

# industry research and technology

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- \*\* The Commission of the European Communities recently proposed to the Council the establishment of a JOINT UNDERTAKING SCHEME covering the Community's multinational undertakings which provide public services or carry out industrial and commercial activities of major importance to the public interest. Particulars are given in ANNEX 1.
- \*\* The Community countries' IMPORTS OF ENRICHED URANIUM for 1970 exceeded 5,000 kg of U<sup>235</sup>, a 54% rise over the previous year. IMPORTS OF PLUTONIUM from the USA and United Kingdom dropped sharply, however. This emerges from a note published by the Statistical Office of the European Communities, which is summarized in ANNEX 2.
- \*\* The senior officials representing the 19 countries invited by the Community to explore the possibility of EUROPEAN COOPERATION IN SCIENCE AND TECHNOLOGY are to meet in Brussels on 22-24 September in order to finalize firm proposals for agreements on such co-operation, which will then be submitted for formal decision to

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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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a conference of ministers from the 19 countries, scheduled for 22 and 23 November (see in particular "Industry, Research and Technology" Nos. 64 and 98).

\*\* A proposed directive on the approximation of the Member States' laws governing the certification and marking of CABLES, CHAINS, HOOKS and their accessories was recently sent to the Council of Ministers by the Commission of the European Communities, as part of the scheme to ELIMINATE TECHNICAL OBSTACLES TO TRADE. A mark of approval and certification will be granted in respect of those items meeting the common standards, after which the Member States will no longer have the power to prohibit or restrict their marketing. Each country retains the right, however, to keep its own national regulations in force concurrently with the Community ones.

\*\* AROUND 100 NUCLEAR POWER STATIONS IN OPERATION IN EUROPE BY 1985: Conventional stations will no longer be capable of meeting the growing energy needs of industrial society. Two problems will therefore be given particular attention by the authorities, namely, the sites earmarked for nuclear installations and the storage of radioactive waste.

These were among the points made by Mr Coppé, a Member of the Commission of the European Communities, in a speech to the International Symposium on RADIOECOLOGY APPLIED TO THE PROTECTION OF MAN AND HIS ENVIRONMENT, which opened in Rome on 7 September and was organized by the Commission of the European Communities in collaboration with the Comitato Nazionale per l'Energia Nucleare (CNEN). Representatives from political and scientific circles, together with delegates from more than 25 countries, attended the opening of the Symposium, which examined the question of how far experience obtained in the field of radioecology can be used to benefit man and his environment. Mr Coppé also stressed the fact that the Commission, both in its five-year programme of

research in biology and health physics and the recent papers on social policy and the environment, has spoken out in favour of limiting those economic considerations that would be prejudicial to essential human and social values.

\*\* The Consultative Committee of the European Coal and Steel Community (ECSC) is to meet in Luxembourg on 24 September. It will be briefed by Mr Haferkamp, Vice-President of the Commission of the European Communities with special responsibilities for energy problems, on the Community's energy situation and the implementation of a COMMON ENERGY POLICY, and the Commission's activities covered by the ECSC Treaty.

\*\* The problem of WATER POLLUTION will be discussed at a European interparliamentary symposium to be held in Rome on 25-27 September by the Italian Chamber of Deputies. Attending will be members of parliament from the Community countries, the United Kingdom and Switzerland, and representatives of the Council of Europe. Mr Spinelli, the Member of the Commission of the European Communities with special responsibilities for industry and research, is to address the Symposium.

The Creation of Joint Undertakings in the Fields Covered  
by the Treaty Establishing the European Economic Community

(recently proposed to the Council of Ministers  
by the Commission of the European Communities)

The Commission recently submitted to the Council of Ministers a proposal for the institution of a Joint Undertaking scheme to help multinational companies which are engaged in fields covered by the Treaty establishing the European Economic Community and which take responsibilities of major risks in the public interest. This would be done by providing means for them to operate on a Community basis in accordance with the Joint Undertaking status provided for in the Euratom Treaty. The proposal is in the general context of the implementation of a common industrial policy, which is aimed in particular at the promotion of technological development and the provision of raw materials, as well as raising the efficiency of public services, among other things by providing the legal means for facilitating cooperation between, or the reorganization of, companies or bodies in the Member States, the need for which is making itself increasingly felt.

The creation of the European Limited Company, planned for the near future (see "Industry, Research and Technology" No. 62), will solve only some of the problems arising out of international cooperation. The Joint Undertaking scheme, the application of which was recently proposed by the Commission of the European Communities, seems more appropriate in the case of multinational companies providing public services or carrying out industrial and commercial activities affecting the public interest to a major extent, thus possibly warranting the grant of certain benefits.

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Joint Undertakings could be established only in two well-defined cases:

1. The complete or partial pooling of the public service operations of different countries' establishments, companies or national agencies, or the institution of new operations of this type. The ever-increasing interpenetration of the member countries' economies indicates that in the future a number of specific exercises of a public-service nature can be carried out efficiently and coherently only within the wider setting of the Community, the reason being that the problems involved are multinational. Such operations will be found necessary in fields such as transport, telecommunications, personal and public health, the environment, the dissemination of information, etc., which are either outside or on the periphery of the competitive sector of the economy.

The proposed Joint Undertaking system provides suitable legal means while making it possible for the Community to contribute towards financing, in a manner similar to countries with their national public services. The admission of non-member states or international organizations could be considered, each case being decided on its own merits.

2. The establishment of undertakings which involve the participation of companies or bodies belonging to at least two Community States and which are designed to carry out a major activity serving the common interest of Europe either in technological development or in the supply of raw materials other than hydrocarbons.

The proposed application of the Joint Undertaking system to such companies is intended to offer a form of organization and, where appropriate, benefits to help projects which require the backing of the public authorities owing to the exceptional risks involved.

(Note that last July the Commission of the European Communities sent to the Council of Ministers a proposal providing for the granting of Joint Undertaking status for activities in the hydrocarbons industry -- see "Industry, Research and Technology" No. 109.)

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The proposed legal status features four main points:

1. The Joint Undertaking shall enjoy, throughout Community territory, the most extensive rights and powers granted to corporate bodies in each country.
2. The Community, acting as such, shall be entitled to contribute financially towards a public service or an industrial venture. This support may take the form either of subscribing to the capital or of providing a launching or operating subsidy.
3. The Statute permits a non-member country, an international organization or a national of a non-member country to participate in the establishment, financing and management of a Joint Undertaking, a fact which may be of great benefit to the establishment of European public services or advanced technology projects or raw material supplies. The only proviso laid down in this connection is the need for a unanimous decision by the Council.
4. Subject to a unanimous decision by the Council, each case being decided individually, one or more of the following benefits or privileges may be granted, where appropriate:
  - certain privileges linked with the public interest;
  - tax concessions;
  - easement of customs regulations;
  - low-interest loans and loan guarantees provided by the Community.

The Supply of Enriched Uranium and Plutonium to the  
Community Countries

(based on a note published by the Statistical Office  
of the European Communities)

The Community countries' enriched uranium imports in 1970 amounted to more than 5,000 kg of U<sup>235</sup>, representing about 185,000 kg of total uranium. This showed a hefty increase (+54%) over the previous year, which was due to the large rise in the Community's requirements. Imports whose ultimate destination was some point in the Community practically doubled between 1969 and 1970, chiefly in order to meet the demand for fuel for the power reactors in service and under construction. As shown by the table below, the quantities imported in 1970 were almost entirely intended to cover the Community's needs, whereas 24% of the 1969 imports were ultimately used in non-member countries after processing in Community plants.

The Community's enriched uranium imports, 1966-70 (kg U <sup>235</sup> )			
Year	Total	Breakdown by ultimate destination	
		Community	Non-member countries
1966	4,012	.	.
1967	3,571	.	.
1968	1,638 (100%)	1,607 (98%)	31 (2%)
1969	3,255 (100%)	2,477 (76%)	778 (24%)
1970	5,004 (100%)	4,987 (99.7%)	17 (0.3%)
1969/68	+98%	+54%	
1970/69	+54%	+101%	



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These imports still come mainly from America, with deliveries carried out under the Euratom-US Agreement for Cooperation. In 1970 almost all of the enriched uranium in question was imported under toll enrichment contract, compared with 59% in 1969; the users of enriched uranium are tending increasingly, for economic reasons, to obtain their natural uranium on the world market and have it enriched on a toll basis in US plants. Few deliveries, accounting for 130 kg of U<sup>235</sup> or 2.4% of total imports, were made under lease or purchase contracts with the USAEC.

On the other hand, 1970 saw a sharp drop in the Community's imports of plutonium from the USA and the United Kingdom compared with previous years, these falling from 169 kg in 1966 to 38.8 kg in 1970. Supplies of plutonium, once a rare and expensive fissile material, now tend to exceed demand. In view of the present development of enriched-uranium reactors, the Community will probably be able to meet its own plutonium requirements in the near future. Plutonium recycling in thermal reactors will probably be necessary even before the large fast-reactor plants come into service.

At present plutonium is used only for the fabrication of fuel elements for prototype reactors (in Germany) and for research (in other countries).

The Community's plutonium imports (kg of plutonium)				
Year	Country of origin			Total
	USA	United Kingdom	Other non-member countries	
1966	166.4	2.6	-	169.0
1967	6.2	7.7	-	13.9
1968	83.6	-	-	83.6
1969	112.9	24.3	7.8	145.0
1970	32.4	5.8	0.6	38.8