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SMALL BUSINESSES: The name of the game is "Europartenariat '88"

Ireland sets the pace for cross-frontier cooperation with a pilot project.

Small and medium-sized enterprises (SMEs) in Ireland and the other European Community countries are joining forces to speed up Ireland's economic development. This is because the creation and financing of joint projects has been made easier, thanks to "Europartenariat '88", launched by the European Commissioner for SMEs, Abel Matutes, in early February.

It should result in a hundred or so cooperation projects involving companies in Ireland and the rest of the Community. During the first stage the Irish Industrial Development Authority (IDA) will select the most interesting projects and publish them in catalogue form.

This catalogue will be distributed among European countries, through bodies in direct touch with SMEs, during the second stage. They include the Business Cooperation Centre of the European Commission's SME Task Force, the network of Euro-info Centres and the Business Innovation Centres, which seek to encourage the creation of SMEs in problem areas.

Two days of meetings will be organized in Dublin in the third stage of the project. The meetings, set for June 23 and 24, will put Irish enterprises in touch with enterprises from the other EC countries.

The Irish projects will involve technology transfers as well as finance and trade. It is hoped firms in other Community countries will have projects of their own to put to the Irish.

The projects selected will receive financial backing from the European Regional Development Fund and the European Investment Bank as well as banks and venture capital funds throughout the Community.

Mr Matutes hopes that Europartenariat '88 will encourage SMEs which have confined their activities to their own regions to link up with firms in other EC countries. This would make it easier for them to learn to work together once the single internal market has been established.

If the pilot project is a success it will be replicated in other parts of the Community. While the European Commissioner wants to give priority to regions that have fallen behind, he hopes to launch similar projects throughout the 12-nation Community.

SMALL BUSINESSES: The pilot phase of the Euro-info Centres is over

All of the first 39 centres will soon be operational.

The pilot phase of the creation of the Euro-info Centres ended successfully when the last of the 39 centres were inaugurated end February.

It has taken hardly a year to complete a project which the EC Council of Ministers approved in November 1986. The Euro-info Centres are an important element of the Commission's information policy and its action programme in favour of small and medium-sized enterprises (SMEs).

The 39 Centres represent a genuine information network, which will provide a better knowledge of the genuine needs of these companies in the run-up to the single, internal market. The Centres plan to bring the Community closer to these companies, to ensure the coherence, credibility and effectiveness of information on the Community and to integrate such information into the services provided by the organizations that are providing them office space. (*)

The Centres will have an important role to play in providing national and regional information when answering questions on the regulations in force in the different member states.

The network is already operational. This is clear from the large number of enquiries already received by individual Euro-info Centres. The local media recognized the importance of these Centres and gave them considerable publicity when they opened their doors.

The requests for information are coming especially from companies with fewer than 50 employees. However, larger companies, in certain areas with a heavy industrial concentration, are also making heavy demands on the Centres. In addition, business consultants and universities are turning to them for information.

Many of the questions most often put to the Centres fall into two groups. Those in the first group relate to the creation of the single internal market, especially to problems of standardization and freedom of movement and establishment. Questions in the second group are about Community financial aids available to businesses, particularly regional and social aids and funds for research.

The Centres are already working closely with the central processing unit in Brussels. Its task is to find the necessary information on the Community's various activities, in cooperation with the European Commission's own services.

(Contd.)

(*) such as Chambers of Commerce and regional development institutes.

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REGIONAL AID: Modest but appreciable

It represents more than 1% of public spending in the less well-off member states.

The European Regional Development Fund's contribution to investments in Greece and Portugal was modest but appreciable in 1986. In fact it represented 1.64% and 1.50% respectively of public spending.

In the other, richer countries of the European Community the ERDF is less generous, as the European Commission pointed out in its reply to a question from the British Euro-MP, Peter Price. Its aid amounts to 0.58% of public spending in Ireland, 0.33% in Spain, 0.24% in Italy and 0.19% in Britain. In the other member states it is equal to, or even below, 0.05%.

ERDF aid to Britain and Italy is proportionately higher than public capital expenditure since 1975, the year the Fund was set up.

EMPLOYMENT: The Community helps more than 2.3m. people

As can be seen from the European Social Fund's 1986 annual report.

Some 2,340,000 people were able to find a job or received vocational training in 1986, thanks to the European Community's Social Fund. The aid provided by the Fund totalled ECU 2,550m.*, or 6.35% of the Community budget, as against 6.56% in the previous year, according to the annual report prepared by the European Commission on the Fund's activities in 1986.

Training and vocational guidance accounted for more than 80% of the aid. The balance went on recruitment and wage subsidies. Some 880,000 women, or 37.6% of the total, were helped by the Fund.

Operations in favour of those under 25 years of age received 75% of the credits available, as required by the rules of the European Social Fund. The most disadvantaged regions were allocated 44.5% of the total aid granted by the Fund.

The volume of applications submitted exceeded the total available resources by 68% in 1986 - as against 97% the year before.

EMPLOYMENT: Equal pay at the very least?

The European Court of Justice supports the equality of sexes in Ireland.

"Equal pay for equal work, but lower pay for more qualified work". This sums up the strange logic of Ireland's telecommunications company, An Bord Telecom Eireann, in setting staff salaries. The fact is that the salaries of some of the company's women employees are lower than those paid to men engaged in less qualified work.

However, the European Community's Court of Justice recently put the situation right, basing itself on the principle of "equal pay for equal work" enshrined in the Treaty of Rome, the Community's "Constitution".

Telecommunication employees tried in vain to obtain redress from both the equality officer and the Labour Court. Both held that the women were not entitled to the same level of pay as their male colleagues because their work was not equal ... but superior.

The case went to the High Court in Dublin, which asked the European Court in Luxembourg for an interpretation of the principle that men and women are equal under Community law. The Court's ruling recognized the obvious.

* 1 ECU = UK£ 0.70 or IR£ 0.78.

TRANSPORT: Putting road transport taxes on a Community basis

The system the Commission now proposes would eliminate existing distortion of competition.

A 38-tonne, 5-axled lorry must pay an annual road tax of ECU 5,187* in Britain and ECU 4,396 in Germany. Similar lorries are taxed at a rate of around ECU 400 in France, Italy and Spain.

Differences of this size can result in a difference of as much as 5% in total operating costs, according to a European Commission report.

Additionally, there is the fact that lorries pay only for the roads they use in their country of registration. The inequalities are further compounded by differences in both fuel taxes and the tolls levied for the use of motorways, tunnels, bridges and fly-overs.

The problems this gives rise to have become more urgent with the continued rise in the number of lorries on the roads. The situation is bound to worsen between now and 1992, and even beyond, with the completion of the single internal market and the liberalization of road transport within the European Community.

The system now proposed by the European Commission aims at eliminating these distortions. It provides for taxes on heavy goods vehicles to be calculated so as to take into account the infrastructure costs of the roads actually used by them.

To this end the Commission has proposed, as a first step, that the basis of calculation of taxes on vehicles be harmonized at the Community level from 1 January 1990. The taxes would be based on the maximum laden weight of the vehicle. They would be collected by the country of registration as at present, but new taxes could be introduced and no special reductions or exemptions would formally be granted.

From 1 January 1993 the costs of road infrastructure would be fixed for each category of vehicle, on the basis of the use made of the road system in the Community as a whole. This cost would be allocated among users through both vehicle taxes and tolls.

Fuel taxes vary greatly from country to country at present. The Commission has already proposed, however, that they be fixed as from 1993 at a rate of ECU 177 per 1,000 litres (220 gallons). The proposal was made in the context of fiscal harmonization.

Tolls, finally, would be levied without discrimination by nationality. They would relate to the construction and utilization costs of the motorway, tunnel or bridge in question. They would be collected in a way which avoids any delays to traffic.

* 1 ECU = UK£ 0.70 or IR£ 0.78.

A STUDENT'S EUROPE: The Court of Justice favours student mobility

It holds that university fees which apply only to students from other member states are illegal.

Belgium has been condemned under three new rulings of the European Court of Justice in Luxembourg for requiring university students from other European Community countries to pay an additional enrollment fee not required of Belgian students.

The Court had already held in 1986 that the imposition of dues, an enrollment or registration fee or a "minerval", as it is known in Belgium, as a condition of access to vocational training for students from other EC countries, was a violation of Article 7 of the Treaty of Rome if Belgian students were not charged the same fees or dues.

Doubts as to what the term vocational training covered allowed Belgium to turn a deaf ear to the Court. The latter has now ruled that the term covers university education also in terms of Article 128 of the Treaty.

European students attending Belgian universities will therefore no longer be at the bidding of the latter. However, only those who had applied to the courts or filed a complaint before February 1988 will be able to recover the sums wrongfully paid by them.

ENVIRONMENT: Cleaner air on the way

The Commission wants exhaust gases from small cars cut by more than 50%.

The small private cars which run on petrol produce 3.2m. tonnes of nitrogen oxigen (NO_x) which currently pollutes the air in the European Community. The standards recently adopted by the EC Council of Ministers for large and medium-sized cars, together with the first stage standards for cars of less than 1.4 litres, should gradually reduce NO_x emissions from motor vehicles to 1.7m. tonnes.

But this is not enough. The European Commission has therefore proposed new measures aimed at reducing these emissions to 1.3m. tonnes. The measures would come into force on 1 October 1992 for new models and from 1 October 1993 for all new vehicles.

The levels now proposed would be identical to those already in force for medium-sized cars: 30 grams of carbon monoxide (CO) and 8 grams of hydrocarbons (HC) and nitrogen oxides per test.

These measures are necessary if the success of the stricter standards already imposed on large and medium-sized cars is not to be compromised. Small cars at present account for 45% of the highly damaging nitrogen oxides produced by private cars. But this figure could rise in the absence of stricter legislation, if only because small cars are expected to account for 60% of the total number of private cars in 1990.

The introduction of the new standards would raise prices of new cars by 4 to 5%. Manufacturers will have the choice between different technologies. Moreover, the adoption of identical standards for small and medium-sized cars will make their task easier, as nearly 90% of all cars would have to meet the same standards.

TO OUR READERS

The EUROFOCUS article on the information sheets describing the rights of European citizens has aroused a great deal of interest among our readers. Many have written to us asking for these sheets.

As the article pointed out, the sheets are available to the media free of charge. They can be obtained from the Press and Information Office of the European Commission in the various member states.

Unfortunately the high cost of publication makes it impossible to distribute the information sheets free to all who ask for them. Each Office will therefore base its decision on the frequency of publication, circulation size and the space usually devoted to European issues.

The complete set of information sheets can be consulted in the Offices, of course, and photocopies made.

Work on bringing out the information sheets in the nine Community languages is under way. It is therefore possible that they may not yet be available in all the Information Offices. We would ask you to check with the Office closest to you.

We regret we cannot reply individually to all who wrote to us. Thank you.

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