

S U M M A R Y

- P. 2 ENERGY: Renewable sources are winning favour
The Twelve agree to develop solar energy, biomass, windmills, etc.
- P. 3 ENERGY: Electricity need not be squandered
The Twelve undertake to prevent waste.
- P. 4 AGRICULTURE: No subsidies for petrol from green fields
The Commission is making no proposals to the Council just yet on the manufacture of bio-ethanol.
- P. 5 EXTERNAL TRADE: Japanese taxes on wines and spirits are discriminatory
A GATT panel has ruled in the Community's favour.
- P. 6 REGIONAL DEVELOPMENT: A wide range of projects
Railways, energy, redevelopment of areas in decline ...
- P. 7 INTERNAL MARKET: A Europe without frontiers is not a passport to crime
The European Commission answers criticisms from the police.
- AGRICULTURE: How a mountain has turned into a hillock
European butter stocks have fallen by half in less than a year.
- P. 8 HEALTH: Nuclear power stations are not the only source of radiation
X-rays are the biggest source by far of the artificial irradiation of populations.
- P. 9 ENVIRONMENT: Europe's forests are threatened
The European Commission will soon be sending the Council its action programme to save them.

This newsheet is published in six languages (English, French, German, Dutch, Italian and Spanish) by the Directorate-General for Information, Communication and Culture of the

Commission of the European Communities,
Rue de la Loi 200 - 1049 Brussels - Belgium.
Tel. 2351111 - Telex. 21877 COMEU B

Its contents do not necessarily reflect the official views of the Community institutions.



ENERGY: Renewable sources are winning favour

The Twelve agree to develop solar energy, biomass, windmills, etc.

Such virtually inexhaustible sources of energy as the sun, wind, underground water and refuse could cover 5 to 6% of the needs of the 12-nation European Community in the year 2000, as against 1 to 2% at present, provided the Twelve stick to the guidelines they adopted on November 13.

The Community's energy ministers in effect have agreed that their governments would take the measures needed to better evaluate the possibilities offered by these "new" sources of energy and to eliminate the legal, financial or administrative obstacles to their development.

To have a better idea of existing resources the Twelve want to complete their national surveys. The European Commission, for its part, plans to organize a conference in the autumn of 1988 which would identify renewable sources of any significance, set out the obstacles to their commercial use and suggest ways of overcoming them.

The EC ministers envisage help for municipalities and small businesses, notably through subsidies for the preliminary studies that the exploitation of new energy sources involve. They also envisage an extension of the system of advisory bodies which, in some member states, are entrusted with the task of providing both information and help to firms using these new forms of energy as well as to individuals.

The Twelve also want to encourage cooperation at the Community level between firms making the necessary equipment, even while ensuring that national standards in this field are not incompatible with each other. They plan, in addition, to keep each other posted on developments in the field of renewable energy at the national level, and to inform the European Commission on a regular basis.

Unfortunately, the subject of energy consumption in buildings did not inspire ministers to the same extent. They were unable to agree on a Commission proposal which aims at making obligatory a system of information for prospective buyers and tenants of houses and flats. According to the Commission, this would stimulate energy savings in the building sector, which accounts for 38% of the Community's energy consumption.

ENERGY: Electricity need not be squandered

The Twelve undertake to prevent waste.

Since the 1973 oil crisis Europeans know it is in their interest to use petroleum products more economically. But they can save on electricity also. A 10% improvement between now and the year 2000 in the efficiency with which electricity is used would make it unnecessary to build 60 very large thermal or nuclear power stations, at a saving of some ECU 50 billion*. Increased electricity efficiency would also benefit consumers, whose electricity bills would be cut by some ECU 20 billion.

The European Commission's energy ministers, not surprisingly, have supported the European Commission in its efforts to prevent waste. It believes that savings of this magnitude can be made if individuals, as well as firms and other undertakings, select the most efficient electrical equipment.

The fact is that electricity consumption can vary by as much as 40% from one dishwasher or washing-machine to another. In the case of deep-freezers, one model can consume twice, or even four times, as much electricity as another. Electric lighting also offers opportunities for savings: the most modern fluorescent lights give off as much light as the more traditional light bulbs, but use 25% less electricity.

Electronic control equipment, especially if fitted to heating systems or air conditioning units, can save electricity as well as gas or fuel oil.

The European Commission believes that many electric motors currently in use in the Community should be replaced or adapted. Some use a lot of electricity (this is especially true of industrial motors) while others, although cheap, are inefficient.

The energy ministers have undertaken to launch concerted actions in the second half of next year. The Commission, meanwhile, will study the problem with the member governments and representatives of the industries concerned.

* 1 ECU = UK£ 0.69 or IR£ 0.78.

AGRICULTURE: No subsidies for petrol from green fields

The Commission is making no proposals to the Council just yet on the manufacture of bio-ethanol.

The battle to obtain the European Commission's financial backing for a project to make bio-ethanol from cereals and sugar-beet has ended in a defeat for its proponents. The defeat was all the easier as nearly all the members of the European Commission were opposed to the project.

The arguments against it were so overwhelming that the Commission did not even consider it opportune to postpone its decision, preferring to give up the project altogether.

The fact is that it would seem to be in flagrant contradiction with the Commission's strategy for cutting back on agricultural surpluses, as it would inevitably encourage farmers to produce more grain and sugar-beet. Once the price support mechanism had been set going it would not stop, with the result that the rising cost of subsidies would soon become unbearable for the Community.

In addition, there would be virtually no energy savings, given that the manufacture of bio-ethanol requires almost as much energy as is produced. Besides, the main beneficiaries would be certain industries rather than the Community's farmers; in fact the project would modify conditions of competition to the detriment of the chemical industry.

As there are other, much cheaper products which can be mixed with petrol than bio-ethanol, it is easy to understand why its proponents were so quickly defeated. However tempting the idea of turning certain farm surpluses into fuel, its translation into a commercial product would be too costly. It would be a luxury the Community can ill afford.

EXTERNAL TRADE: Japanese taxes on wines and spirits are discriminatory

A GATT panel has ruled in the Community's favour.

Hardly two and a half ECUs per head per year: this is the level of the European Community's wine and spirit exports to Japan. This is perhaps no bad thing from the health standpoint - but it is bad for trade, especially as the Samurai are not as sober as the above figure would suggest. If they cannot drink each others health in Community wines and spirits it is because the latter are virtually priced out of the Japanese market, thanks to the country's system of taxation. Virtually all European products are classified as luxury goods, thus attracting tax at levels ranging from 50% to 220%.

The European Commission, dissatisfied with the proposal for limited fiscal reform put forward by Tokyo after months of bilateral negotiations, decided to go ahead with its request for a GATT* panel. It took the view that the proposal did not end the discrimination against imported wines and spirits.

The panel concluded that Japanese taxes on distilled spirits (whiskies, brandies, gin, etc.), liqueurs and still and sparkling wines was discriminatory and contrary to Article III of GATT. It therefore called on the Japanese authorities to bring their taxation system into conformity with their GATT obligations.

While upholding the Community's arguments on the subject of taxation, the panel did not share its view that Japanese labelling practices were likely to confuse the customer regarding origin. The panel simply commented that the specimens it had examined did not seem likely to cause such confusion.

The GATT Council discussed the panel's ruling at its meeting on November 10. The European external relations commissioner, Willy De Clercq, described the ruling as "an encouraging result" and said he was delighted that impartial observers had upheld the Community's case. He hoped the Japanese government would implement the panel's conclusions, as this would mark a further step towards the opening up of the large Japanese market to European products.

* The General Agreement on Tariffs and Trade.

REGIONAL DEVELOPMENT: A wide range of projects

Railways, energy, redevelopment of areas in decline ...

The regions of the European Community with declining industries will be able to carry out a wide range of infrastructure projects and create alternative jobs in new areas of economic activity, thanks to the European Regional Development Fund (ERDF). The European Commission recently approved the fifth allocation of ERDF grants for 1987, totalling ECU 734m.*, together with some 40 regional development programmes in specific fields.

While the sums allocated for development programmes amount to no more than ECU 144m., this form of regional aid is likely to grow in importance, even while aid for isolated projects declines in proportion.

The Commission has approved the first allocations in the framework of the STAR and VALOREN programs. The first aims at equipping the Community's poorer regions with a modern telecommunications network, the second at developing regional resources in energy.

These two programmes will be carried out over a 5-year period, with the ERDF providing ECU 778m. for STAR and ECU 398m. for VALOREN. The countries concerned are Britain (Northern Ireland), France (Corsica and overseas departments), Greece, Ireland, Italy, Portugal and Spain.

Several programmes are designed to help regions with declining industries launch new, job-creating activities. Thirteen such programmes are in areas with textile and clothing industries while the others are in areas devoted so far to shipbuilding or fisheries. Other programmes adopted by the European Commission provide for the supply of energy to the Italian Mezzogiorno and the development of regions in France, Belgium and Spain.

The balance, ECU 590m., will finance infrastructure projects and industrial investments. The ERDF will contribute, for example, to the construction of a plant in Germany for the manufacture of components for catalytic converters for motorcars. It will also finance water supply projects in the Naples region and improvements to the French road network, help link Madrid and Cordoba by fast train and modernise the airports at Porto and Faro in the Portuguese Algarve.

* 1 ECU = UK£ 0.69 or IR£ 0.78.

INTERNAL MARKET: A Europe without frontiers is not a passport to crime

The European Commission answers criticisms from the police.

The single internal market will not come about at the expense of the European Community's citizens. Replying to a question from the press, a spokesman for the European Commission "rejected categorically" criticisms voiced by some of the police of the objectives for 1992.

During the annual congress of the International Federation of Police Trade Unions, held in Brussels on November 12, some trade union leaders held that the European Commission's proposals for eliminating the internal frontiers between the Community's member states by the end of 1992 would endanger the security of Europeans. They took the view that the removal of checks at these frontiers would enable terrorists, drug traffickers and criminals of all kinds to move about more freely and commit their crimes more easily.

For the European Commission, the creation of a single market goes hand in hand with the reinforcement and harmonization of checks at the Community's external frontiers - that is to say, at ports and international airports and at the land frontiers between individual member states and non-Community countries. The Commission in fact maintains that terrorists, drug traffickers and other criminals are not caught in fact at the Community's internal frontiers at present.

AGRICULTURE: How a mountain has turned into a hillock

European butter stocks have fallen by half in less than a year.

The European Community's "butter mountain" is shrinking slowly but, or so it would seem, surely. Stocks had fallen to just over 700,000t. by early November, from a level of 1.34 million tonnes in January, according to the European Commission. It expects them to fall to 600,000t. by the end of the year and to 300,000t., regarded as a "reasonable" level, by the end of 1988.

The fall in stocks is due to the emergency disposal programme launched by the Commission in January, which has included sales at low prices, especially to the Soviet Union. Such sales are expected to cost the Community ECU 2,300m.* for the period 1987-88. But the butter "mountain" is not expected to grow. In 1986 the Community had to buy in 25% of the total production under its "intervention" arrangements, in the absence of commercial buyers. Similar purchases this year are only one-tenth the size of last year's.

* 1 ECU = UK£ 0.69 or IR£ 0.78.

HEALTH: Nuclear power stations are not the only source of radiation

X-rays are the biggest source by far of the artificial irradiation of populations.

The level of radiation to which the French population is exposed for medical reasons is far greater than that from exposure to radiation at places of work or from nuclear test fallout. The fact is that it accounted for more than 50% of the total in 1982, a year in which some 45.3 million radiological examinations were carried out in France (as against 6.5 million in 1957).

These alarming figures appeared in a study published in the French Journal de radiologie in 1986. They led the Belgian Euro-MP, Ernest Glinne, to question the European Commission on the advisability of providing both doctors and the population as a whole detailed information on the risks of exposure to X-rays. The subject is all the more preoccupying given that the number of examinations involving the use of X-rays is rising steadily. What is especially worrying is the fact that more than half of the annual exposure of the population as a whole is accounted for by women under 30 years of age, although as a group they are particularly at risk.

The European Commission, as the Commissioner for social affairs, Manuel Marín, reminded Mr Glinne, is aware of the problem, which is one that has long been of concern to the World Health Organization, the U.N. Scientific Committee on the Effects of Atomic Radiation (UNSCEAR) and the International Commission on Radiological Protection.

All the studies on individual radiological examinations recommend, in effect, measures aimed at preventing excessive medical irradiation. However, the use made of medical examinations involving ionizing radiation is strongly influenced by several factors, such as the quality of information available to practitioners and the public, the techniques used, the equipment available, etc.

Already in 1984 this led the EC Council of Ministers to approve, on a proposal from the Commission, a directive laying down the basic measures for the radiation protection of persons undergoing medical examination or treatment. Its provisions expressly cover the training of medical staff, acceptability criteria for radiological installations and strict surveillance and quality control of appliances.

The implementation of this directive would make it possible to limit the risks associated with the use of X-rays. Besides, shutting down X-ray equipment would present even more of a problem than closing down nuclear power stations.

ENVIRONMENT: Europe's forests are threatened

The European Commission will soon be sending the Council its action programme to save them.

Fires and atmospheric pollution present a serious threat to our forests. Unless strict and effective measures are taken to safeguard this heritage, all Europe risks being transformed into a wasteland.

Euro-MPs are worried, and one of their Portuguese colleagues, Jorge Pedago Liz, has asked the European Commission what measures it plans to take. The Agricultural Commissioner, Frans Andriessen, has reconfirmed his own commitment, and that of his colleagues, to the protection of the Community's forests.

Following the publication of the Commission's memorandum, "Forests", early last year, the EC Council of Ministers adopted two regulations in November, one against fires, the other atmospheric pollution. Both have required numerous implementing provisions and very complex follow-up arrangements, which are not yet complete.

The Commission regrets the Council has not granted it all the funds it had requested, especially for fire-prevention measures. Despite this, it is now ready to go into action. Preparation of the action program is going ahead, after in-depth consultations with interested bodies. The Commission plans to send it to the Council and Parliament before the end of the year.