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Mailed from Brussels X

200 rue de la Loi • T. 120 7/56 • 1049 Brussels • Belgium • Tel. 299 90 52 • Fax 299 92 08

SINGLE MARKET: No progress in the adoption of "European laws" ...
... but the Twelve are implementing the "laws" already in force more effectively.

Where stands the single market today, more than nine months after the target date of 1 January 1993? As of September 10, 1993, the European Community had adopted only 95% of the measures needed to complete it - which is to say there has been no progress since ... December 1992. But as regards the implementation by the Twelve of the "European laws" already in force, things are much better: according to an assessment made by the European Commission for the Council of Ministers at the end of September, the Twelve have successfully transposed 84% of EC legislation into their national legislation. The score a year ago stood at 75%.

EC ministers must still adopt 18 measures, including 13 which the European Commission regards as essential to the successful functioning of the single market. Measures whose adoption is blocked include those dealing with the creation of a Community label, the European limited liability company and several fiscal measures: the VAT system for small and medium-sized businesses, the limitation of cases of double taxation for businesses, VAT on second-hand goods and passenger transport. And of course the problem of identity checks at the EC's internal frontiers remains, even if it is a matter for the Member States and not the Community as such.

Among the 12 EC countries, Denmark remains the champion when it comes to implementing the single market, having transposed 94% of "European laws" into its national legislation. It is ahead of the U.K. (90%), Italy and Belgium (nearly 89%). Next come Portugal, France and Luxembourg, with 83%, the Netherlands (82%) and Spain (80%). Bringing up the rear are Ireland (79%), Germany (78%) and Greece (77%).

The Commission has already launched no fewer than 320 proceedings against Member States that have "forgotten" to implement European measures within their own borders. It has the firm intention of continuing to press the Twelve to meet their obligations, by focussing on the sectors for which the national authorities are being taken to task the most, and in particular on the right of residence, the mutual recognition of professional qualifications, public procurement and veterinary controls.

EUROPEAN ELECTIONS: To the polls, citizens ... next June

Elections to the European Parliament will take place on 9 and 12 June 1994, depending on the country.

Europeans will vote during the second week of June, 1994, for their representatives to the European Parliament. A decision to this effect was taken jointly by the Twelve in mid-September. In practice, voting will take place on Sunday, June 12, in eight countries: Belgium, France, Germany, Greece, Italy, Luxembourg, Portugal and Spain. In the four remaining EC countries - Britain, Denmark, Ireland and the Netherlands - elections will be held on Thursday, June 9. Needless to say, the countries which will go to the polls on June 9 will wait for voting to end in the other countries before announcing their results.

The present European Parliament, elected in June 1989 for five years, consists of 518 members. It can add items of expenditure to the Community budget and modify, to some extent, proposals for Community legislation before their definitive adoption by the EC Council of Ministers. The European Parliament can also censure the European Commission - and remove it from office. What is more, the EC cannot accept new members without Parliament's approval. The next Parliament will have 567 members, thanks to an additional 18 German Euro-MPs, following the country's unification, and the "compensation" granted most other EC countries.

Germany thus will have 99 Euro-MPs and the three other major nations - Britain, France and Italy - 87 Euro-MPs each, instead of 81. Spain will elect 64 Euro-MPs instead of 60, the Netherlands 31 in place of 25, Belgium, Greece and Portugal 25 each, instead of 24, while the numbers to be elected by Denmark, Ireland and the Netherlands will remain unchanged at 16, 15 and 6 respectively.

Should the Maastricht Treaty come into force meanwhile - only ratification by Germany is still awaited - the new Parliament, which will meet next July, will have greater powers than the present one. It will weigh more heavily on the decisions made by EC ministers.

SOCIAL EXCLUSION: European Commission proposes doubling the budget ...
... to ECU 121m. for the 1994-99 programme to promote social integration.

The fight against poverty is one of the priorities of the European Commission. Hence its proposal of September 22 to double the funds devoted by the EC itself to fighting social exclusion: the 1994-99 programme, POVERTY 3, would receive ECU 121m.* as compared to the ECU 55m. devoted to POVERTY 2, which runs from 1989 to 1994. For the European Commissioner for social affairs, Pádraig Flynn, this increase is justified, given that some 52m. Europeans, or 15% of the total population, live below the poverty line, while more than 3m. have no fixed domicile - and that the situation is likely to worsen with the rise in unemployment. The substantial increase sought by the Commission would make it possible to give the POVERTY programme, which so far has been largely limited to actions at the local level, because of a shortage of cash, a much greater transnational dimension, according to Mr. Flynn.

If the fight against social exclusion is the primary responsibility of the Community's Member States, as Mr. Flynn has pointed out, the EC nevertheless can substantially enhance national actions, particularly by encouraging national organizations to share their experiences, promoting the transfer of innovative solutions, mobilizing the various actors and encouraging debate. The programme now proposed by the Commission clearly is more ambitious than the previous one: it no longer is a question of fostering local actions against social exclusion but one of establishing a genuinely integrated, Community-wide strategy, with activities at both the national and European level.

The Commission proposes, for example, to improve coordination between the programme specifically aimed at fighting social exclusion and other Community policies and sections. It particularly favours strengthening relations between the new programme and the EC's Structural Funds**, by taking into account problems arising from exclusion from the labour market in the Social Fund framework.

One can give concrete examples of projects undertaken in the framework of the POVERTY 2 programme, which should be continued and expanded. Thus a project in Connemara (Ireland), which is being implemented under a partnership of rural development, is developing training actions for women, job opportunities

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with tourism or fisheries and health care and transport for older people. In Belgium, in the former mining region of Charleroi, poor people are being given access to health care through a special card.

The programme now proposed by the Commission is likely to be submitted to the EC's social affairs ministers during their meeting in Luxembourg on October 12.

* 1 ECU = UK£0.77 or IR£0.82.
** Funds set up by the EC to provide regional and social aid.

HORMONES: Reinforcing controls and penalties

European Commission proposes tighter checks on the illegal use of growth hormones in meat production.

Since 1988 there are "European laws" banning the use of a number of substances which artificially stimulate the growth of cattle in the European Community. In practice, however, the controls that have been introduced have proved inadequate and have been bypassed by some cattle breeders. Consumers cannot be absolutely sure, therefore, of buying meat which is entirely safe.

The European Commission has now decided to take the bull by the horns. On September 22 it proposed two new regulations, designed to strengthen the existing procedures for the detection of growth hormone users and suppliers and provide stiffer penalties. The aim now is to prevent the use of growth hormones and other substances in meat production, and more particularly the beta-antagonists used to fatten cattle. In future these substances will be used for the therapeutic treatment of horses and domestic animals. The procedures for detecting residues in meat and in cattle will also be strengthened. They will make possible the rapid imposition of severe penalties, such as a ban on Community aid for anyone using such substances.

The Member States will have a part to play: they will have to organize annual plans for the detection of residues and carry out targeted and unannounced inspections of farms and slaughterhouses. The penalties applicable in the event

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that fraud is confirmed could include the slaughter of an entire herd when a minimum of 10% of the animals have been found to be positive, as a result of tests to detect the presence of banned substances.

The EC's farm ministers will have to give their views on these two important proposals as from October 18.

EXTERNAL TRADE: EC's deficit with Japan widened further ...

... to ECU 31 billion in 1992.

The European Commission's trade deficit with Japan is not on the verge of disappearing. Last year the 12-nation EC recorded a deficit of ECU 31 billion* in its trade with Japan, as compared to ECU 29.7 billion in 1991 and ECU 23.5 billion in 1990. This poor result, announced in mid-September by Eurostat, the EC's statistical office, is not the result of a rise in imports of Japanese goods, as one might imagine. The fact is that EC imports from Japan even fell last year - by 6.8% in volume and 0.6% in ECUs. But EC exports to Japan fell by even more - by 10.2% in volume and 7.4% in ECUs.

Last year over 60% of Japanese exports to the EC consisted of vehicles - cars, light commercial vehicles and motorcycles - office machines, hi-fi and audiovisual products and electric machines. Cameras were in seventh place. Two EC countries together accounted for half of the imports from Japan: Germany for 31% of them, the U.K. for 19%.

EC exports to Japan included motor vehicles - believe it or not! - pharmaceutical products and clothing. Germany led with 37% of total EC exports; it was followed by France (16.1%) and the U.K. (14.8%).

Only two EC countries - Ireland and Denmark - managed to have a favourable trade balance with Japan last year. All the other EC countries continued to run a deficit, as did the EC as a whole.

* 1 ECU = UK£0.77 or IR£0.82

HEALTH: Euro-MPs want a ban on the trade in human organs ...
... and effective measures against blood contamination.

The trade in human organs must be banned throughout the European Community and measures taken to guarantee the quality of blood used in medicine, according to two resolutions adopted by the European Parliament in mid-September. Organs are needed in the EC for transplants and blood for transfusions; but demand is outstripping supply in the Community. This is not a reason, however, in the view of Euro-MPs, to allow the extremely doubtful trade in organs to continue or show a certain laxity in selecting blood donors - or using blood "from somewhere else".

In numerous developing countries very poor people sometimes sell an organ - a kidney, for example - in order to make ends meet. Worse, people are occasionally murdered and their organs removed for sale. These organs may well be used in transplant operations in European hospitals. In his report to Parliament the Euro-MP and doctor, Léon Schwartzenberg, points out that such practices are unacceptable for reasons of morality, on the one hand, and health on the other, given that those who sell their organs are seldom in good health.

Dr. Schwartzenberg has therefore asked his fellow Euro-MPs to call for a total Community-wide ban on trade in human organs. The resolution adopted by the European Parliament calls in fact for a ban on the import, use and transport of organs in the absence of precise information on their origin and quality from the viewpoint of health.

The resolution also asks the European Commission to draw up a code of conduct for the removal of organs in the 12-nation EC. It would require organs to be donated, not sold, and would assure donors anonymity. For Euro-MPs it is also necessary to strengthen cooperation among the Twelve, in order to make the EC self-sufficient even in this area, in order not to have to use imported organs. This can be done by (1) putting on computers information on organs which are avail-

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able throughout the EC, (2) launching campaigns urging people to donate their organs and (3) ensuring that the expenses involved in removing organs are borne by the beneficiary's health insurance scheme. The resolution asks the Commission to see to it that organs intended for transplant are not subject to restrictions at the EC's internal frontiers.

Blood used in transfusions poses somewhat similar problems. The shortage of blood which is suitable for this purpose can lead to dramatic situations, as was shown by the tragedy in France involving the use of blood infested by the AIDS virus. Here, too, the European Parliament is of the view that the EC should reach a stage of self-sufficiency. Some EC countries, including the U.K., Belgium, France and the Netherlands, are already self-sufficient at the national level.

On the basis of a report drawn up by Mrs. Adriana Ceci, the European Parliament has asked for a European action plan encouraging people to give blood. Its main features would include the grant of European status to blood donors and associations of donors; European quality standards, which would apply to the collection, transformation and distribution of blood and the creation of national registers, compatible with each other at the European level and containing all necessary information regarding blood which had been donated and its destination.

To be exact, the European Parliament wants the European Commission and Council of Ministers to fill a gap. The fact is that while there is a "European law" which sets out rules for the safety and control of blood-based medicines, there is no law governing the use of blood as such.

The European Community's competence in such areas as blood transfusions and organ transplants is not obvious: the products in question are not marketable goods. It will probably be necessary to wait for the Maastricht Treaty to come into force, before action at the European level can be envisaged.

AGRICULTURE: Safeguarding species is on the agenda
European Commission proposes a 5-year action plan to the Twelve.

Many elderly Europeans realized instinctively what the European Commission has discovered through a careful examination of the situation: the number of species of fruit, vegetables, trees and farm animals is tending to fall within the 12-nation European Community. The result is reduced choice for consumers and less variety in nature. To prevent further impoverishment the European Commission proposed to the Twelve in mid-September the launch of a 5-year, ECU 20m.* action programme.

The new programme would support and complement actions undertaken by the Twelve, some of which occasionally duplicate each other. To start with it would involve the drawing up of an on-going inventory of usable agricultural species in the EC. The programme would also make it possible to set up European networks and an information system, aimed at coordinating the initiatives taken by the Twelve. The EC would finance urgent actions which are missing from national measures, with a view to safeguarding endangered species.

* 1 ECU = UK£0.77 or IR£0.82

INFLATION: Unchanged in August ...
... at an annual rate of 3.5% for the EC as a whole.

With prices rising by 0.2% in relation to July, the EC's annual rate of inflation stood at 3.5% in August, unchanged from the previous month. This was considerably below the 4% recorded in August 1992. The annual rate of inflation has remained relatively stable these last few months, ranging as it has between 3.7% and 3.4% since last November, according to Eurostat, the EC's statistical office, which published the latest inflation figures at the end of September.

In the 12 months to August 1993, the rate of inflation rose in Belgium, Germany (West), France and Luxembourg; it declined in the other EC countries, and particularly in Britain, the Netherlands and Portugal. Ireland continued to have the lowest rate of inflation in the EC (0.9%). It ranged between 1 and 2% in Britain, Denmark and the Netherlands, stood at 2.2% in France and between 3 and 4% in Belgium and Luxembourg. In Germany (West), Spain and Italy the rate was between 4 and 5%. Portugal's rate of inflation was 5.6%, while in Greece it reached 14.6%.