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** "It is no part of our vision that blueprints for the structure of the SHIPBUILDING INDUSTRY should be manufactured by civil servants, in Brussels or elsewhere", said Mr Grierson, Director-General for Industrial Affairs in the Commission of the European Communities, in an address to the Association of West Europe Shipbuilders. "The greater European cohesion of your industry must be willed by the industry itself. The Community's role, apart from pointing the way, lies largely in clearing the ground ahead of obstacles. In the close collaboration which I foresee between Community institutions and industry, it becomes important for each of us to understand what the possibilities and limitations of the other are and how a combined hand can be played from strength, not weakness."

A summary of Mr Grierson's speech is given in ANNEX 1.

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The information and articles published in this Bulletin concern European scientific cooperation and industrial development in Europe. Hence they are not simply confined to reports on the decisions or views of the Commission of the European Communities, but cover the whole field of questions discussed in the different circles concerned.

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- ** The Commission has recently held a discussion on the lines which its activities should take in the fields of EDUCATION, SCIENCE AND RESEARCH, on the basis of a paper by Mr Dahrendorf, the Commission Member with special responsibility for these matters. ANNEX 2 gives a brief account of the lines which the Commission has adopted as a basis for further thought and for discussions with the European Parliament, the governments of the Member States and the various interested circles.
- ** ANNEX 3 contains a selection of RECENT PUBLICATIONS added to the Scientific and Technical Library of the Commission of the European Communities. These can be consulted in the Library (1, avenue de Cortenberg, 1040 Bruxelles, Loi Offices, 1st floor, Room 43) or borrowed.
- ** COOPERATION OF COMPANIES WITH RISK CAPITAL FINANCING in the Community was the subject of informal discussions initiated by Mr Grierson, Director-General for Industrial Affairs in the Commission of the European Communities, at a meeting held in Brussels on 14 June 1973. The representatives of industrial federations of Community Member States together with representatives of existing venture capital institutions attended the meeting.

The Commission does not intend to set up a new body but to promote closer cooperation of the existing bodies, in order to facilitate the financing of projects involving risk which are outside the national scope of the Community Member States, in keeping with the ideas expressed in the work programme on industrial development which the Commission recently published in pursuance of the European Summit in October 1972 (see IRT No. 188).

- ** A SUPPLEMENT TO THE PROGRAMME TO REMOVE TECHNICAL BARRIERS TO TRADE IN INDUSTRIAL PRODUCTS has recently been adopted by the Council of Ministers. The increased attention being paid to problems of the

environment, the protection of human health, the intensification of trade between Community countries and the growth of certain industrial sectors prompted the Commission to propose in March 1972 that its action aimed at the removal of technical barriers to trade should be extended to a number of new sectors (see IRT No. 139).

The Council of Ministers has adopted the following sectors: motor cycles, packaging, toys, school supplies, firearms and ammunition (excluding military arms and ammunition), equipment using ionizing rays, equipment and machinery used on building sites, etc., fire-fighting and safety equipment, material and clothing for personal protection, petroleum derivatives used for heating or to power motor vehicles, tableware and kitchen utensils, continuous mechanical conveyor equipment, pleasure boats (motorized and sailing), explosives.

Three sectors which the Commission had proposed to include in this programme supplement because of their special importance for the industrial development of the Community have, however, not been adopted by the Council of Ministers; these are telecommunications equipment, railway equipment, and aircraft, three sectors in which intra-community trade, which is essential for the development of a dynamic and efficient European industry, still remain extremely restricted (see IRT No. 155).

** The Commission has recently submitted to the Council of Ministers a proposal for a Council regulation laying down common principles and a management procedure for the PERIOD OF VALIDITY OF EXPORT GUARANTEES AND CREDITS relating to exports to industrialized countries and state-trading countries. This proposal is the first step towards a coherent and effective agreement between the Community Member States concerning periods of validity for credits.

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The Commission's proposals are based on the following rules:

- the grant of credits and guarantees for operations of export of goods and services to industrialized non-member countries and state-trading countries, the period of validity of which is more than five years, shall be subject to prior consultation in an "Advisory and management committee" functioning in the Commission;
- this consultation, based on a system of mutual information and consultation, is to be backed up by compulsory measures when the final decision is taken.

** THE NET ELECTRICAL CAPACITY OF NUCLEAR POWER PLANTS in operation, under construction and at the planning stage in the enlarged Community is currently 44,269 MWe net. The distribution, by type of reactor, of the capacity in operation and under construction in the enlarged Community has been brought up to date to 15 June 1973 as follows:

Gas graphite	7,730 MWe (23.4%)
AGR	6,234 MWe (18.9%)
Boiling light water	5,833 MWe (17.7%)
Pressurized light water	11,773 MWe (35.7%)
Heavy water	321 MWe (1.0%)
High temperature	313 MWe (0.9%)
Fast breeders	798 MWe (2.4%)
	<hr/>
	33,002 MWe

The following table shows the breakdown of reactor capacity according to degree of completion and country where installed:

	<u>Germany</u>	<u>France</u>	<u>Italy</u>	<u>UK</u>	<u>Netherlands</u>	<u>Belgium</u>	<u>Community</u>
Installed reactors	2,229	2,705	597	5,313	52	10	10,906
Reactors under construction	<u>9,825</u>	<u>2,938</u>	<u>783</u>	<u>6,450</u>	<u>450</u>	<u>1,650</u>	<u>22,096</u>
	12,054	5,643	1,380	11,763	502	1,660	33,002
Reactors on order and at the planning stage	<u>7,260</u>	<u>2,125</u>	<u>632</u>	<u>650</u>	<u>600</u>	-	<u>11,267</u>
	19,314	7,768	2,012	12,413	1,102	1,660	44,269

- ** The Commission has concluded a study contract with the company Walter J. Levy, of Switzerland, concerning a consultancy service on the FACTORS AFFECTING THE COMMUNITY'S OIL SUPPLY CONDITIONS, in particular measures to promote oil prospecting and production, the effects of the lines taken by the United States oil policy, and developments in the producing countries.
- ** Adjusted proposals concerning the new arrangements for COMMUNITY AID FOR COKING COAL AND COKE for the Community's steel industry have recently been forwarded by the Commission to the Council of Ministers, following the decision adopted by the Council on 22 May 1973 (see IRT No. 191).
- ** On the 25th anniversary of its foundation, the International Association of Crafts and Small and Medium-sized Enterprises (IACME) has published a brochure giving information on the function and significance of crafts and small and medium-sized enterprises. This brochure can be obtained from the IACME (98 rue de Saint-Jean, 1211 Genève 11, Switzerland).

THE FUTURE OF SHIPBUILDING IN EUROPE

(from an address by Mr Grierson, Director-General for Industrial Affairs in the Commission of the European Communities, to the Association of West Europe Shipbuilders at Edinburgh on 15 June 1973)

"It is no part of our vision that blue-prints for the structure of the shipbuilding industry should be manufactured by civil servants, in Brussels or elsewhere", said Mr Grierson, Director-General for Industrial Affairs in the Commission of the European Communities, in an address to the Association of West Europe Shipbuilders in Edinburgh on 15 June 1973.

"We would all be kidding ourselves if we believed that there existed men in Brussels or elsewhere who had either the wisdom or the power to make events occur according to their wishes", said Mr Grierson. "The European Community has no magic wand to wave in this respect. The greater European cohesion of your industry must be willed by the industry itself. The Community's role, apart from pointing the way, lies largely in clearing the ground ahead of obstacles. In the close collaboration which I foresee between Community institutions and industry, it becomes important for each of us to understand what the possibilities and limitations of the other are and how a combined hand can be played from strength, not weakness.

"Your industry's vitality depends on its diversity. Whether you merge or do not merge across frontiers is to us a quite secondary matter and there is no point in getting obsessed about structure as such, almost as though industry were a branch of architecture. The essential thing is that you see your problems and possibilities on a European scale and that your forward plans, say for the next 10 years, are conceived in such a way that they represent a genuine European action programme.

"No one disputes that there hangs over your industry the threat of an ugly over-supply situation, but it does not follow that the right way to deal with this is, like King Canute, to try and hold back the advancing waves with a stick - still less to have an argument with them! I do not wish to decry altogether the useful concept of 'orderly marketing', but in an industry as ruthlessly competitive as yours and where instead of a series of national markets, you face one single world market, highly sensitive to price and delivery terms, there may be a limit to what parleying can achieve and one may have to go ahead and act according to one's judgement.

"The motto should be 'live and let live' - but both ways. By all means, let us be tolerant of competition - and riposte to it from a position of strength. Our aim must be to build up the power of the European shipbuilding industry to the point where it can take on all comers. If meanwhile our overseas competitors make the mistake of increasing their own capacity to excess, they take the risk - just as we would in the reverse situation. It is a free world but wrong judgements must be paid for.

"Suppose then that the industry produces a kind of European 'game plan' or strategy. How could this be supported from Brussels?

"To begin with, no one would deny that the Commission disposes of influence and this can be used with much greater effect than hitherto vis-à-vis both governments and industries. Indeed a great deal of masterminding can thus be achieved without formal legislation. It has not yet been completely understood in industrial circles that the Commission's rather unique 'multi-access' character, enabling it to have contacts separately with both industry and governments, creates an entirely novel pattern for consultation. It means that industrialists must in a sense choose between lobbying their own governments in the hope that they in turn will lobby Brussels - or alternately lobbying Brussels

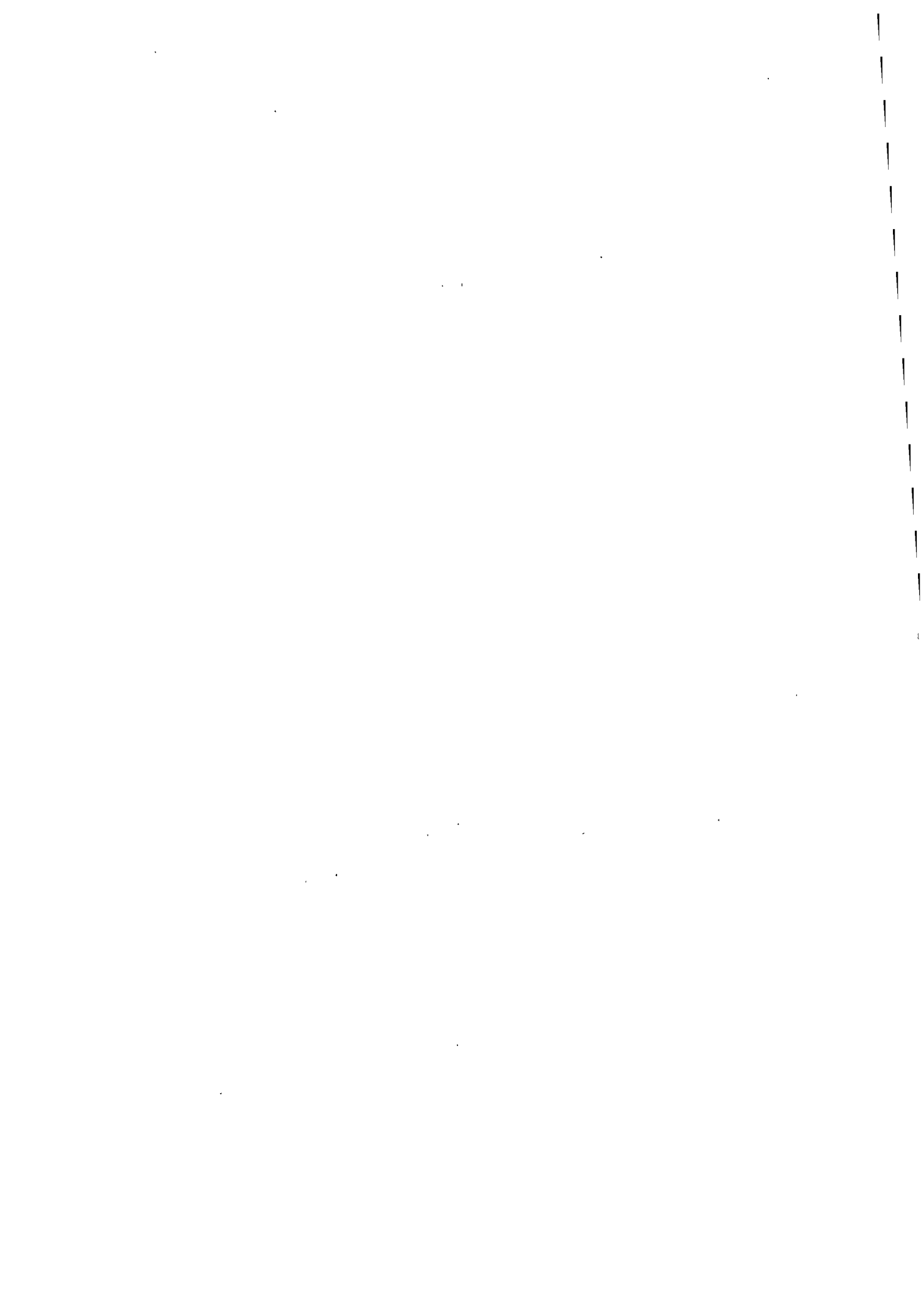
in the hope that Brussels will successfully lobby their own capitals. Experience has shown that in practice both routes are tried and in the present formative stage of European institutions this is a healthy arrangement. Certainly we in Brussels intend to exert our influence in support of sound European ideas, regardless of whether they originate from Member States or from the industries themselves.

"But influence is not our only resource. The Community also disposes of an impressive network of financial institutions, led by the European Investment Bank and the European Social Fund (and shortly to be joined by the European Regional Fund), all endowed with substantial finance. Here too there is no reason why the urgency of your industry's needs, seen against the background of a successful rehabilitation programme, should not be brought to the special attention of these and similar bodies.

"As you see, in spite of not being by any means a European Government yet, we are not that badly off for coming to your support!

"Of course we must keep our sense of proportion about this. The fact that the Heads of Government have asked us to busy ourselves with certain industries does not automatically make us effective. The mandate, as expressed by the Summit, is to create a 'European industrial base'. Easier said, you will admit, than done! The point I wish to impress on you in this context today is that the Commission's shortage of visible powers - and indeed it is not conspicuously over-endowed with these - need not necessarily handicap its pursuit of a more active course.

"To sum up: we should be at the outset of a great combined operation to assert the strength of Europe's shipbuilding industry and to assure it a share of the world market which its growing efficiency merits. We should ask for no charity from our competitors but demonstrate by our effort that we can maintain our strength come what may."



THE LINES OF A COMMISSION WORK PROGRAMME CONCERNING
EDUCATION, SCIENCE AND SCIENTIFIC RESEARCH

On the basis of a paper by Mr Dahrendorf, the Commission member with special responsibility for these matters, the Commission has recently held a discussion on the lines which its activities should take in the fields of education, science and research.

The Commission adopted the following lines as a basis for further thought and for discussions with the European Parliament, the governments of the Member States and the various interested circles.

1. Education, training and cultural affairs

The problems of education are currently of capital importance in all the industrialized countries. Although, at the present stage, the European Community can make only a very limited direct contribution to their solution, it can nevertheless usefully exert its influence in a number of fields:

- by compiling a comprehensive statistical digest of the necessary data on the present state and future progress of education in the Member States;
- by taking a share in the reform of education in certain important sectors, notably those with a bearing on common policies;
- by helping to build Europe by showing the European dimension of culture;
- by achieving freedom of movement for graduates and students and the mutual recognition of degrees and diplomas;
- by promoting the process of European integration, by improving mutual understanding and encouraging cooperation between the institutions of different states;

- by coordinating and in part harmonizing occupation-centred teaching; this constitutes an important supporting policy for other sectors of Community activity;
- by cooperation with non-member countries, in particular with the developing countries in the fields of education and culture, e.g., increasing the number of scholarships and providing experts.

In order to carry out these tasks, plans are being made to attach to the Commission a leading European figure to provide permanent consultancy in matters of education and training, and to convene periodically a "think-tank" consisting of a number of personalities selected in the Member States.

2. Science, research and development

- (a) The development of a common scientific policy involves, in particular, enhancing the effectiveness of fundamental research by cooperation between Member States. It is especially necessary to facilitate the mobility of research workers and encourage international meetings in the Community; to stimulate concerted action and European cooperation projects; to provide a link between laboratories suited for specialized research at European level; to ensure the coordination of efforts in the case of costly long-term projects and to share the use of costly major installations.

The Commission is favourable to a cooperative arrangement between the West European research boards and academies. In order to promote this cooperation, the Community should be in a position to share, through suitable contributions, in the project for a European Science Foundation devoted to fundamental research. The Community should also create a permanent forum for discussions and information on scientific policy.

(b) With regard to oriented scientific research and technological development, on which a rational solution to most of the policy problems of the moment and the precursor elements of future solutions directly or indirectly depend, it is necessary to define the requirements to be met in order of priority, taking into account two major points:

- innovations to meet social requirements in the fields of the environment, health, education, urban development, i.e., fields which help to improve the quality of life and the protection of natural resources;
- innovations in industry, to provide higher efficiency, and to raise technological standards.

With these aims in view, the Community should concern itself with three broad themes:

- Europe in 30 years' time, a study to be carried out in the context of research on research: all R&D policies should be aimed basically at the future; an examination is thus required of the problems arising for mankind if we are still to live free and prosperous in 30 years' time, as well as a definition of the priorities of a common policy and the creation of the instruments necessary for its constant supervision.

A continuous study carried out in the Community, determining from a reference year the conditions anticipated in 30 years' time ("Europe + 30") for the main sectors of society (education, environment, urban development, health, information, transport, agriculture, leisure, etc.) would constitute the foundation for the framing of a long-term R&D policy.

- Contributions to the Community's sectoral policies: A number of Community sectoral policies embody an overall conception which permits the requirements and problems to which an answer is required to be determined and defined, and decisions to be made accordingly on R&D projects likely to provide answers: they are the energy policy, development policy, industrial policy, information policy, agricultural policy, regional policy, social policy, and environment policy.

 - Scientific services and infrastructures: information processing and dissemination, data acquisition and processing, standardization etc.
- (c) The coordination of national policies requires a continuous screening of national and Community R&D objectives in the light of general socioeconomic objectives and the maintenance of consistency between objectives and the options chosen. A scientific research coordinating committee should be set up to carry out this permanent task; it should consist of national senior officials responsible for R&D policy in their respective countries and Commission representatives. It would replace the Working Party on Scientific and Technical Research Policy (the PREST Group) of the Medium-term Economic Policy Committee.

Projects of Community interest will be carried out both in a direct form in the Community's facilities (the Joint Research Centre endowed with structures and objectives suited to the needs that emerge) and in the form of indirect projects, with a flexible method of financial intervention by the Commission in the institutions, laboratories, and other bodies of the Member States.

The Community should also in the future possess an information system responsible for acquiring and processing all the necessary data on the scientific and technical infrastructures of the Member States and all information concerning their research policy (financing, manpower, policy lines, etc.); in addition, in cooperation with the national institutes and centres and with the European Research and Development Committee, a conception and planning office should be set up in the Commission's departments with the task of evaluating development potential, long-term technological forecasts, possible or desirable options (cost/benefit analyses, human and financial resources required, etc.) and the priorities to be taken into consideration.

3. Scientific and technical information

Action must be taken in the next ten years to endow the Community with an infrastructure suited to the modern industrial society and one which in particular ensures the efficient circulation of scientific and technical information. There should be a sort of common information market. For this purpose the cooperation of the Member States at European level should be improved and a concerted attitude towards non-member countries should be worked out. The social, political, and economic problems affecting information management, as they will arise in one or two decades, in particular as a result of the development and generalized application of computer science, should also be examined at Community level.

So that these tasks may be carried out, there are plans to transform the present Directorate-General for the Dissemination of Information into a Directorate-General for Scientific and Technical Information and Information Management.



RECENT PUBLICATIONS

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Energiefragen, Essen, 1973

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Duncker & Humblot, Berlin, 1972

US Energy Outlook (EU 17266)
A Summary Report
National Petroleum Council, Washington, DC, 1972

Energy Crisis in America (EU 17324)
Congressional Quarterly, Washington, DC, 1973

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Les Cours de Droit, Paris, 1972

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Handbook of Analytical Toxicology (EU 15220 D)
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