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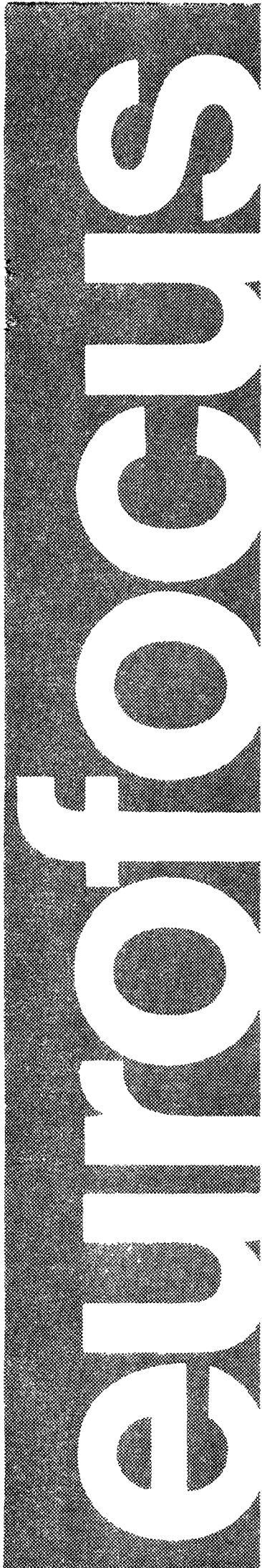
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Mailed from: Brussels X



GERMAN UNIFICATION: Another 16mn. citizens for the European Community

An enlargement unlike the others, seen in figures.

On October 3 the population of the 12-nation European Community rose by 16.4mn. to 342mn., as the two Germanies formally came together to form ... the Federal Republic of Germany, a founder member of the European Communities. This latest enlargement of the EC is unlike the previous ones because it remains a 12-nation Community. But while the Federal Republic of Germany had a population of 62mn. in 1989, the unified Germany has a population of 78.5mn., making it substantially larger than France, the U.K. and Italy, whose populations range between 56mn. and 58mn. The Community's area has also increased - from 2.25mn. sq.km. on October 2 to 2.36mn. the day after. The former German Democratic Republic thus added 108,000 sq.km. to the EC - a little more than Portugal (92,000 sq.km.) and a little less than Greece (132,000 sq.km.). Germany now has an area larger than that of Italy (357,000 sq.km. as compared to 301,000 sq.km.) but remains much smaller than France (544,000 sq.km.) and Spain (504,000 sq.km.). With its 240,000 sq.km. before unification, the Federal Republic of Germany was slightly smaller than the U.K.

As for population density, the GDR was just above the Community average (152 persons per sq.km. as compared to 145). However, it was well behind all 12 EC countries as regards foreign trade. In 1988, per capita East German exports came to a mere ECU 600 (as compared to ECU 2,000 in the case of the Community) and imports to ECU 600 as compared to ECU 2,900 for the Community). Unfortunately we have no figures as yet for living standards and per capita income in the GDR, given the centralized nature of its economy.

Even so, despite the 40 years during which the GDR was separated from free Europe, it was not an unknown quantity. It had an extremely rich heritage. Bach spent all his life in East Germany; Luther launched the Protestant reformation there and the city of Weimar was not only that of Goethe but also the home of the first democratic German constitution.

ALCOHOL, TOBACCO, PETROL AND HEATING OIL: The way is open in the single market ...

... but for reasonable quantities: four proposals for Community legislation.

Europeans should be able to buy, for personal consumption, as much alcohol, tobacco, petrol and heating oil as they like after 1 January 1993. They could make their purchases anywhere in the European Community, although the quantities would have to be reasonable. This would be in keeping with the logic of the single European market. But the special feature of the products in question is that the Twelve tax them more heavily than the others, adding excise duties to VAT. To make sure that the elimination of border controls does not mean revenue losses for Member States, the European Commission has come up with a scheme that it proposed to the Twelve on September 19, in the form of four pieces of Community legislation.

To begin with, consumers would continue to pay excise duty at the time of purchase; it would be included in the price and would be at a rate set by the country in which the goods were purchased. In the case of goods bought from mail order houses, the tax would be levied at the rates prevailing in the purchaser's own country. To prevent consumers trooping into neighbouring EC countries, to stock up on cheaper wine or cigarettes because of lower taxes, the Commission proposed minimum rates of excise duty last year.

Under the complementary scheme proposed in September, no excise duty would be levied on the goods in question up to the moment of sale to the consumer, provided that all the intermediaries were licensed by their respective authorities and interlinked, thus forming a European network, as it were. As for unlicensed traders, they would pay the excise duty at the time of purchase.

There would be no further border checks - not even spot checks. But the governments would always have the right to ask an individual travelling with a trailer full of bottles of wine or cigarettes for an explanation. The notion of "personal consumption" clearly is linked to "reasonable quantities", according to the Commissioner for tax matters, Christiane Scrivener.

If the Commission's scheme is to discourage fraud, all the Member States will have to levy excise duties on the same products. The Commission has therefore proposed that the same definitions apply throughout the Community to the categories of products taxed. There would thus be an excise duty on wine, including sparkling wine, beer and spirits; but it would be applied at a lower rate in the case of beers produced by small, independent brewers and on cider and similar drinks.

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Tobacco would also be taxed, but not when used for scientific ends. Petroleum products would be taxed only when used as fuel, with the exception of diesel oil used by the railways and fuel destined for aircraft and ships, including fishing boats.

When presenting her proposals, Mrs Scrivener confirmed that there would be no place in the single market for duty-free shops at ports and airports and on aircraft and boats. But the consumer would not lose out; at present aperitifs and cigarettes are cheaper in some supermarkets than in duty-free shops.

The EC Council of Ministers now has before it all the proposals needed to bring down the Community's "fiscal frontiers". It is up to the Council to show that it really is seeking a frontier-free Europe.

INFLATION: Prices rose sharply in August because of events in the Gulf

Up by 0.6% in a month and by 5.9% over 12 months for the EC as a whole.

The Gulf crisis is already having an impact on prices, because of higher oil prices. The consumer price index rose by 0.6% in August for the European Community as a whole, with the result that the inflation rate over 12 months jumped to 5.9%, the highest in five years.

The steepest rises were recorded in Portugal (1.3%), Britain and Denmark (1%) and Italy (0.7%). Prices rose by the Community average in Belgium, France and Greece, and by somewhat less in Spain and Luxembourg (0.5%). The Netherlands recorded a rise of 0.4% and Germany one of 0.3%.

Price rises over a 12-month period remained higher in the EC than in the United States (5.6%) and Japan (2.9%).

ENVIRONMENT: Putting a stop to car pollution

The European Parliament has adopted strict standards.

By 126 votes to 57, with two abstentions, the Euro-MPs adopted the report of the German Socialist, Kurt Vittinghof, at its first reading. The report sets stricter standards for car exhaust emissions than those proposed by the European Commission.

The European Parliament has once again gone into battle against the Commission, even though some Euro-MPs distanced themselves from these exceedingly severe standards, which are tighter even than the American and Japanese ones. The European Environment Commissioner, Carlo Ripa di Meana, even while accepting some amendments, rejected others. He reminded the European Parliament of the need to take into account the serious problems facing the European car industry, which requires a period of stability if it is to remain competitive.

The resolution (which must be confirmed at the second reading, when an absolute majority - 260 votes - is required) provides for the introduction of the new standards in two stages - i.e. on 1 January 1993 and 1 October 1995. Thus the level of carbon monoxide (expressed in grams per kilometre) cannot exceed 2.1 after 1 January 1993 (nor after 1995); 0.2 (0.15 after 1995) for hydrocarbons; 0.6 (0.3) for nitrogen oxide and 0.1 (0.05) for particle masses. The relevant standards proposed by the European Commission and those in force in the United States are given for purposes of comparison. They are: 3.16 for carbon monoxide (2.1 in the U.S.); 1.13 for hydrocarbons (0.25 in the U.S.) and 0.24 for particle masses (0.1 in the U.S.). The Commission has not proposed a separate standard for nitrogen oxide, which it has added to hydrocarbons. The limit set by the U.S. is 0.62.

The Euro-MPs have defended themselves against the charge that they have been unnecessarily severe by pointing out that the number of cars in the Community will rise by 35% in the next 20 years to some 45mn., a figure which does not take into account the cars on the road in the former GDR. The number of trucks is expected to triple over the same period; hence the Euro-MPs decision to call for anti-pollution standards for diesel engines which are five times stricter than those proposed by the European Commission.

It is now up to the European Community's environment ministers to say whether they accept the amendments proposed by the European Parliament - or prefer the Commission's initial proposal for legislation.

ENVIRONMENT: No tourist visa for waste

The EC Commission adopts a proposal for Community legislation on the surveillance and control over the transfer of waste.

"1992 must not give a tourist visa to waste which is destined to be eliminated completely from the Community." The speaker was the European Environment Commissioner, Carlo Ripa di Meana, and he was commenting on the adoption by the European Commission of a proposal for a regulation with the surveillance and control over the transfer of waste within the Community as well as its export and import. The aim of the proposal is not only to strengthen the existing regulation but also to encourage efforts to reduce waste by producing less of it, recycling the waste that is produced and, above all, by getting rid of it in the nearest adequate waste disposal centres.

The real problem has to do with waste which must be eliminated definitively. And it explains why the Commission's proposal is particularly strict as regards the transfer of waste, to the point where it is to be banned in certain cases. One example of this is the proposed ban on all exports to the Lomé Convention countries of Africa, the Caribbean and the Pacific. If a less strict system is envisaged for waste that will be recycled and which, because it is harmless, is not subject to measures of surveillance and control, other than those contained in earlier directives, the situation is very different as regards other kinds of waste.

The proposed regulation provides for a dialogue between those generating the waste, the national authorities with the power to check on waste, the company entrusted with its transport and the consignee of the cargo. The existence of any waste likely to be transferred elsewhere must be notified by its producer; the Commission's proposal in fact also calls for the designation of frontier posts through which waste could enter or leave the Community, even though the final objective remains Community self-sufficiency in the matter of waste disposal.

It is clear that third countries will no longer tolerate, even in the short run, that the European Community continue to empty its waste bins in their territory. It is therefore necessary to deal with the most pressing problems on a priority basis and, at the same time put our own house in order, especially in view of the fact that the disappearance of the Community's internal frontiers in 1993 will make it virtually impossible to check on shipments of waste at intra-Community border crossings.

ENVIRONMENT: Euro-MPs to the rescue of squirrels, martens and badgers

The European Parliament calls for a ban on jaw traps.

An animal caught in a steel jaw trap is condemned to a very painful death, even if found by some kind-hearted person while still alive. With a view to putting an end to this barbaric method of catching animals for their fur, the European Parliament has asked the Twelve, in a resolution adopted on September 10, to ban the import, export, manufacture, sale and use of jaw traps throughout the European Community.

The Euro-MPs want to go much further than the European Commission, which simply proposed a ban on the import of jaw traps, which are still used by professional hunters in the United States, Canada and the Soviet Union. Similarly, the European Parliament wants a ban not only on furs, as envisaged by the Commission, but also products made from furs from animals caught in jaw traps. The Euro-MPs have also extended the list of animals to be protected: to the beavers, wolves, lynx, coyotes, otters, racoons and sable proposed by the Commission they have added red squirrels, badgers, martens, stoats and muskrats.

The European Parliament wants the ban to apply as from 1 January 1995, rather than a year later as proposed by the European Commission. It has suggested that pending the introduction of these measures, all the furs and other goods in question be specially labelled to show prospective buyers that they were made from animals captured in the wild, and not from those reared for this purpose. The idea had already received the backing of the European consumer organizations, notably the European bureau of consumer unions (BEUC).

The use of jaw traps is already banned in 60 countries around the world, including five EC countries - Britain, Denmark, Germany, Greece and Ireland. Other Community countries have put restrictions on their use. In certain parts of North America the use of these traps is part of the daily life of Indians and Eskimos, which makes it somewhat more difficult to do away with them. But for the EC, the decision now rests squarely with the Council of Ministers.

CONSUMER PROTECTION: A fresh impetus

Winning the confidence of European consumers is this year's goal for the EC's Commissioner for Consumer Affairs, Karel Van Miert.

Winning the confidence of the European Community's 320mn. consumers is necessary for the successful operation of the single European market, according to Karel Van Miert, the European Commissioner with responsibility for consumer affairs. To this end the Commissioner has invited the Community's Italian presidency to press for a speedy outcome to the work of the Council of Ministers on the thorny issue of consumer protection.

A relationship based on confidence will require: (1) that consumers be better represented on public bodies and producers; (2) that they be provided detailed and accurate information; (3) guarantees as regards product safety and (4) greater protection in the field of contracts.

Addressing the annual meeting of Italian consumers (ADICONSUM), Mr Van Miert particularly insisted on the support the Commission will provide the least experienced of the national consumer organizations, especially in southern Europe; on the fight which the Commission is waging to end misleading advertising and on its efforts to secure the early adoption of a directive on general product safety.

Mr Van Miert also pointed out that the Brussels executive was studying a proposal on civil liability for damages which may result when services are being provided.

In the field of contracts, Commissioner Van Miert wants to protect consumers more effectively, especially by introducing a directive which would set out a black list of clauses which are banned from sales contracts.

The message is clear: the 1992 single market needs consumers.

MEDIA: The Stendhal prize for the best editorial team

The idea behind the latest award is to reward the most "European" editorial teams.

For the first time a prize has been awarded to the media which, by their articles or television programmes, have done most to interest their audience in the Europe of today and tomorrow. The award, the Stendhal prize, was created at the initiative of the European Commissioner for cultural affairs, Mr Dondelinger.

Mrs Simone Veil, the president of the jury, awarded the prize on September 21 in the Italian city of Parma. The French newsmagazine L'Express won the prize for the best cover, while the prize for the best news story was won by the German paper Die Zeit. The Spanish daily El Pais won a prize for its treatment of the theme "Reality and European society". Britain's TSW won the television award for its programme "Eric, the Brit".

A special prize was awarded to the Czechoslovak daily, Lidove Noviny, for the courage shown by its editorial staff in the fight for liberty and democracy in Czechoslovakia. The French paper L'Est Republicain received a special mention for its edition in Braille.

SMALL BUSINESSES: Whither the European enterprise in the year 2000?

This was the theme of the first annual meeting of the Euro-Info-Centres.

With small and medium-sized enterprises (SMEs) called on to play a key role in the Europe of the year 2000, the European Commissioner responsible for policy towards SMEs, Cardoso e Cunha, took the initiative and organized the first annual conference of the managers of the roughly 200 Euro-Info-Centres set up by the Commission to inform SMEs of Community policy, on September 14 and 15 at Sophia Antipolis (France).

It was thus in one of the most innovative of European science cities that the future of European SMEs was discussed. For France's industry minister, the information role of the Euro-Info-Centres is vital for the expansion of SMEs. He invited the network to be "at one and the same time dictionary and loud-speaker, letter box and counter".

Those in charge of the "Euroguichets" thus had an opportunity to meet, discuss their problems and envisage joint solutions with such international consultants as Sir John Harvey Jones, the former president of ICI, and Tom Peters.