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228th PLENARY SESSION

The 228th plenary session of the Economic and Social Committee of the European Communities was held in Brussels on 4 and 5 July 1985. The Chairman, Mr François Ceyrac, presided.

Speech by Mr Gerd Muhr, Chairman of the ESC, on the results of the Milan Summit

'The meeting discussed a whole range of topics which will be of great importance for the future of the Community. I believe that it would be simplistic, or at least premature, to attempt an overall assessment at this stage. Shortly before the summit, the ESC worked out clear positions on the individual points being raised in Milan, and I presented a summary of these on behalf of the Committee to the President-in-Office of the Council, Mr Craxi. This stressed the need to combat unemployment, which presents a long-term threat to a peaceful society and to political stability. I called for action from the Member States at Community level. This would include completion of the internal market and increased investment, as well as greater cooperation in the new technologies field.

I also noted that the Community institutions would have to be adapted for the future Community of Twelve, and made more democratic. This means greater involvement of the European Parliament in legislation, greater recourse to majority decisions by the Council of Ministers, and integration of the ESC's consultative role in Community policy-making.

We could justly be satisfied with the outcome of the Milan Summit if it helped achieve these aims, which reflect unanimous or majority positions in the Committee. I am thinking first and foremost of the resolutions on technological cooperation under the Eureka programme, and of the creation of a "People's Europe". The results so far unfortunately do not seem to live up to our expectations, and it remains to be seen whether and how they can be translated into action.

Experience has shown that institutional questions take rather longer, but it seems that at least one step in the right direction has been taken on this. The Bureau yesterday asked the Chairman to approach

the Commission and the Council on these matters, which directly involve the Committee too.

In the next few months, it will be up to us not just to keep a careful eye on developments, but to actively influence them. I am of course thinking mainly of our recently resumed work on new technologies, but also of the general area of action to promote a "People's Europe"; I have already had the opportunity to speak on your behalf during the preparatory work on this.'

Opinions adopted

1. ECONOMIC SITUATION (in mid-1985)

Gist of the Committee Opinion⁽¹⁾

The Economic and Social Committee considers that the measures to alleviate unemployment adopted so far have been inadequate or not effective enough. It feels that measures are required at national and European Community level to speed up the economic recovery in Europe and reduce unemployment more swiftly. In the present economic crisis, dialogue between the two sides of industry on the one hand and the national governments and EC Councils of Ministers on the other is essential if appropriate solutions are to be found. The Committee is willing to support this dialogue with all the means at its disposal. This is one of the recommendations made in the Committee's Opinion which was adopted by 76 votes to 6 with 23 abstentions.

The rise in industrial investment is noted with satisfaction. Nonetheless, the Committee calls for the focusing of more attention on the construction sector as well as on Community infrastructure in general and in particular transport, telecommunications, information technology, the environment, the quality of life, health care and housing. The Committee also points out that the Community's borrowing capacity is sufficient to finance infrastructure projects.

The credibility of the European Monetary System (EMS) should be improved and action should be taken to make the system more stable. Closer cooperation between the central banks would be one way of achieving this. An international monetary conference ought to be organized to find a remedy for international monetary disorder.

⁽¹⁾ CES 590/85.

The growth in protectionist tendencies on world markets is also viewed with great concern, and the Committee calls for the rejection, wherever possible, of further export subsidies or import restrictions. It supports a new round of GATT talks with the aim of dismantling the various forms of protectionism. These negotiations should be closely linked to the proposed international monetary conference.

Finally, the Committee urges that measures be taken to enable small and medium-sized enterprises to adapt better in the long term to changes in the socio-economic situation. In addition to measures to improve their financial situation, market prospects and the know-how of their management and workforce, a study should be carried out to determine to what extent simplification of laws and regulations could lead to a better climate for the development of these firms.

This Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions, chaired by Mr Marvier (France - Various interests). The Rapporteur was Mr Goris (Netherlands - Various interests).

2. SOCIAL DEVELOPMENTS IN 1984

Gist of the Commission document

As in previous years, the Commission asked the Committee to deliver an Opinion on social developments in the Community over the past year on the basis of its analysis of social developments in 1984.

Gist of the Committee Opinion⁽¹⁾

The Economic and Social Committee has expressed concern at some of the tendencies implicit in the policy approach of the Commission's 'Economic Report for 1984' — an economic policy framework providing further wage restraint, more real reductions in public (and therefore social) expenditure and the introduction of deregulation of conditions of employment, recruitment and dismissal, all as an attempt at promoting further enterprise growth, the maintenance and continuation of economic recovery and with it job creation.

In an Opinion adopted by 75 votes to 10 with 13 abstentions the Committee recalls that the contemporary European Community exists not solely to promote joint trade and closer economic links; it also has a vital social purpose. Founded in order to unite peoples around common

⁽¹⁾ CES 589/85.

enterprise and social cohesion, it must retain the attention and support of weak and vulnerable groups. Policies for economic efficiency must be matched by concern for the well-being of those less able to protect themselves in this age of radical transition. The commitment of the Community to this integral approach, first reflected in the Treaties, needs to be reaffirmed even more in times of crises or sluggish growth.

Several conclusions are drawn in the Opinion:

Social cohesion and solidarity are essential elements of a policy for sustained qualitative economic growth.

The maintenance of collective social responsibility, particularly for the weak and vulnerable, the development of the practice of collective agreements, and, on a more general level, the development of consultations, are part of the consensual framework necessary for a dynamic jointly supported policy which gives the highest priority to the reduction of unemployment.

Little progress has been made on the Committee's previous recommendations which are still relevant today. The preconditions set out for an effective EC social strategy are particularly valid, notably:

the need to recognize the financial costs of 'non-Europe' and the positive 'multiplier' effects that concerted economic and social action at EC level could have in encouraging broader, faster and more reliable growth;

the build-up and utilization of the EC's 'own resources';

assuring an effective EC policy decision-making machinery;

the need to construct policy instruments in order to maintain and promote social cohesion in the Community.

Emphasis should be given to the importance of a 'multilateral' approach combining:

supply-side initiatives with sustained demand and a selective boost directed at job creation and social need;

new positive approaches towards enterprise with the maintenance of social protection standards and the use of collective bargaining methods at various levels, for example: the reduction and re-organization of working time, measures to facilitate worker mobility and adaptability, etc.;

technological transition with proper information and consultation procedures, monitoring of the social consequences, an effective industrial relations structure, and a more positive approach to vocational guidance, training and retraining, particularly for the young and the long-term unemployed;

an assessment of tax-related factors which may inhibit enterprise along with a consideration of rates of return, of profits and their use for employment-creation investment;

the job creative role of small and medium-sized enterprises with selective, targeted social insurance aid especially for the employment of young job-seekers in deprived urban blackspots and under-developed rural areas.

The Committee reiterates its view that greater cooperation and co-responsibility of the two sides of industry also at EC level, is needed if current economic and social difficulties are to be overcome. The responsibility of the two groups with respect to the economic and social conditions of working life should be backed up by Community and national measures.

This Opinion was drawn up in the light of the paper produced by the Section for Social Questions, chaired by Mr Kirschen (Italy - Workers). The Rapporteur was Mr Roycroft (United Kingdom - Various interests).

3. DEMOGRAPHIC SITUATION IN THE COMMUNITY (Information report)

Gist of the Committee Report⁽¹⁾

The demographic situation in the Community shows no sign of improving. The public authorities must face up to the risks involved. They should act to restore equilibrium to the age pyramid and make it easier for parents to choose what size family they want. This is the message of the ESC's Information report, which reviews the measures which the Committee believes would stop the birth rate falling. The report is concerned to analyse the demographic situation in the European Community — as revealed in the changing profile of the age pyramid — to identify its causes, to assess the consequences and to suggest remedies.

After setting out and commenting on certain statistics, the Committee analyses the possible causes of the fertility crisis and the economic and social implications of the continuing decline in the birth-rate in most of the Member States (repercussions for public finances, economic repercussions, potential working population, sectoral effects, volume and structure of consumption, savings and investment, dependence on immigration, competitiveness, etc.). In fact the birth-rate in the EEC countries has fallen to unprecedented levels, well below the

⁽¹⁾ CES 602/84 fin.

generation replacement threshold (the deficit ranges from 15% to 40%, depending on the country). Recent trends indicate that, contrary to what was expected some years ago, there is little likelihood of any major spontaneous turnaround.

In the light of these figures, the Committee makes the following recommendations:

the demographic factor must be included in the various economic, social and cultural projects and debates undertaken at national and Community level;

all the Community institutions must take account of the demographic and family factor and consult family, trade-union and economic organizations;

financial support for family responsibilities, generally provided by family benefits and tax concessions, should be considered as a right of all parents who are responsible for bringing up a child. The costs and responsibilities assumed by parents in raising and educating a child call for financial compensation and the creation of a physical, social, psychological and moral environment in keeping with the responsibilities of the parents and the needs of the children. According to the Committee, the goal should be to create a just system which would promote solidarity and fairness, to the benefit of all families and children;

an appropriate environment (town planning, transport, environment, green spaces, child-minding facilities, educational, social, sporting, cultural amenities) must be created;

everything must be done to ensure that the right of all young people to a job becomes a reality;

measures must be taken to help parents to reconcile their working and family responsibilities;

a campaign must be waged against infant mortality and sterility;

demography must be included in school and university courses: history, geography, social sciences;

the funding of demographic and family policies must be based first and foremost on an appeal to national solidarity.

The debate on population is a debate about the kind of society we want. Solidarity must be developed to the full. To do this it will be necessary to counteract the increasingly selfish attitudes to affluence which are a feature of modern society.

The Committee decided unanimously (less 4 abstentions) to submit the Information report to the Council and Commission.

It had been drawn up by the Section for Social Questions, chaired by Mr Kirschen (Italy - Workers). The Rapporteur was Mr Burnel (France - Various interests).

4. EQUALITY OF TREATMENT/INCOME TAXATION

'Memorandum on income taxation and equality of treatment between men and women'⁽¹⁾

Gist of the Commission Memorandum

This initiative is based on Action 6 of the Community 'Action programme on the promotion of equal opportunities for women', which states as its aim the implementation of the principle of equal treatment by revising income tax systems which indirectly have an adverse effect on women's employment, their right to work and their promotion in employment.

Having commissioned a study on the present systems of income taxation in the Member States and taking into account the European Parliament's recommendations on the subject, the Commission has concluded that aggregate taxation for married couples — whilst not purposely discriminatory — does result in disproportionately high tax rates for the second income earner. In many situations this serves as a strong disincentive for the wife to join the labour market. A system of separate taxation is therefore recommended.

The Commission has a commitment to take appropriate measures. As a first step, the memorandum should serve to raise these issues for discussion at Community level, and encourage debate on an issue of particular importance for women and for the family as a whole.

Gist of the Committee Opinion⁽²⁾

Men and women will not be treated equally while there is direct or indirect discrimination in the income tax laws. The Economic and Social Committee was quite clear about this in an Opinion adopted by 61 votes with 15 abstentions. The present discrimination against the second income earner, who is generally the wife, can only be removed if husbands' and wives' incomes are assessed separately.

Measures have already been taken at Community level to ensure equal access to jobs and equal pay for men and women doing the same

⁽¹⁾ COM(84) 695 final.

⁽²⁾ CES 591/85.

work. But the problem of tax and social security contributions still remains. The Committee is appalled at this shortcoming; all EEC countries must ensure that their tax laws are absolutely neutral and do not pass any value judgments on a person's family or marital status.

To do away with this sort of discrimination, which is particularly glaring in certain Member States, the Committee proposes that the following principles be adopted as soon as possible at Community level:

Individual taxation, with no joint liability for tax debts; and

Fair and realistic tax concessions for dependents, such as children, elderly relatives and persons unfit for work.

This Opinion was drawn up in the light of the paper produced by the Section for Social Questions, chaired by Mr Kirschen (Italy - Workers). The Rapporteur was Mrs Heuser (Germany - Various interests).

5. 18th VAT DIRECTIVE

'Proposal for an Eighteenth Council Directive on the harmonization of the laws of the Member States relating to turnover taxes — Abolition of certain derogations provided for in Article 28 (3) of Directive 77/388/EEC — Common system of value-added tax'⁽¹⁾

Gist of the Commission's proposal

The common VAT system is to include a uniform basis of assessment. The Sixth Directive which effectively introduced this system permitted Member States to apply certain derogations during a transitional period, which was initially set at five years.

The Council undertook to look at the problem again before the end of the transitional period and to abolish some or all of the derogations.

The Commission, therefore proposes that deadlines be fixed for the abolition of most of the derogations allowed under Article 28 (3) of the Sixth VAT Directive. The derogations will be divided into three groups according to their social and financial impact.

Gist of the Committee Opinion⁽²⁾

In its Opinion, adopted unanimously less 5 abstentions, the Committee welcomes the Commission proposal, the implementation of which will

(1) COM(84) 649 final.

(2) CES 585/85.

not only lead to further harmonization of the Member States' laws relating to turnover taxes, but will also facilitate the calculation of Community own resources, a process at present considerably impeded by the existence of waivers.

It feels, however, that the implementation of some of the proposed measures could be brought forward and that in the interests of uniform and fair taxation a number of significant alterations are required to Article 28 of the Sixth EEC Directive on the harmonization of the laws of the Member States relating to turnover taxes.

The Committee made the following specific comments:

the planned exemption from tax of dental technicians' services and the supply of dental prostheses should be incorporated into the Nineteenth Directive, which should also provide for the exemption from tax of other services performed by doctors and the supply of other prostheses;

services performed by public radio and television bodies should be exempted from tax;

harmonization of the turnover tax provisions for supplies of buildings that are not newly constructed should not be postponed indefinitely;

the planned exemption from tax of services performed by intermediaries relating to transactions in transferable securities and the management of investment funds and services performed by travel agents should be dropped;

the taxation of admission to sporting events and services supplied by authors, artists and other performers, lawyers and other members of the liberal professions and veterinary surgeons should be brought forward to 1 January 1986; and

the management of credits and credit guarantees by third parties and the safekeeping and management of shares, etc. should continue to be tax-exempt.

This Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions, chaired by Mr Marvier (France - Various interests). The Rapporteur was Mr Broicher (Germany - Employers).

6. 19th VAT DIRECTIVE

'Proposal for a 19th Council Directive on the harmonization of the laws of the Member States relating to turnover taxes, amending Directive 77/388/EEC — Common system of value-added tax'⁽¹⁾

Gist of the Commission proposal

The Commission proposes clarifications and amendments to certain passages of the Sixth Directive.

These changes do not affect the basic arrangements, but are deemed necessary to correct various imperfections which have emerged. At the same time they will ensure more homogenous application of the own resources arrangements.

Gist of the Committee Opinion⁽²⁾

The Committee adopted its Opinion unanimously less 9 abstentions. In its specific comments it calls for:

the proposed blanket exemption for hospital treatment to be dropped and for a distinction to continue to be made between services liable to taxation and exempted services, the distinction being based on the criteria established hitherto, which should however be clarified by stipulating the conditions governing the provision of services and reimbursement;

professional sport and physical education in fitness centres or similar establishments to be expressly excluded from the exemption covering the provision of services linked to sport and physical education;

special treatment not to be accorded in respect of the supply of works of art and the provision of services by artists in order to avoid unfairness and technical problems with regard to tax collection;

no restrictions to be placed on the right of option in respect of financial institutions which issue credit cards or similar documents.

This Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions, chaired by Mr Marvier (France - Various interests). The Rapporteur was Mr Broicher (Germany - Employers).

⁽¹⁾ COM(84) 648 final.

⁽²⁾ CES 586/85.

7. MODIFICATION OF EUROPEAN MONETARY SYSTEM

'Proposal for a Council Regulation (EEC) amending Article 2 of Council Regulation (EEC) No 3181/78 as regards the use of ECU by "other holders"'⁽¹⁾

Gist of the Commission document

The Commission is proposing to amend Article 2 of Council Regulation (EEC) No 3181/78 relating to the European Monetary System (EMS) in general and the powers of the European Monetary Cooperation Fund (EMCF) in particular. If the proposal is adopted, the central banks of the Member States will be able, on a bilateral and temporary basis, to transfer ECU issued by the EMCF to the central banks of non-EEC countries and to international monetary institutions.

Gist of the Committee Opinion⁽²⁾

In an Opinion adopted unanimously, the Committee approves the proposal and the implementing measures that will accompany it after its adoption by the Council.

It also feels that the procedures enabling 'other holders' to use ECU should be progressively extended and liberalized, so that the ECU can become an international reserve currency and a common currency.

The Committee considers that further measures should be taken (such as economic convergence and financial integration) so as to consolidate the stability, credibility and identity of the EMS.

It uses the opportunity offered by the Opinion to draw the Council's attention to a series of proposals from it aimed at strengthening the EMS and the ECU.

This Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions, chaired by Mr Marvier (France - Various interests). The Rapporteur was Mr Drago (Italy - Workers).

⁽¹⁾ COM(85) 218 final.

⁽²⁾ CES 588/85.

8. COUNTERFEIT GOODS

'Proposal for a Council Regulation (EEC) laying down measures to discourage the release for free circulation of counterfeit goods' ⁽¹⁾

Gist of the Commission document

International trade in counterfeit goods poses serious problems both for manufacturers and traders who discover that their products are being fraudulently copied, and for consumers. Many instances have shown that counterfeit goods are on the increase mainly because of the lack of effective supervision, which would prevent international trade in such products.

An *ad hoc* working party set up by the Committee on Customs Questions has examined the possibility of action being taken by the customs authorities against counterfeit goods at the time of importation into the Community of such goods. The working party came to the conclusion that such action was technically feasible.

The proposal for a Regulation seeks to establish common rules on the procedure to be followed when applying for action to be taken by the customs authorities, the conditions governing the taking of such action and the measures to be taken by the competent authorities with regard to goods when it has been established that they are counterfeit.

It provides, *inter alia*, that the owner of a trade mark may lodge an application in writing for suspension of the release of counterfeit goods entered for free circulation where he has valid grounds for believing that such goods, which infringe his rights, are to be imported.

The proposal is not intended solely to protect trade marks registered at national level, but also trade marks registered at Community level when the rules on the subject proposed by the Commission to the Council enter into force.

Gist of the Committee Opinion⁽²⁾

In an Opinion adopted unanimously, the Committee notes that the purpose of the Regulation is to combat the marketing of counterfeit goods from third countries. This is to be done by introducing a customs procedure which will suspend the release for free circulation of counterfeit goods. However, the proposal only concerns the counter-

⁽¹⁾ COM(84) 705 final.

⁽²⁾ CES 583/85.

feiting of trade marks, and therefore infringement of the rights of trade mark owners. To achieve its declared objective, it should also cover counterfeiting of designs and models registered in the Member States.

The Section is aware that such an extension is still theoretically inadequate, as counterfeiting in the Community is widespread. However, from a practical point of view, the approach may be supported for the following reasons:

- the proposal will mean new duties for the customs authorities; a rather cautious, gradual approach is therefore to be preferred;

- goods protected by a trade mark or by a registered model or design are more easily identified, and the rights infringed can be defended more easily and swiftly;

- the customs authorities should not be over-burdened, given the difficulties they face when checking goods from third countries;

- increased control of goods circulating between the Member States is incompatible with abolition of the Community's internal frontiers.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr de Wit (Netherlands - Employers). The Rapporteur was Mr Regaldo (Italy - Employers).

9. GENERAL MEDICAL PRACTICE

'Proposal for a Council Directive on specific training in general medical practice' ⁽¹⁾

Gist of the Commission document

The Commission's aim is that all general practitioners should have specific training in general medical practice, to complement the basic training common to all doctors.

The training should:

- be additional to basic training, i.e. it starts once the six years of training provided for in Article 1 of Directive 75/363/EEC have been completed;

- give the right to hold a particular professional title;

- be compulsory for all doctors practising as general medical practitioners, inside or outside the social security system.

⁽¹⁾ COM(84) 654 final.

In 1975, when the 'doctors' Directives were adopted, introducing the mutual recognition of medical qualifications and minimum harmonization of training given in the Member States, it was still widely held that it was sufficient for general practitioners to hold a qualification in medicine without any specific training. Nevertheless, there was a parallel move in some Member States towards offering additional specialist training to general practitioners. This trend has continued to make headway and is now so firmly rooted that an EEC initiative is needed to safeguard the freedom of medical practitioners to offer services throughout the Community, as established in the 1975 Directives.

In the light of the inevitable repercussions of such reform — to varying degrees (depending on the Member State), it will break with established traditions by changing the organization of medical studies and health care — the Commission proposal provides for gradual implementation in three stages:

Stage 1: The Member States are required to introduce specific training in general medical practice, which will be optional, together with an appropriate professional title (1 January 1990);

Stage 2: Specific training in general medical practice will be required for all doctors practising as general practitioners under the social security system (1 January 1993);

Stage 3: Presentation of a progress report to the Council and new Commission proposals designed to implement fully the desired objective (1 January 1995).

Gist of the Committee Opinion⁽¹⁾

In an Opinion, adopted unanimously, the Committee supports the aim of the proposal, which is to give general practitioners not only basic training but to complement this with specific training in general practice. This should prepare them better for their work, concentrating more on the health of the individual as a whole and putting prevention on the same footing as cure. The Section feels that the Advisory Committee on Medical Training set up under Directive 75/364/EEC could usefully draw up guidelines, taking into consideration the evaluations it has already made public, on the content and methods of courses which lead to a diploma, certificate or other specific training qualification.

The Committee feels that the major features of the specific training are that it is to consist of at least two years' full-time training and is to be

⁽¹⁾ CES 584/85.

practically rather than theoretically based, while the provisions on part-time training and possession of an equivalent qualification should be regarded as applicable only in exceptional cases.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr de Wit (Netherlands - Employers). The Rapporteur was Mr d'Elia (Italy - Workers).

10. DEMONSTRATION PROJECTS II

'Proposal for a Council Regulation (EEC) on the promotion, by the granting of financial support, of demonstration projects relating to the exploitation of alternative energy sources and to energy saving and the substitution of hydrocarbons'

and the

'Proposal for a Council Regulation (EEC) on the promotion, by the granting of financial support, of pilot industrial projects and demonstration projects relating to the liquefaction and gasification of solid fuels' (1)

Gist of the Commission proposals

The Council has consulted the Committee on two proposals for Council Regulations which would grant financial support to demonstration projects on the one hand relating to projects aimed at energy saving and hydrocarbon substitution, and on the other to demonstration projects relating to liquefaction and gasification of solid fuels.

Both Regulations would be, in effect, five-year programmes starting 1986 and finishing in 1990.

The first programme would involve expenditure of some 545 million ECU, and the second would involve expenditure of some 155 million ECU, over the five-year period. These two programmes are the second of the series; the Commission has been carrying out a programme of energy-demonstration projects since 1978. Its aim has been to further a key-element of Community energy strategy, namely the use of innovative technologies to use energy more efficiently, and to reduce the Community's dependence on oil.

(1) COM(85) 29 final.

During the first two programmes, with expiry dates during the period 1982/83, but later extended, the Commission selected some 800 projects out of over 3 000 submitted, and undertook to give them Community financial support.

An important criterion for selection has been that the Community funds should stimulate and indeed accelerate the difficult transition from successful research to full-scale technical and economic viability — thus assisting commercialisation.

Some 100 of these projects have now been completed and, with the present Council Regulations expiring at the end of 1985, evaluations have been made. (Two evaluation reports (COM(85) 29 final/2 and COM(85) 29 final/3 have been submitted to the Committee along with the draft Council Regulations.)

These evaluations have provoked the Commission to ask (a) whether the programmes are good enough to be renewed and (b) if so what lessons can be learned from the experience to date, and what changes are deemed necessary.

Both the introductory statement in the Commission's document, preceding the draft Regulations, and the two evaluation reports referred to above, are highly informative. Not only does the Commission analyse the evaluation reports in terms of meeting the criteria laid down, but it goes into some detail about Member State demonstration programmes as well.

The Commission says from the outset that it is important to pose the question whether these programmes, adopted in 1978 at a critical time between two severe energy crises, have sufficient merit to justify continued financial support from scarce Community resources — especially in the light of today's somewhat easier energy situation.

The Commission quite clearly maintains that it does, but it is up to the Committee to determine its own view.

Gist of the Committee Opinion⁽¹⁾

The Committee fully supports both proposals in an Opinion which it adopted unanimously.

The Committee makes the following additional comments on the proposal concerning demonstration projects on alternative energy sources energy saving and substitution of hydrocarbons:

⁽¹⁾ CES 581/85.

The promotion programme is capable of activating innovatory forces in industry and particularly in small-and-medium-sized enterprises. It can also have a positive effect on labour-market policies, environment conservation and export promotion.

It is most important that the project results are disseminated in a suitable form throughout the Community so as to promote their widespread utilization.

In view of the long-term nature of energy policy aims, the EC promotion programme should be designed for continuation after the promotion period and, if possible, there should be open tendering.

On the proposal for the Regulation granting financial support to projects in the field of liquefaction and gasification of solid fuels, the Committee makes particular reference to the following points:

The present relaxation of pressures in the energy sector must not lead to a slackening of efforts to find a forward-looking liquefaction and gasification technology.

The budget proposed by the Commission must not be reduced.

The duration of the programme should also not be curtailed.

The R,D&D infrastructure which has been built up in the course of previous programmes must be preserved in the interest of supplying the Community with energy.

This Opinion was drawn up in the light of the paper produced by the Section for Energy and Nuclear Questions, chaired by Mr Romoli (Italy -Employers). The Rapporteur was Mr Flum (Germany - Workers).

11. MODIFIED STARCHES

'Proposal for a Council Directive on the approximation of the laws of the Member States relating to modified starches intended for human consumption' ⁽¹⁾

Gist of the Commission document

Starch is a carbohydrate substance found in grain crops, root crops or tubers used as food by human beings.

Wheat or potato-based starch may be:

1. unprocessed;
2. physically modified;

⁽¹⁾ COM(84) 726 final.

3. enzymatically modified;
4. chemically modified.

Starches 1 to 3 present no problem, but the fourth category can cause public health problems, and there is a lack of uniformity in the relevant regulations within the Member States.

The present proposal is to establish a positive list of approved chemically modified starches at Community level according to which only starches on the list may be used. Annex I establishes the list and Annex II the purity criteria.

Gist of the Committee Opinion⁽¹⁾

In an Opinion, adopted unanimously, the Committee approves the Commission proposal, but makes the following observations:

it would be advantageous to have *one* Directive covering all starches;

the Commission should make up its mind as to whether or not sodium octenyl succinates should be added to the Annex to the proposal.

This Opinion was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mrs Heuser (Germany - Various interests). The Rapporteur was Mr Zinkin (United Kingdom - Employers).

12. HEALTH PROBLEMS — ANIMAL IMPORTS

'Proposal for Council Directive amending Directive 72/461/EEC on health problems affecting intra-Community trade in fresh meat and Directive 72/462/EEC on health and veterinary inspection problems upon importation of bovine animals and swine and fresh meat from third countries'⁽²⁾

Gist of the Committee Opinion⁽³⁾

In an Opinion, adopted unanimously, the Committee approves the Commission proposal, which seeks to allow the importation by the Member States of animal glands, organs and blood for use by the

⁽¹⁾ CES 580/85.

⁽²⁾ COM(85) 57 final.

⁽³⁾ CES 582/85.

pharmaceutical industry, and to establish the relevant conditions applicable in order to protect human and animal health.

This Opinion was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mrs Heuser (Germany - Various interests). The Rapporteur was Mr Storie-Pugh (United Kingdom - Various interests).

EXTERNAL RELATIONS

Mr Briganti (member of the ESC) met Morocco's Ambassador to the European Communities in Brussels on 30 May.

Mrs Rangoni-Machiavelli (member of the ESC) attended a seminar on 'Women and television' organized by the Free University of Brussels in Brussels from 3 to 5 June.

Mr Clinton-Davis, Commissioner responsible for environmental questions, attended a meeting of the Section for Protection of the Environment, Public Health and Consumer Affairs at the Committee's headquarters, Brussels, on 4 June.

Mr Roseingrave (member of the ESC) attended a conference on the 'Impact of the new technology on experienced workers (physical and psychological stress)' organized by the European Foundation in Dublin on 6 and 7 June. He also attended a seminar on 'A People's Europe — the contribution of Western European organizations in the field of educational and cultural policy', organized by TEPSA in Bruges from 20 to 22 June.

Mr Zinkin, Chairman of the Section for External Relations, met Mr De Clercq, Commissioner responsible for external relations and commercial policy, in Brussels on 7 June in connection with GATT negotiations.

Mr Noordwal, Vice-Chairman of the ESC, took part in the European Parliament/Latin America meeting held in Brazil between 15 and 24 June. On 28 June he attended the seminar on 'Information and employment technology' organized by IBM in La Hulpe.

Mr Signorile, Italian Minister for Transport and President-in-Office of the Council of Ministers of the EC, attended a meeting of the Section for Transport and Communications of the ESC, chaired by Mr Delourme (Belgium - Workers), on 19 June.

The regional Economic and Social Council of Burgundy (France) was received at Committee headquarters in Brussels on 11 June on which occasion the Secretary-General of the ESC, Mr Louet, delivered a speech.

The Chairman of the ESC, Mr Muhr, and the Secretary-General, Mr Louet, went to Geneva on 13 and 14 June to attend the Annual Assembly of the International Labour Office (ILO).

Mr Etty (member of the ESC) took part in a seminar on 'Carcinogens at the Work-place: Scientific and legislative aspects', organized by the Commission in Rome on 13 and 14 June.

The Secretary-General of the ESC, Mr Louet, addressed Cogeca in Brussels on 19 June.

Mrs Heuser, Chairman of the Section for Protection of the Environment, Public Health and Consumer Affairs of the ESC, took part in a symposium on health education organized by the Commission in Luxembourg between 19 and 21 June.

Members of the Subcommittee on Television without Frontiers, chaired by Mr Flum, visited Rome between 17 and 19 June. The participants met many leading figures in Italian public life, including Mr Bogi, Deputy Secretary of State for the Post and Telecommunications Departments, as well as leading officials of RAI. They also visited the space centre in Fucino.

Mr Lauga (member of the ESC) attended a seminar on the integrated Mediterranean programme (region of Sicily) held in Palermo from 24 to 26 June.

NEW CONSULTATIONS

Since the last Plenary Session the Council has requested the Economic and Social Committee to deliver Opinions on the following subjects:

'Fourteenth Commission Report on Competition Policy';

'Proposal for a Council Directive on standardization in the field of information and telecommunications technologies';

'Proposal for a Council Directive on the first stage of implementation of mutual recognition of telecommunications terminals contracts' (COM(85) 230 final);

'Proposal for a Council Directive amending Directive 73/404/EEC on the approximation of the laws of the Member States relating to detergents' (COM(85) 217 final);

'Proposal for a Council Regulation relating to the establishment of specific Community regional development measures in 1985 and amending Regulation (EEC) No 1787/84' (COM(85) 243 final);

'Proposal for a Council Directive amending Directive 75/130/EEC on the establishment of common rules for certain types of combined transport of goods between Member States' (COM(85) 211 final);

'Proposal for a Council Decision empowering the Commission to borrow under the New Community Instrument for the purpose of promoting investment within the Community (NCI IV — financing of investment in small- and medium-sized businesses)' (COM(85) 250 final);

'Draft Council Resolution on new Community energy objectives for 1985 and consistency of Member States' policies' (COM(85) 245 final);

'Organization of Section's work on Commission White Paper "Completing the internal market"' (COM(85) 310 final).

PROVISIONAL FUTURE WORK PROGRAMME

SEPTEMBER 1985 PLENARY SESSION

Opinions upon consultation

Infant formulae

Waste oils

Non-quota measures

Telecommunications standards

Cross-border company mergers

Detergents

Air transport

Transport infrastructures

GSP review

Strengthening of EEC-Latin American relations

Cinema co-productions

Concerted action project — marine navigation

New Community instrument

Information reports

Shared-cost research programmes

Energy options — environmental constraints

Own-initiative opinions

TV without frontiers

SUBSEQUENT PLENARY SESSIONS

Opinions upon consultation

14th Report on Competition Policy

Seaports/hinterland

Combined transport

New energy objectives**Indirect taxes on alcohol and excise duties on wine****Shipbuilding aid (additional Opinion)****Mortgage credit****Public purchasing****Sea transport****Future of the CAP****Residues in meat****Information reports****Effect of CAP changes on farmworkers****Development of upland areas****New technologies****Small firms interface research****Own-initiative opinions****Integrated operations****GATT.**

PERSONAL NOTICES

Appointment

The Council of the European Communities has appointed Mrs Christiane Dore (France) as a member of the Economic and Social Committee to replace Mr Eelsen who has resigned. Mrs Dore is a Managing Director of the Sofinco Bank.

PUBLICATIONS OBTAINABLE FROM THE ECONOMIC AND SOCIAL COMMITTEE

General documentation

The other European Assembly, June 1985 (CES 85-006)
European Union, a people's Europe and the Economic and Social Committee
(Committee Chairman Muhr's speeches to the *ad hoc* Committees for
Institutional Affairs and a People's Europe), 1985 (EX-43-85-35)

Opinions and studies

Consumer-producer dialogue (Opinion) (January 1985) (ESC 84-011)
Europe and the new technologies — Conference report (January 1985)
(ESC 84-016)
Irish border areas (Information report) (February 1984) (ESC 84-002)
Tourism (Opinion) (June 1984) (ESC 84-004)
The economic and social situation in the Community (2 opinions) (July 1983)
(ESC-83-013)
Youth employment (Opinion) (June 1983) (ESC-83-011)
Transport policy in the 1980s (Opinion) (March 1983) 99 pp. (ESC 83-003)
Guidelines for Mediterranean agriculture (4 opinions) (September 1982) 64 pp.
(ESC 82-010)
The economic and social situation of the Community (2 opinions) (July 1982)
57 pp. (ESC 82-008)
The promotion of small and medium-sized enterprises (Opinion) (June 1982)
70 pp. (ESC 82-007)
Agricultural aspects of Spain's entry into the EC (Opinion) (February 1982)
107 pp. (ESC 81-017)
The EEC's external relations — Stocktaking and consistency of action (Study)
(January 1982) 139 pp.
Genetic engineering (Colloquy) (October 1981) 120 pp. (ESC 81-014)
Economic pointers for 1982 (Opinion) (August 1981) 32 pp. (ESC 81-010)
Problems of the handicapped (Opinion) (September 1981) ± 46 pp. (ESC 81-013)
Present situation in the Community's building sector (Opinion) (September 1981)
± 24 pp. (ESC 81-011)
Community competition policy (Opinion) (ESC-81-008)
Development policy and working conditions (September 1980) (Opinion) 61 pp.
(ESC 80-012)
The organization and management of Community R&D (February 1980)
(Study) 168 pp. (ESC 80-001)
Agricultural structures policy (November 1979) (Opinion) 90 pp. (ESC 79-003)
Enlargement of the European Community Greece-Spain-Portugal (Septem-
ber 1979) (Study) 75 pp. (ESC 79-002)
The Community's relations with Spain (June 1979) (Study) 112 pp. (ESC 79-001)
Community shipping policy — flags of convenience (April 1979) (Opinion)
170 pp.
Youth unemployment — Education and training (November 1978) (5 opinions)
97 pp.
The stage reached in aligning labour legislation in the European Community
(June 1978) (Documentation) 60 pp.
Monetary disorder (June 1978) (Opinion) 98 pp.
Industrial change and employment (November 1977) (Opinion) 98 pp.
EEC's transport problems with East European countries (December 1977)
(Opinion) 164 pp.
Systems of education and vocational training (August 1976) (Study) 114 pp.

**Obtainable from GOWER Publishing Co. Ltd., 1 Westmead, Farnborough, Hants
GU 147RU:**

Community Advisory Committee for the Representation of Socio-Economic
Interests (UKL 8.50)

European interest groups and their relationship to the Economic and Social
Committee (UKL 25)

Obtainable from EDITIONS DELTA, 92-94 Square Plasky, 1040 Brussels:

Action by the European Community through its financial instruments (Brussels
1979) (BFR 425)

The economic and social interest groups of Greece (BFR 350)

The right of initiative of the ESC (BFR 400)

Obtainable from Kogan Page Ltd., 120 Pentonville Rd., London N1

Directory of European Agricultural Organizations (UKL 39)

Office for Official Publications of the EC

Bulletin (monthly publication)

Annual Report 1983 (ECU 3.93 - UKL 2.30)

Annual Report 1984 (ECU 4.05)

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