same terms as its own nationals.

In the Court's view Mr Kempf, as someone doing work which is legal and for which he is paid, even though it is part-time, is covered by the Community's regulations on the freedom of movement of workers. He can therefore ask the Dutch social agencies to top up his income - and can reside in the Netherlands.

.... and for those working in public hospitals

The European Community's Court of Justice has ruled that French nationality cannot be a condition of employment as a nurse in public hospitals in France. The Court has held that French legislation to this effect is contrary to the Treaty of Rome, the Community's "Constitution".

French nationality was required for appointment or permanent employment as nurse in a public hospital. The French government took the view that jobs in the public services, and those "connected ... with the exercise of official authority" are specifically excluded by the Treaty of Rome itself from its provisions on the freedom of movement of workers.

This view was not shared by the European Commission, which claimed that freedom of movement is a basic principle of the European Community, so that the exceptions authorized by the Treaty must be kept to a strict minimum. And while a minister of state or army general may be said to exercise official authority ... surely not a hospital nurse. The Court of Justice, to which the Commission took its case, has proved it right.

THE ECONOMY: Community GDP set to rise further

The economy of the 12-nation European Community is on the mend. Gross domestic product (GDP) should rise by 2.7% this year and by 2.8% in 1987, in real terms, according to the European Commission's admittedly conservative forecast. This compares favourably with an underlying growth rate of 2 to 2 ½% in the two previous years.

This higher level of economic activity should stimulate employment. The Commission's economic services in fact expect employment to rise by nearly 1% in both years. If so, it will be the first time since the early 1970s that more people will have found jobs than have entered the labour market. As a result, the average unemployment rate in the Community could decline from around 11% last year to 10 ½% in 1987.

The more favourable outlook reflects falling oil prices. Their impact on the Community economy is best seen in the acceleration of domestic demand. Private consumer demand is expected to grow at more than 3% a year in both 1986 and 1987, a rate not seen since the economic recovery of 1978/79. What is equally important is that this growth is taking place under much sounder conditions.

Inflation in 1987 is expected to fall to 3.1%, down from an estimated 3.3% this year. This will be the lowest rise in the consumer price index since the 1960s; and while it is due in part to lower oil prices, it is very largely the result of the efforts of the member states themselves, according to Mr Massimo Russo, director-general for economic affairs in the Commission.

Inevitably, not all member states will do equally well. In the two main energy producing countries - the U.K. and the Netherlands - growth is expected to slow down this year, to an estimated 2.6% in the U.K. (as against 3.3% last year) and to 1.7% in the Netherlands (2.3% last year). In Greece the adjustment policies adopted by the Government are likely to result in a 0.4% decline in GNP this year.

But GDP should rise by over 3% in Portugal (3.9%), Germany (3.5%) and Ireland (3.2%). It should be close to the Community average in Italy, Spain (2.7%) and Denmark (2.5%). France should record a 2.3% growth rate, Belgium 2% and its partner in the Belgo-Luxembourg Union, 2.2%.

Lower oil prices will mean a fall in the EC's bill for imported oil. But much of these savings will go on imports, which are certain to be boosted by the rapid rise in domestic demand. Although a slowdown in exports is forecast, the trade balance could show a substantial surplus.

ENERGY: Towards another oil shock?

Should oil prices remain very low, both consumption and import will rise far more than the experts forecast last year for the European Community, according to a European Commission study published earlier this month.

In 1985 the Community's oil requirements amounted to 484 million tonnes and represented 46% of its total energy needs. Before the recent decline in oil prices the experts had forecast that its share would slip to 44% in 1990. But if the price does not exceed \$15 a barrel (it stood at \$16 in March) Community oil consumption could reach 520 to 554 million tonnes - i.e. 46 to 48% of total energy requirements.

The oil exporting countries would be the main beneficiaries of this increased consumption. The fact is that production from the North Sea has fallen sharply, as many of the fields are nearing exhaustion. And with the fall in the price of crude, it is no longer economic to switch production to the less accessible fields.

The Community's net oil imports could reach 400 to 434 million tonnes in 1990, according to the Commission's estimates, as against the 360 million tonnes forecast last year and the 335 million tonnes of net imports realized in 1985. These imports would meet 35 to 38% of the EC's energy needs, against 33% in 1985. The Community's dependence on energy imports could therefore exceed 50% in 1990, as compared to the 47% forecast last year.

Higher oil imports would not prevent the demand for natural gas from rising more rapidly than forecast. It could reach 194 to 207 million tonnes of oil equivalent (toe), as against a forecast of 186 million toe. Gas prices, it must be remembered, are more or less linked to those of oil.

The experts believe the increased demand for oil will not act as a brake on the development of nuclear and renewable energy sources. The principal victim would be coal, including peat, demand for which would be between 233 and 245 million toe, rather than the 254 million toe initially forecast.

FISHERIES: 10 + 2 equals twice as many

With twice as many fishermen as it had before its recent enlargement, the 12-nation European Community must concern itself more with its fisheries policy. But there is another, equally pressing, reason: the measures taken in 1983 run out at the end of this year. Hence the European Commission's memorandum to the twelve capitals earlier this month, setting out its views on the future of the Community's fishing industry.

With the entry of Spain and Portugal in January, the number of fishermen has more than doubled to 250,000 - and would rise by another 11,000 if fishermen from Spain's Canary Islands were included.

Enlargement has also meant a much bigger fishing fleet, with tonnage up by 64% and the number of boats by 41% to 78,000 (plus another 2,000 from the Canary Islands). Production has risen as well, of course - by 29% in quantity (to nearly 6 million tonnes) and by 50% in value (to over ECU 5,000 million*).

But prospects are no brighter. Fish stocks are not inexhaustible and the aims pursued by the Community include limiting the size of catches to stocks, both present and future. This means taking environmental protection into account, which is why the Commission wants a smaller fishing fleet.

It favours continued financial support for fleet modernization, but without an increase in Community fishing capacity. On the basis of a report it has just drawn up, the Commission in fact wants more checks on the size of catches, to make sure the limits are being respected.

The Commission wants to encourage fishing activities which contribute most to local and regional economic development. It also plans to organize fishing expeditions, in order to prospect the waters of the South Atlantic and Antarctic.

* 1 ECU = UK£ 0.63 or IR£ 0.71.

AID: Commission outlines policy towards the southern Mediterranean

With the entry of Spain and Portugal, the European Community's centre of gravity has shifted southwards, from the cold, gray North Sea to the blue Mediterranean. Because of France and Italy the Community has always been part Mediterranean, of course. The network of cooperation agreements with the countries of the southern and eastern Mediterranean first took shape a decade ago.

Enlargement has given the Community's Mediterranean policy added importance and a fresh impetus. Last November the EC Council of Ministers agreed that the new policy should aim at three broadly-defined objectives: (1) increased food production, in order to reduce dependency on food imports; (2) greater economic complementarity between the North and South Mediterranean; and (3) support for regional and multilateral cooperation.

These objectives will have to be written into the financial protocols to be concluded with the developing Mediterranean countries in the coming months. The new protocols, the third in a series going back to 1977, will run from November 1986 to October 1991*.

The European Commission has now sent the Council its proposals on how the objectives approved last November can be realized through the new financial protocols. However, it has said nothing as yet as to the sums to be provided by the Community. Under the first protocols (1977-81) the EC made available a total of ECU 639 million** and under the second (1982-86) some ECU 975 million.

The Commission has indicated, however, the terms on which aid under the third financial protocol should be provided. In order not to add to the debt burden, it favours replacing the special loans by grants and subsidizing the interest on loans from the European Investment Bank by up to 3%. And in a move aimed at reinforcing South-South cooperation, the Commission wants all developing countries which have global cooperation agreements with the Community to be able to bid for work to be financed under the new protocols.

The Commission believes the funds must be used to finance certain projects on a priority basis. Among them are (1) projects aimed at either overcoming food shortages or diversifying production within the context of food strategies; (2) industrial projects which will help strengthen economic ties between the Community and the southern Mediterranean countries; and (3) projects which will help reinforce regional cooperation.

* To be negotiated with Algeria, Morocco and Tunisia; Egypt, Lebanon, Syria and Jordan. But the Mediterranean policy covers Israel also.

** One ECU is currently equal to UKL 0.63 or IRL 0.71.

SHIPPING: Community's merchant fleet hit by higher competition, less freight

As the world's biggest traders, the member states of the European Community still account for a sizeable part of the world's merchant fleet. But the Community's share is falling. In 1984 it was just over 20%, down from some 30% in 1970, despite a substantial increase in the tonnage flying flags of the member states.

One reason for the relative decline in the merchant fleets of the Community countries is a 25% drop in world demand for cargo and passenger services over the last five years, another is the sharp rise in competition from Far Eastern lines, according to the European Commission. But the Commission, which was replying to a question from the British Euro-MP, Sir James Scott-Hopkins, did not consider flags of convenience an important factor. It pointed out that the proportion of world tonnage flying open registry flags remains at around 27% since 1977.

The Commission thought that the use of sub-standard ships and inadequately trained crews, often associated with flags of convenience, was being effectively combatted through the Memorandum on Port State Control. Under the Memorandum, signed in 1982, member states have coordinated their efforts to eliminate sub-standard shipping and to check on the adequacy of crews.

RACISM: Community leadership strongly condemns racism and xenophobia

In a joint declaration against racism and xenophobia, the European Community's highest bodies have vigorously condemned "all forms of intolerance, hostility and use of force" against persons or groups on grounds of "racial, religious, cultural, social or national differences".

The declaration, signed by the European Parliament, Commission and Council of Ministers on June 11, recognizes "the existence of movements and acts of violence, which are often directed against immigrants". It stresses the need to ensure that all acts of discrimination are prevented or curbed.

The initiative for the joint declaration was taken by the European Commission. In its guidelines for a Community policy on immigration, which it sent to the Council in March 1985, the Commission suggested among other things the adoption of a joint declaration in the face of the growing number of attacks on immigrants.

Such declarations may seem totally ineffective in the fight against racism. But silence on the part of the Community's leadership, at a time of growing racism, would have amounted to an abdication of leadership.

ENVIRONMENT: There's big money in small birds

As many as half a million finches, buntings and goldfinches are caught illegally in Belgium, most of them to be smuggled into Germany for sale on a flourishing black market, according to bird lovers in Hamburg. But the songbirds have a champion in Horst Seefeld, a German Euro-MP who wants the European Commission to amend a 1979 European Community directive aimed at protecting wild birds.

But the Commission has told Mr Seefeld that the Directive needs only to be applied by the member states to be effective. It took action against three of them and as a result all three - the U.K., Denmark and Luxembourg, now apply it.

The problem, therefore, is that most Community countries have yet to bring their national legislation into line with the 1979 Directive. Hence the Commission's decision to bring an action before the Community's Court of Justice against not only Germany and Belgium but also Ireland, France, Italy and the Netherlands.

CONSUMER PROTECTION: Who looks at the "Made in ..." label?

Do consumers need to know whether the article they have bought was made in Germany, France or Italy? Certainly not, and the European Community governments that compel manufacturers to add a "Made in ..." label are simply holding up the creation of a genuine common market, according to the European Commission.

It was replying to a question from an Irish Euro-MP, Ray MacSharry, who believes the absence of origin markings deprives the consumer of a necessary item of information.

In several of its judgments the European Court of Justice has held that compulsory origin markings help delay the creation of a common market. The European Commission, clearly in agreement with the Court, recognizes that the consumer must be able to assess the nature, quality, quantity and price of the article he is buying. But information about its country of origin could prevent him from buying a good article, because of ingrained prejudices. In any case, nothing prevents a manufacturer from showing the country of origin, if he feels it will help sales, the Commission has pointed out.