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** The Community, with the legal instruments available to it, cannot afford to disregard the need to IMPROVE THE QUALITY OF LIFE of its own citizens once it has brought man, with his spiritual and material requirements, into the arena of European construction.

This was the burden of the speech given by Mr Scarascia Mugnozza, vice-president of the European Commission, on 18 July 1973 when he opened the session of the Council of Ministers of the Community dealing with the Community's PROGRAMME OF ACTION ON THE ENVIRONMENT (see IRT No. 185).

The Council of Ministers has adopted the whole of the programme as forwarded by the European Commission in a policy paper which is reprinted in full in ANNEX 1.

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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SANTIAGO DI CHILE

** THE GROWING NUMBER OF MERGERS and the increased pace at which they are coming about necessitates the implementation of more up-to-date and detailed legislation in this field. The European Commission therefore recently forwarded a proposal for a Regulation on THE CONTROL OF INDUSTRIAL MERGERS to the Council of Ministers of the Community. Details of the proposal are given in ANNEX 2.

** ANNEX 3 gives a selection of RECENT PUBLICATIONS acquired by the scientific and technical library of the Commission of the European Communities. These works may be consulted at the library (1, avenue de Cortenberg, 1040 Brussels, Loi Offices, Room 1/43) or borrowed.

** The Commission has decided to grant a loan of 1,887,500 FF to the Banque fédérative de Crédit mutuel for the benefit of French iron and steel workers (SOLMER) at Fos-sur-Mer.

The loan is part of the European Coal and Steel Community (ECSC) Programme for FINANCIAL AID FOR THE CONSTRUCTION OF SOCIAL HOUSING.

In addition, the Commission has given approval for financial aid to be granted to four series of projects for the construction of 902 social housing units:

- Germany (miners in the Aachen basin): 6 dwellings (36,000 DM)
- Belgium (miners in the Limburg basin): 160 dwellings (48 million FB)
- France (Fos-sur-Mer iron and steel workers): 190 dwellings
(1.9 million FF)
- Netherlands (Ijmuïden iron and steel workers): 546 dwellings
(1 million Fl)

Between 1955 and 31 December 1972, the Commission granted financial aid for the construction of 122,584 social housing units for workers in both the coal and the steel industries.

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** The European Commission is attaching increasing importance to the prevention of INTERNATIONAL TAX FRAUDS by more extensive tax controls and the restriction of manipulations which benefit from international variations in the rates of tax (international tax evasion); it is a problem which is increasingly evident in tax, economic and political circles (see IRT No. 197). The Commission recently took a fresh initiative in this field when it carried out a detailed study, with experts from the Community Member States, of how and to what extent measures aimed at harmonizing international tax control and tax evasion could be put into effect.

The above information was given by the Commission in an answer to a written question from Mr Vredeling, a member of the European Parliament. The Commission states its firm intention to complete the work which is already in progress or to be undertaken very shortly in order that, where possible, specific community solutions may emerge. It also proposes, where necessary, to commission specialists to study some problems in greater detail. No estimate can be given at this stage of how long it will take to complete the work or of the results. The problems cover a host of complex and extremely difficult questions for which, as far as is known, there are no model solutions on an international level. In addition, a compromise will have to be found between major contradictory aspects. For this reason the Commission will have to follow the experience of national tax administrations if it is to make any proposals.

** The size and urgency of the problems facing the EUROPEAN SHIPBUILDING INDUSTRY (see IRT No. 168) have recently led the European Commission to step up its consultations with all parties concerned in this sector, which plays a fundamental role in the European economy.

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While there is no blanket formula for solving the problems of the shipbuilding industry and although its structural evolution cannot be defined by any central administration but must come from within the industry itself (see IRT No. 197), nevertheless the European Commission must, in order to fulfil the task assigned to it by the Summit Conference held in Paris last October (see IRT No. 162), try to impart some European direction and dimension to efforts which have already been undertaken at the national level for re-equipping and modernizing the industry. This could entail cross-frontier harmonization of production and would certainly mean that the rate of modernization would have to be speeded up.

In order to provide a sound foundation for the future of the European shipbuilding industry on a truly competitive basis, a European action programme to cover the next four years or so should be drawn up jointly by all parties concerned, including national governments. Consensus is essential if a project is to emerge which, among other things, would have to comply with the provisions of the Treaty of Rome regarding state aid programmes.

In order to equip itself with the machinery for negotiating such a consensus, the European Commission has set up a working party under the responsibility of Mr R.H. Grierson, Director-General for Industrial Affairs at the Commission; the working party is to establish more intensive contacts with all parties concerned (industry, labour unions, government), and to create the right climate for the development of an action programme. The working party will have two immediate briefs:

- to investigate, with the industry, how the leverage which the European Commission has in other industries, particularly with shipowners and suppliers of basic equipment, can be most effectively used in support of an action programme;

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- to study how the considerable resources which are or will be available to the Community (European Investment Bank, Social Fund, Regional Fund) can be most effectively used for backing shipyard modernization and financing exports from the shipbuilding industry.

- ** The first EUROPEAN SYMPOSIUM OF SMALL AND MEDIUM-SIZED INDUSTRIAL FIRMS will be held in Brussels on 4 and 5 October under the auspices of the Liaison Committee for small and medium-sized industrial firms in the Community (EUROPFI). The symposium will consist of a debate ranging over the options and instruments available for a suitable European industrial policy for small and medium-sized firms and will be attended by a large number of national and European experts. The symposium is open to anyone interested in this field. (Additional information can be obtained from EUROPFI, 67A rue Joseph II, B-1040 Brussels, tel. 11.97.26.)

- ** The European Investment Bank has signed a loan agreement worth the equivalent of £3.5 million (7.14 million u.s.) with the Industrial and Commercial Finance Corporation Ltd (ICFC), London. This FIRST OPERATION OF THE EUROPEAN BANK IN THE UNITED KINGDOM is a global loan which the ICFC will use, after approval by the European bank, to finance small and medium-scale projects in underdeveloped regions or in areas which are having to abandon traditional activities.

- ** Comparative tables of SOCIAL SECURITY SCHEMES applicable in the Member States of the European Communities (general scheme), which were revised on 1 July 1972, have recently been published by the European Commission. The document is available from the Official Publications Office of the European Communities (P.O. Box 1003, Luxembourg), price 30 FB.

** A document entitled RELIABILITY AND SAFETY - FACTORS FOR SYSTEM ERGONOMICS IN AN INDUSTRIAL ENVIRONMENT was recently published by the European Commission in the series "Studies on Industrial Physiology and Psychology". This document is the result of four studies carried out with the aid of the Coal and Steel Community. The aim of the document is to publicize certain methods of analysis and interpretation regarding the reliability of man/machine systems and, consequently industrial safety, which might help to improve accident prevention and conditions of work in general. The document (Ref. No. EUR 4949) is available in five languages at a price of 125 FB from the Official Publications Office of the European Communities (P.O. Box 1003, Luxembourg).

EUROPE OF THE ENVIRONMENT IS BORN

The Community, with the legal instruments available to it, cannot afford to disregard the need to improve the conditions of life of its own citizens once it has brought man, with his spiritual and material requirements, into the arena of European construction.

This was the burden of the speech given by Mr Scarascia Mugnozza, vice-president of the European Commission, on 18 July 1973 when he opened the session of the Council of Ministers of the Community dealing with the Community programme of action on the environment (see IRT No. 185).

The Council of Ministers has adopted the whole of the programme as forwarded by the European Commission in a policy paper which is reprinted below in full:

Declaration of the Council and of the Representatives of the Governments of the Member States meeting in Council

The Council and the Representatives of the Governments of the Member States meeting in Council declare that the actions which will follow from the programme annexed hereto* will in some cases have to be carried out at Community level and in others by the Member States.

Member States will ensure the proper execution of actions to be carried out by them, given that the Council exercises the powers of coordination laid down in the Treaty in respect of such actions.

As regards actions to be carried out by the Institutions,

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaties establishing the European Communities;

*This programme was summarized in IRT No. 185.

Having regard to the draft of the Commission on a European Community programme of action on the environment;

Having regard to the Opinion of the European Parliament;

Having regard to the Opinion of the Economic and Social Committee;

Whereas the Heads of State or of Government meeting in the Paris Summit Conference of 19 and 20 October 1972 emphasized the importance of a Community programme on the environment and to this end invited the Institutions to establish a programme of action with a detailed timetable before 31 July 1973;

Whereas the Ministers of the Member States of the enlarged European Community responsible for matters relating to environmental protection met in Bonn on 31 October 1972 in the hope of facilitating implementation of the final declaration of the Heads of State or of Government and in view of the conclusions reached by the Bonn conference, which are summarized in the Communiqué adopted at that conference;

Considering the tasks of the European Communities as laid down in the Treaties establishing the Communities;

Whereas, in particular, Article 2 of the EEC Treaty provides that one of the main tasks of the European Economic Community is to promote the harmonious development of economic activities throughout the Community and also a continuous and balanced expansion, which can no longer be ensured without effective measures against pollution and nuisances and an improvement in the quality of life and in environmental protection;

Whereas, therefore, improvement of the quality of life and protection of the natural environment are two of the fundamental tasks of the Community; whereas, to this end, a Community policy on the environment should be implemented;

Whereas the actions included in the abovementioned programme must be implemented in accordance with the provisions of the Treaties;

APPROVES the aims and principles of a Community environment programme and the general description of the actions to be undertaken at Community level, as defined in the programme annexed hereto;

APPROVES the concrete proposals for action in the programme regarding the reduction of pollution and of nuisances and the relevant priorities defined therein;

APPROVES the specific guidelines for action regarding improvement of the environment;

NOTES that the Commission will, within its sphere of competence, be responsible for implementing the programme in accordance with the procedures and the timetable contained therein and that it will subsequently forward suitable proposals.

UNDERTAKES to give a decision on the abovementioned proposals within nine months of their being forwarded by the Commission.

A PROPOSAL FROM THE EUROPEAN COMMUNITIES ON THE CONTROL OF
INDUSTRIAL MERGERS

The growing number of mergers and the increased pace at which they are coming about necessitates the implementation of more up-to-date and detailed legislation in this field. The European Commission therefore recently forwarded a proposal for a regulation on the control of the industrial mergers to the Council of Ministers of the Community.

The European Commission is of the opinion that, in view of the present development of concentration, the present system of controls can no longer guarantee "the institution of a system ensuring that competition in the common market is not distorted" (Article 3(f) of the EEC Treaty). As it has already pointed out on several occasions, the Commission believes that the common market needs firms of European dimensions. The strengthening of the competitive potential of firms via concentration is definitely desirable as a method of integrating the markets. However, freedom of choice and of activity for consumers, suppliers and purchasers within the common market must be protected.

The proposed regulation is based on Articles 87 and 235 of the EEC Treaty, and in essence states that:

- Merger operations which give the firms concerned the power to hinder effective competition within the common market are incompatible with the common market, in so far as trade between Member States is liable to be affected;
- Mergers which are not liable to give the firms concerned the power to hinder effective competition are excluded from the scope of application of the Regulation. The regulation specifies to this end that such

exclusion automatically applies to all mergers where the firms in question have an annual turnover of less than 200 million u.a. and do not control more than 25% of the market in another member country;

- The Commission may rule that mergers which prove to be essential if different Community objectives are to be coordinated shall not be incompatible, particularly in the context of common policies adopted by the Community;
- A system of prior control for large merger operations is set up.

To this end, the draft provides for prior notification of merger operations, where the firms concerned have a combined annual turnover of one thousand million u.a. This prior notification is accompanied by a suspension of three months during which the firms must suspend plans for the merger, unless the Commission has previously informed them that they may go ahead with it;

- Where the Commission considers that a merger could prove to be incompatible with the maintenance of effective competition, it will commence proceedings lasting a maximum of nine months. As regards notified mergers, the Commission will undertake the investigation at the end of the three months suspension at the latest. Commencement of proceedings does not prejudge whether or not the operation is incompatible and does not normally have a suspensory effect, unless the Commission adopts a decision suspending the merger until a final decision from the Commission emerges;
- The Commission may, at the end of the proceeding, either discontinue proceedings or find that a concentration move is incompatible, and possibly order a return to the pre-merger state. It can also exempt from this category of incompatibility those mergers which are essential for achieving aims of general interest in the Community.

RECENT PUBLICATIONS

acquired by the scientific and technical library of the Commission of the European Communities. These works may be consulted at the library (1, avenue de Cortenberg, 1040 Brussels, Loi Offices, Room 1/43) or borrowed.

GENERAL

Le Marché Commun contre l'Europe (EU 17411 (58))
Jaumont, Bernard & Lenegre, Daniel & Rocard, Michel
Editions du Seuil, Paris, 1973

Le paradigme perdu: La nature humaine (EU 17427)
Morin, Edgar
Editions du Seuil, Paris, 1973

ENVIRONMENT

Toward Global Equilibrium: Collected Papers (EU 17432)
Meadows, Dennis L. & Meadows, Donella H. (Ed.)
Wright-Allen, Cambridge, Mass., 1973

POLLUTION

Energiewirtschaft und Umwelt (EU 997 (16))
Vorträge und Diskussionsbeiträge der 16. Arbeitstagung
am 23. und 24. September 1971 in der Universität Köln
UNIVERSITÄT KOELN - Energiewirtschaftliches Institut
Oldenburg, Munich, 1972

Air Pollution and Industry (EU 14870 B)
Ross, R.D. (Ed.)
Van Nostrand Reinhold, New York, NY, 1972

NUCLEAR ENERGY

Atomic Energy Legislation through 92nd Congress,
2nd Session (EU 439 (87-189-0))
US CONGRESS - Joint Committee on Atomic Energy
USGPO, Washington, DC, 1973

RADIATION PROTECTION - RADIOACTIVE WASTE

Symposium on the Management of Radioactive Wastes
from Fuel Reprocessing (EU 17421)
Colloque sur la gestion des déchets radioactifs résultant
du traitement du combustible irradié, Paris, 27 November - 1 December 1972
ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT &
INTERNATIONAL ATOMIC ENERGY AGENCY - OECD, Paris, 1973

PHYSICS

Physik 1972 (EU 17413 (9)) - (Trends in Physics)
Plenarvorträge der 2nd General Conference of EPS
Wiesbaden 1972
EUROPEAN PHYSICAL SOCIETY, Geneva, 1973

The Science and Technology of Superconductivity (EU 17422 (1))
Proceedings of a Summer Course held at Georgetown University,
Washington, DC, 13-26 August 1971 - Vol. 1 and Vol. 2
Gregory, W.D. & Mathews, W.N. & Edelsack, E.A. (Ed.)
Plenum Press, New York, NY, 1973

DATA PROCESSING

Système PASCAL (EU 17391) - Accès à l'information
CENTRE NATIONAL DE LA RECHERCHE SCIENTIFIQUE, Paris, 1973

Computers in bibliotheek en documentatie (EU 17400)
Van Bremen, D.R.F. & Sicking, I.M.C.J.
Kluwer, Deventer, 1973

IBI-ICC First World Conference on Information in
Government (EU 17418 (1)1) & (EU 17418 (1)2) & (EU 17418 (1)3))
Florence, 16-20 October 1972 - Part 1 & Part 2 & Part 3
INTERGOVERNMENTAL BUREAU FOR INFORMATICS, INTERNATIONAL
COMPUTATION CENTRE, Rome, 1972