

EUROPEAN COMMUNITIES

BULLETIN

1

ECONOMIC AND
S O C I A L
C O M M I T T E E



CES: 1

EN

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Origins

The ESC was set up by the 1957 Rome Treaties in order to involve economic and social interest groups in the establishment of the common market and to provide institutional machinery for briefing the European Commission and the Council of Ministers on European Union issues.

The Single European Act (1986) and the Maastricht Treaty (1992) reinforced the ESC's role.

Membership

The 222 members (193 men, 29 women) of the ESC are drawn from economic and social interest groups in Europe. Members are nominated by national governments and appointed by the Council of the European Union for a renewable 4-year term of office. They belong to one of three Groups: Employers (Group I - President: Manuel Eugénio Cavaleiro Brandão - Portugal), Workers (Group II - President: Roger Briesch - France), Various Interests (Group III - President: Beatrice Rangoni Machiavelli - Italy). Germany, France, Italy and the United Kingdom have 24 members each, Spain has 21, Belgium, Greece, the Netherlands, Portugal, Austria and Sweden 12, Denmark, Ireland and Finland 9 and Luxembourg 6.

The members' mandate

The main task of members is to issue opinions on matters referred to the ESC by the Commission and the Council.

It should be noted that the ESC is the only body of its type which advises the EU Council of Ministers directly.

Advisory role

Consultation of the ESC by the Commission or the Council is mandatory in certain cases; in others it is optional. The ESC may, however, also adopt opinions on its own initiative. The Single European Act (17.2.86) and the Maastricht Treaty (7.2.92) have extended the range of issues which must be referred to the Committee, in particular the new policies (regional and environment policy). On average the ESC delivers 145 advisory documents a year (of which 15% are issued on its own-initiative). All opinions are forwarded to the Community's decision-making bodies and then published in the EU's Official Journal.

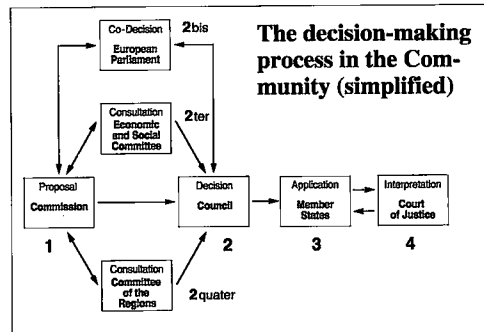
Information and integration role

Over the last few years the ESC has stepped up its role in the European Union and has transcended the straight forward duties flowing from the Treaties. It acts as a forum for the single market and has hosted, with the support of other EU bodies, a series of events aimed at bringing the EU closer to the people.

Internal organization

1. Presidency and bureau

Every two years the ESC elects a bureau made up of 36 members (12 per group), and a president and two vice-presidents chosen from each of the three groups in rotation.



The president is responsible for the orderly conduct of the Committee's business. He is assisted by the vice-presidents, who deputize for him in the event of his absence.

The president represents the ESC in relations with outside bodies.

Joint briefs: relations with EFTA, CEEC, AMU, ACP countries, Latin American and other third countries, and the Citizens' Europe fall within the remit of the ESC bureau and the president.

The bureau's main task is to organize and coordinate the work of the ESC's various bodies and to lay down policy guidelines for this work.

2. Sections

The Committee has nine sections:

- Economic, Financial and Monetary Questions - secretariat tel. 546.92.27
(President: Göke Frerichs - Group I - Germany)
- External Relations, Trade and Development Policy - secretariat tel. 546.93.16
(President: John F. Carroll - Group II - Ireland)
- Social, Family, Educational and Cultural Affairs - secretariat tel. 546.93.02
(President: Mrs H.C.H. van den Burg - Group II - Netherlands)
- Protection of the Environment, Public Health and Consumer Affairs secretariat tel. 546.96.57
(President: Manuel Atafde Ferreira - Group III - Portugal)
- Agriculture and Fisheries - secretariat tel. 546.93.96
(President: Pere Margalef Masià - Group III - Spain)
- Regional Development and Town and Country Planning secretariat tel. 546.92.57
(President: Robert Moreland - Group III United Kingdom)
- Industry, Commerce, Crafts and Services - secretariat tel. 546.93.85
(President: John Little - Group I - United Kingdom)
- Transport and Communications secretariat tel. 546.93.53
(President: Eike Eulen - Group II - Germany)
- Energy, Nuclear Questions and Research - secretariat tel. 546.97.94
(President: José Ignacio Gafo Fernández - Group I - Spain)

3. Study groups

Section opinions are drafted by study groups. These usually have 12 members, including a rapporteur who may be assisted by experts (usually four with a maximum of six).

4. Sub-committees

The ESC has the right to set up temporary sub-committees, for specific issues. These sub-committees operate on the same lines as the sections.

5. Plenary session

As a rule, the full Committee meets in plenary session ten times a year. At the plenary sessions, opinions are adopted on the basis of section opinions by a simple majority. They are forwarded to the institutions and published in the Official Journal of the European Communities.

6. Relations with economic and social councils

The ESC maintains regular links with regional and national economic and social councils throughout the European Union. These links mainly involve exchanges of information and joint discussions every year on specific issues.

The ESC also liaises world-wide with other economic and social councils at the "International Meetings" held every two years.

7. Relations with economic and social interest groups in third countries

The ESC has links with economic and social interest groups in a number of non-member countries and groups of countries, including Mediterranean countries, the ACP countries, Central and Eastern Europe, Latin America and EFTA. For this purpose the ESC sets up 15-30 man delegations headed by the president. Some meetings involving the countries of central and eastern Europe, will be institutionalized under the Europe Agreements.

Publications

The ESC regularly distributes a number of publications free of charge (order in writing by mail or fax - 546.98.22), including its main opinions in brochure format and a monthly newsletter. Secretariat-General

The Committee is serviced by a secretariat-general, headed by a secretary-general who reports to the president, representing the bureau.

Since 1 January 1995, the Economic and Social Committee and the Committee of the Regions have shared a common core of departments, mainly staffed by members of the ESC secretariat.

1997 Budget

The 1997 ESC budget totals ECU 27,865,858. The budget for the departments servicing both the ESC and the Committee of the Regions stands at ECU 53,775,429.

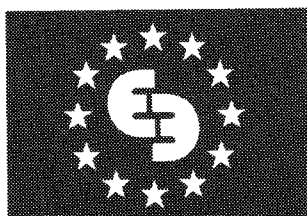
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This Bulletin reports on the activities of the Economic and Social Committee, a consultative body of the European Communities. It is published by the ESC's General Secretariat (2, rue Ravenstein, B-1000 Brussels) in the official Community languages (10 editions per annum)

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Catalogue number: ESC-97-003-EN

Brussels: General Secretariat of the Economic and Social Committee, 1997

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Printed in Belgium

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The complete texts of the Opinions summarized in this brochure can be obtained either in the Official Journal of the European Communities, Office for Official Publications, 2, rue Mercier, L-2985 Luxembourg, or directly from the ESC Directorate for Communications - Specialized Department for Information and Visits (Fax: + 32.2.546.98.22)

On-line Database of Economic and Social Committee Opinions

The Economic and Social Committee (ESC) has recently launched a database containing the full text of the Committee's opinions and bulletins. The database contains opinions, in all working languages, since January 1995. The ESC bulletin is available in English and French. The database may be searched using the CCL, a menu system and "Watch ECHO". It is planned to diffuse key documents on the World Wide Web :

<http://www.echo.lu/ces/ceshome.html>

The ESC database will be available free of charge.

I. 342nd PLENARY SESSION HELD ON 29 AND 30 JANUARY 1997

The Economic and Social Committee held its 342nd plenary session in Brussels on 29 and 30 January. The president, Mr Tom Jenkins, presided.

Guest speakers included Mr H.F. Dijkstal, deputy prime minister of the Netherlands and president-in-office of the Council, who outlined the Dutch presidency's programme, and Commissioner Edith Cresson, who introduced the Commission work programme and Commission initiatives on innovation, research, education and training.

The following opinions were adopted:

1. EUROPEAN ADVISORY COMMITTEE ON STATISTICAL INFORMATION

Opinion of the Economic and Social Committee on the draft Council decision amending Council Decision 91/116/EEC setting up the European Advisory Committee on statistical information in the economic and social spheres
(COM(96) 439 final - 96/0223 CNS)

(CES 95/97 - 96/0223 CNS)

Rapporteur working alone: Mr Vaso CAL (Portugal - Workers)

Gist of the Commission proposal

The purpose of the proposal is to amend Council Decision 91/116/EEC in the light of Austrian, Finnish and Swedish accession to the EU.

Gist of the opinion

The Committee endorses the Commission draft. It would point out, however, that the European Union needs an autonomous statistics service with an adequate operating budget which also serves socio-economic organizations and scientific bodies.

2. WASTE MANAGEMENT

Opinion of the Economic and Social Committee on the Communication from the Commission on the review of the Community Strategy for waste management and Draft Council Resolution on waste policy
(COM(96) 399 final)

(CES 96/97)

Rapporteur: Mr Sergio COLOMBO (Italy - Workers)

Gist of the Commission proposal

The review of the Community waste management strategy, as proposed in the communication from the Commission, confirms the hierarchy of principles established in 1989, that prevention of waste shall remain the first priority, followed by recovery and finally by the safe disposal of waste.

The major innovation is the introduction of the concept of producer responsibility. According to the Commission document, the product manufacturer has a predominant role since he takes key decisions concerning his product which largely determine its waste management potential. This principle will thus be integrated in future measures, on a case by case basis, taking into account the specific responsibilities of the different economic operators.

It is clear that the approach with regard to priority waste streams has not been sufficiently successful; therefore, no new specific projects will be initiated, but waste streams and material flows will be examined on a case by case basis.

The communication reaffirms the need for appropriate control of shipment of waste within the legal framework set up by Regulation (EEC) No. 259/93, and for appropriate application of the proximity and self-sufficiency principles in respect of waste destined for disposal.

A specific chapter is devoted to the instruments which are to be used in order to achieve the objectives set, namely regulatory and economic instruments, reliable and comparable statistics on waste and other management instruments such as waste management plans, appropriate enforcement of legislation and impartial use of life cycle analysis and eco-balances.

The Communication concludes by stressing that the objectives cannot be achieved without the participation of all the parties concerned (public authorities, companies, environmental organizations), and individuals in their role as citizens and consumers.

Gist of the opinion

The Committee considers it appropriate to review the Community's waste management strategy in order to evaluate its results and to identify more appropriate machinery for eliminating the delays and shortcomings. It therefore welcomes the Commission intention of holding a wide debate on the review, and appreciates the Council's timely adoption (9 December) of a resolution on the subject.

The Committee calls for the resolution to provide a basis for clear commitment, from the various authorities particularly as regards:

- adoption of clear objectives and time frames for a reduction in waste generation and for uniform re-use and recycling rates for materials;
- definition of clear objectives and time frames for restrictions on, and where necessary, the elimination of toxic substances from products and the productive cycle;
- early presentation of the new draft directive on landfills, to ensure high levels of environmental protection by providing for the internalization of the environmental costs involved in this type of disposal, which, if not paid, make it superficially cheaper to recover neither materials nor energy;
- provisions to ensure uniform, EU-wide environmental requirements for waste treatment and recovery plant, to avoid distortions of competition between the Member States having a perverse effect on waste transactions and transport;
- adoption of uniform standards for waste treatment in industrial plant and in specific treatment plant, to take account of the priority objective of prevention;
- an increase in funding for research into prevention and recycling, and the creation of an integrated waste management system, making judicious use of available financial instruments;
- promotion of the recycled products market through initiatives targeted on priority sectors;

- support and dissemination of know-how and information on experience and successful schemes at local level;
- promotion of public awareness and consumer education campaigns, actively harnessing the respective associations and organizations;
- promotion, perhaps via a specific EEA assignment, of studies and research into the key aspects of the problem and specific situations, until the complex mechanism for Europe-wide statistics processing starts to produce reliable data;
- a firmer undertaking from the Commission to develop better procedures for monitoring Member State compliance with Community regulations, and to establish, should the need arise, specific investigative and study programmes;
- greater attention on the part of the Community institutions and the Member States to the waste management policy's potential for job creation, on the basis of the suggestions contained in the White Paper on growth, competitiveness and employment, appropriately referred to in point 20.1 of the Council resolution.

3. MONITORING OF CO₂ EMISSIONS

Opinion of the Economic and Social Committee on the *Proposal for a Council Decision amending Decision 93/389/EEC for a monitoring mechanism of Community CO₂ and other greenhouse gas emissions*

(COM(96) 369 final - 96/0192 SYN)

(CES 97/97 - 96/0192 SYN)

Rapporteur: Mr José GAFO FERNÁNDEZ (Spain - Employers)

Gist of the Commission proposal

Following the first conference of the parties to the framework convention on climate change (Berlin, March-April 1995) and the conclusions of the Council on the Community climate change strategy, the Commission is proposing the necessary amendments to the decision to allow for the updating of the process and in particular the post-2000 monitoring of greenhouse gas emissions' limitations and reductions.

In addition, the Commission is proposing that the provisions of the monitoring mechanism are equally applied to anthropogenic emissions by sources and removals by sinks of all greenhouse gases not controlled by the Montreal protocol.

To this end, the Commission is proposing that, at a minimum, national programmes include annual inventories, policies and measures as well as trajectories and assessment of effects of measures of the three main greenhouse gas emissions, carbon dioxide, methane and nitrous oxide; and that relevant information is progressively provided for the other greenhouse gases (ozone precursors (CO, Nox and VOCs) as well as the other greenhouse gases, including inter alia, PFCs, HFCs and SF₆).

Gist of the opinion

The Committee fully endorses this proposal and the deadlines in respect of monitoring which it contains.

The Committee would, however, wish to make a number of comments:

- the methodology to be used to calculate anthropogenic greenhouse-gas emissions and the cushioning effect of using sinks needs to be based on the methodology being developed by the international group of experts on climate change (IPCC). However, the very lack of more detailed information in this connection raises doubts concerning its availability and adoption by the Member States by a date which is in keeping with the deadlines set out in the proposed decision;
- there is a need for a single, clearly applicable methodology designed for the precise evaluation of current emissions at national level and by sources, and of their impact over the next five, ten and twenty years in line with their Global Warming Potential (GWP), together with the effect of the corrective measures adopted in each Member State.
- reference is made on several occasions in the proposal to ozone precursors as having a detrimental effect on health. However, it should be indicated that this is "tropospheric ozone" so that the public can distinguish it from "stratospheric ozone", which is the one to protect.

4. INTEGRATED GROUNDWATER PROTECTION AND MANAGEMENT

Opinion of the Economic and Social Committee on the *Proposal for a European Parliament and Council Decision on an action programme for integrated groundwater protection and management* (COM(96) 315 final - 96/0181 COD)

(CES 107/97 - 96/0181COD)

Rapporteur: Mr Etienne de PAUL de BARCHIFONTAINE (Belgium - Various Interests)

Gist of the Commission proposal

Results of national monitoring show a serious decline in groundwater levels and quality locally as well as more broadly in the Community, threatening drinking water quality and supply of fresh water for other human uses, as well as for sustaining aquatic and other ecosystems and vegetation cover in general.

The need for action in order to avoid long term deterioration of fresh water quality was recognized by the ministerial seminar on groundwater held at The Hague in November 1991. As a result, the Council, in its resolutions of February 1992¹ and 1995², called for Community action and requested that a detailed action programme be drawn up for comprehensive protection and management of groundwater as part of an overall policy on water protection.

The objective of the action programme proposed by the Commission, which is in line with the requirements of Article 130r of the Treaty, is to ensure protection and use of groundwater through integrated planning and sustainable management aiming at preventing further pollution, maintaining the quality of unpolluted groundwater, and restoration, where appropriate, of polluted groundwater, as well as prevention of over exploitation of groundwater resources.

1 OJ No. C 59, 6.3.1992

2 OJ No. C 49, 28.2.1995

The action programme thus follows the guidelines of the 5th environmental action programme in the field of groundwater management, emphasizing the need for:

- "licensing systems and other instruments providing an appropriate national management of (ground)water,
- measures to provide for preventive, comprehensive groundwater protection, *inter alia*, in view of diffuse sources (of pollution),
- general provisions for the safety of installations handling substances harmful to water,
- general provisions to promote agricultural practices consistent with groundwater protection,"

as advocated by the Council in its 1995 resolution.

The programme is intended as a framework within which Member States and the Community should develop the basis for sustainable groundwater protection and management. It has been drafted with a view to ensure compatibility with the river basin management approach and the overall Community policy on water management presented in the Communication on European Water Policy.

Some actions in the programme will in the future be supported by provisions in the future framework Directive on water resources (proposal to be presented at the end of 1996), which will include provisions on protection of groundwater and thus take over provisions of the present groundwater directive as explained in the Communication. The framework Directive will also introduce a requirement for control of abstraction of fresh water.

The environmental state of groundwater should be followed closely by the European Environment Agency. In addition, public involvement and awareness of the action programme as well as education and training schemes should be ensured, in particular when Member States draw up national action programmes, as groundwater protection based on an integrated strategy is still a future target for most Member States.

The benefits of the action programme will be partly of a qualitative, partly of a quantitative nature, since a stable and sufficient supply of high quality fresh water from groundwater for domestic, industrial and other uses; and the use of sound instruments for management of water resources will lead to:

- fewer conflicts of interests between users in situations where water resources are not sufficient,
- a reduction or avoidance of expensive investment in heavy infrastructure and costs for treatment and purification for achieving drinking water.

Preliminary results from a study on cost for establishing and running a groundwater monitoring network, an indispensable tool for sustainable management and hence part of the programme, show that costs for existing monitoring of existing groundwater quantity and quality amount to some ECU 2,533,000 and ECU 14,454,000 respectively.

These figures, however, have to be taken with caution as they cover only some (the smaller) Member States and also because most Member States presently monitor for a rather limited number of parameters. In addition, preventive action and integrated planning are strongly emphasized, which may require strengthening of administrative procedures.

More precise assessment of costs will be possible as Member States choose and prepare concrete actions and begin implementing the programme.

Gist of the opinion

The four main lines of the proposed action programme are as follows: the planning and management of groundwater protection and use, a new legal framework for abstraction of fresh water, the development of instruments for control of groundwater pollution from diffuse sources, and the development for instruments for control of point source emissions and discharges.

For the first action line, the opinion underlines the need, inter alia, to

- classify water uses on the basis of their different characteristics at source (ease of treatment as drinking water, etc.);
- take measures to reduce the impermeability of ground surfaces in suburban areas and to prevent the compaction of soil on agricultural land;
- limit abstraction wherever possible to the effective replenishment capacity of water tables and to encourage rational use and recycling of water;
- cooperate with third countries preparing for EU membership to bring those countries into line with European standards.

Extraction of fresh water: in countries where groundwater has to be extracted close to the coasts, over-exploitation should be avoided in order to prevent salinization of fresh water.

Pollution from diffuse sources: the opinion highlights the rehabilitation of land contaminated by historic or accidental pollution, and notes the need for a Community reference framework for responsibility and the funding of measures. Additionally, in the agricultural sector, the opinion recommends a policy geared towards gradual long-term changes in conjunction with the CAP reform, and the implementation of an agricultural code of conduct. The Commission is also urged to examine the failure of several Member States to implement Directive 91/676/EEC on nitrates. The need to monitor substances introduced into recycled sewage sludge is stressed, as well as the value of setting stricter limits for atmospheric emissions that cause acidification.

In addition to these observations on the main aspects of the proposed action programme, the opinion makes a number of general comments on:

- the importance of uniform monitoring by the Commission to ensure the correct application of Community policy;
- the need for Community reference framework for responsibility for environmental damage;
- binding limits for dangerous substances to which priority is attached under the current legislation;
- funding for the proposed measures.

In conclusion, the Committee recommends that:

- the action plan be incorporated into the framework directive on water resources and that respective levels of responsibility be clearly defined, bearing in mind the recommendations made in the ESC Opinion on the Communication on European Community water policy;
- information and data compilation systems be developed under the guidance of the European Agency;
- back-up measures, specially geared to informing and educating the public and training administrative officers and economic operators (particularly farmers and consumers), be provided for.

5. STRATEGY TO REDUCE CO₂ EMISSIONS FROM PASSENGER CARS

Opinion of the Economic and Social Committee on the Communication from the Commission to the Council and the European Parliament - A Community strategy to reduce CO₂ emissions from passenger cars and improve fuel economy
(COM(689 final)

(CES 98/97)

Rapporteur: Mr José GAFO FERNÁNDEZ (Spain - Employers)

Gist of the Commission document

In 1992 and 1995, the Community committed itself to stabilizing CO₂ emissions in general by the year 2000 at 1990 levels and to limit and reduce these emissions beyond 2000.

Developments in CO₂ from transport are a special cause for concern. CO₂ from passenger cars account for about half of CO₂ emissions from transport and about 12% of total CO₂ emissions in the European Union, and the road transport sector has stood out in recent years as one of the few sectors in the Union experiencing CO₂ emission growth. These emissions can only be reduced by a package of measures and the Commission stresses the need for a global approach to the problem, which requires decision to be taken at many levels.

This global approach comprises the following elements:

- **a technical part:** an agreement between the Community and both the auto industry and the importers of cars into the European Union involving clear objectives (an industry commitment to attain a specific CO₂ emission target for new cars sold within a certain timeframe) and provisions for monitoring;
- **a fiscal part:** the promotion of the fuel efficiency of passenger cars to be incorporated as one of the objectives in a future Community initiative on vehicle taxation arising from the ongoing review of that area (purchase taxes, circulation taxes and excise duties on fuel);
- **a marketing part:** a complementary measure with regard to fuel-economy labelling; and
- **a research part:** an ambitious research and technological development effort to improve the performance of motor vehicles.

The Commission's Communication deals with the first three of these elements and its purpose is to prepare a discussion in the Council and the European Parliament on the strategy to be taken to improve the fuel efficiency of passenger cars. The target for new cars is an average fuel consumption of 51/100km for petrol cars and 4.51/100 km for diesel cars by the year 2005.

Gist of the opinion

The Committee approves and supports the Commission initiative.

The Committee welcomes the fact that the Commission focuses its strategy not only on the fiscal element but also on an effort to balance these measures with voluntary agreements and technological development.

The Committee considers that the auto sector is highly taxed at the present time, but that it is still possible to restructure these taxes in such a way as to protect the environment.

There is often no alternative to cars and lorries, because public passenger transport (by road and rail) and rail freight transport are not so highly developed. The Council and the Member States should devise a plan for making up the leeway.

The fiscal unanimity required by the treaties, and the application of the subsidiarity principle make it difficult to implement a fiscal strategy drawn up solely at Community level.

For these reasons the Committee would recommend a fiscal strategy based on the following elements:

- maintenance of tax burden on motor vehicles and their use at present level, possibly restructuring it in the interests of environmental protection;
- adoption of the legal form of a framework directive to implement this strategy, but leaving the Member States ample room for manoeuvre in applying the directive;
- carry out further research into the implications for consumer behaviour and conduct consumer education campaigns to encourage consumers to choose the most appropriate vehicle and use it in a manner compatible with the protection of the environment;
- within the framework of this overall Community initiative on motor vehicle taxation, recommendation of a system of selective tax concessions which are compatible with the single market and the principle of tax neutrality at national level.

This strategy must encourage consumers freely to choose those vehicles with relatively lower CO₂ emissions.

Besides these fiscal measures, the Committee thinks that it would be wise to encourage a voluntary agreement with European industry and the importers to achieve these CO₂ emission reductions through an increase in vehicle efficiency. This agreement should be based on the following elements:

- account to be taken of technical feasibility and economic impact (availability of model, public acceptance, export opportunities). It should be possible to achieve the proposed reductions (some 25% on average) in all existing market segments taken together.
- a precise timetable to be drawn up, to ensure that the consumption targets are met as soon as technically feasible.
- an independent inspection system to be set up to monitor compliance with the voluntary agreements;
- the industry to be involved more closely with the Task Force on the Car of Tomorrow;
- the compatibility of this strategy with both EU and WTO competition rules to be assessed;
- the important aspects of labelling to be included in these voluntary agreements so as to improve the process of choice by future users.

If the level of compliance with the voluntary agreements is inadequate, the Commission should prepare a legislative framework to make the measures proposed in the present strategy mandatory.

6. INFORMATION SOCIETY - STANDARDIZATION

Opinion of the Economic and Social Committee on the *Communication from the Commission to the Council and the European Parliament on standardization and the global information society: the European approach*
(COM(96) 359 final)

(CES 99/97)

Rapporteur: Mr Michael MOBBS (United Kingdom - Employers)

Gist of the Commission document

Standards determine the technology that will implement the information society, and consequently the way economic players, users and administrations will benefit from it.

It is evident that the information and communications technology (ICT) market is dominated by specifications from the USA.

Nevertheless, there are some areas in which it is observable that standards have contributed to European competitiveness in the market place. One example is provided by the world wide web (WWW), which is a European invention widely used in Internet; and the GSM mobile telephony standard which has led to European leadership in many parts of the world. Standards form a vital part of European industrial competitiveness policy.

European policy for the global information society is aimed at improving global competitiveness, through the identification and the removal of regulatory obstacles, through their own intervention in the market, through research and demonstration actions, and through the promotion of new technical solutions. Since the information society is global, European authorities are committed to the promotion of the global integration of ICT standardization, and to promotion of its benefits to the rest of Europe. In addition, the Community has a specific role in protecting the public interest, for example, the needs of the elderly and disabled.

Against this background:

- The information society is market driven. The main role in the development of specifications and standards in this domain is therefore for market operators.
- The Commission will investigate the existence of standards-related obstacles to the creation of new ICT-based services, in particular electronic commerce. Where necessary, it will take steps to eliminate them.
- The Member States should refrain from adopting new regulations that will generate new technical barriers stemming from the development of divergent technical specifications and standards in the area of the information society.
- The European standards organizations are invited to promote the possibilities of the adoption of specifications that originate outside their formal structures. They should examine the possibility of adopting PAS (publically available specifications).
- Cooperation in standardization between the regional and international standards organizations is encouraged.

- The Commission underlines the importance of the forthcoming world-wide conference on standardization and the global information society, which will follow up the conclusions of the G7 meeting in February 1995 and which will review progress and identify needs for further work in standardization for the global information society.
- The Commission will protect competition and will encourage open and non-discriminatory specifications and standards for new services and ICT applications.
- The Commission stresses the importance of RTD and demonstration to the development and implementation of technical specifications and standards, at the European and international levels.
- The Commission will bring forward proposals for the use, where appropriate, of PAS or de facto standards in Community law, such as public procurement and interoperability.

Gist of the opinion

The Commission is right to emphasize the critical importance of interoperability for users of ICT products and services in general and of telecommunications networks in particular.

In formal standardization, the Committee recognizes the importance of the collective endeavours of the European national standards bodies in working purposefully in the activities of the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC), and of the effective collaboration of the Member States in the International Telecommunications Union (ITU).

At European level, the efforts of the European Committee for Standardization (CEN), European Committee for Electrotechnical Standardization (CENELEC) and European Telecommunications Standards Institute (ETSI) should reinforce rather than duplicate global standardization activities and ensure that international standards are implemented uniformly throughout the European Economic Area.

The Commission recognizes the importance of achieving active user representation in the CEN/CENELEC/ETSI ICT Standards Board. The Committee considers that Commission initiatives are essential to promote the awareness and facilitate the involvement, where appropriate, of consumer, worker and SME interest groups in the work of consortia developing specifications outside the formal standards system.

The Committee accepts the importance of Directive 83/189/EEC in ensuring notification and scrutiny of proposed actions by Member States. It also recognizes that a Community approach to the promotion of standardization through targeted RTD and demonstration and trial projects is indispensable to the implementation of the Information Society.

The Committee agrees that the role and importance of ICT technical specifications and standards needs to be communicated not only to industrial management but also to the generality of users and, in particular, consumer and worker interests.

The involvement of SMEs in RTD and demonstration projects linked to standardization and related testing and certification procedures is of vital importance for them to reap the competitive benefits of the global information society.

The Committee shares the conclusion of the Commission that within the scope of the New Approach Directives, recognition of PAS could be relevant only for the specific purposes of the Telecommunications Terminal Equipment Directive relating to public authority purchasing. It would be consistent with the proposal accordingly to amend this directive for the Community to consider the role of the PAS in its next review of the wider range of procurement directives covering public supplies, public works, public services and the utilities.

The Committee agrees that the Member States should have a European-wide mechanism to identify specifications for common application in public procurement in those cases where formal standardization does not offer appropriate solutions. The Committee notes that the Directive 83/189 Standing Committee may provide such a mechanism.

7. COMMUNITY TRADE MARK/INTERNATIONAL REGISTRATION OF MARKS

Opinion of the Economic and Social Committee on the

Proposal for a Council Decision approving the accession of the European Community to the protocol relating to the Madrid agreement concerning the international registration of marks, adopted at Madrid on 27 June 1989

Proposal for a Council Regulation (EC) modifying Council Regulation (EC) No. 40/94 of 20 December 1993 on the Community trade mark to give effect to the accession of the European Community to the protocol relating to the Madrid agreement concerning the international registration of marks adopted at Madrid on 27 June 1989
(COM(96) 367 final - 96/0190 CNS)

(CES 100/97 - 96/0190 CNS)

Rapporteur: Mr Manuel ATAÍDE FERREIRA (Portugal - Various Interests)

Gist of the Commission proposal

On 20 December 1993 the Council adopted Council Regulation (EC) No. 40/94 on the Community trade mark (hereafter referred to as "the Regulation")³.

The regulation established the Community trade mark system, which provides for the acquisition of protection for marks (both trade marks and service marks) with unitary effect for the whole territory of the Community on the basis of the filing of one single application for their registration as Community trade marks.

On 1 January 1996, the office in Alicante opened its doors for the filing of Community trade mark applications and on 1 April 1996 the office became fully operational.

On the latter date the Madrid Protocol became effective, having entered into force on 1 December 1995.

The Madrid Protocol provides for the international registration of marks at the International Bureau of the World Intellectual Property Organization (WIPO) at Geneva. Registrations effected under the Madrid Protocol are called international as every registration has effect in several countries and regions, potentially in all the contracting parties, including states and intergovernmental organizations who have a regional office for the purpose of registering marks with effect in the territory of the organization.

The objective of this proposal is to establish a link between the Community trade mark system and the international registration system this established under the Madrid Protocol.

One of the main innovations of the Madrid Protocol compared to the Madrid Agreement on the International Registration of Marks of April 14 1891 (hereafter referred to as the "Madrid Agreement") is that intergovernmental organizations which have a regional office for the purpose of registering marks with effect in the territory of that organization may adhere to it.

3

OJ No. L 11, 14 January 1994, p. 1

This innovation was introduced into the Madrid Protocol with the specific intention of allowing the European Community to adhere to the international registration system after the entry into force of the Community trade mark system.

In order to prepare for the accession of the European Community to the Madrid Protocol, the European Community has elaborated two proposals, which are jointly presented to the Council.

The first Commission proposal relates to the accession of the European Community to the Madrid Protocol.

In other words, Community trade mark applicants and holders of Community trade marks may apply for international protection of their marks through the filling of an international application under the Madrid Protocol and holders of international registrations under the Madrid Protocol may apply for protection of their marks as Community trade marks.

The Madrid Protocol provides that on certain items contracting parties may make declarations on the occasion of their accession.

The European Commission proposes that a declaration be made on the fees which the European Community wants to receive in connection with international registrations to ensure that the individual fee system is applied with regard to designations of the European Community under the Madrid Protocol (Article 8 of the Madrid Protocol).

The second proposal contains the measures which are necessary to give effect to the accession of the European Community to the Madrid Protocol.

It is proposed that the measures giving effect to the accession of the European Community to the Madrid Protocol be incorporated in the Regulation on the Community trade mark through the new title on "International Registration of Marks".

Gist of the opinion

The Committee welcomes the Commission proposals and consequently:

- endorses the accession of the European Community to the protocol relating to the Madrid agreement concerning the international registration of marks;
- endorses the addition of Title XIII to Council Regulation (EC) No. 40/94;
- asks the Commission to take steps towards the harmonization of national legislation on designs and models.

8. FERTILIZERS

Opinion of the Economic and Social Committee on the proposal for a European Parliament and Council Directive amending Council Directives 76/116/EEC, 80/876/EEC, 89/284/EEC and 89/530/EEC on the approximation of the laws of the Member States relating to fertilizers (COM(96) 594 final - 96/0280 COD)

(CES 101/97 - 96/0280 COD)

Rapporteur working without study group: Mr Nikolaos LERIOS (Greece - Employers)

Gist of the Commission document

Directive 76/116/EEC provides that the designation "EEC fertilizer" may be used for fertilizers belonging to one of the fertilizer types listed in Annex I which comply with the requirements of the directive, including those laid down in Annexes I to III. This designation must appear on the accompanying documents, the packages or the labels of these products.

Following the adoption of this directive, the Council adopted the following directives relating to fertilizers which also make reference to the designation "EEC fertilizer":

- Council Directive 80/876/EEC of 15 July 1980 on the approximation of the laws of the Member States relating to straight ammonium nitrate fertilizers of high nitrogen content⁴.
- Council Directive 89/284/EEC of 13 April 1989 supplementing and amending Directive 76/116/EEC in respect of the calcium, magnesium, sodium and sulphur content of fertilizers⁵;
- Council Directive 89/530/EEC of 18 September 1989 supplementing and amending Directive 76/116/EEC in respect of the trace elements boron, cobalt, copper, iron, manganese, molybdenum and zinc contained in fertilizers⁶.

The Treaty on European Union replaced the term "European Economic Community" by the term "European Community".

Consequently, this proposal amends the abovementioned Council directives by replacing the designation "EEC fertilizer" by that of "EC fertilizer".

Gist of the opinion

The Economic and Social Committee agrees with the Commission's proposal amending the abovementioned Council directives, since it considers that it is not advisable to use out-of-date markings on packages, labels and accompanying documents.

9. PROMOTION OF COMBINED TRANSPORT

Opinion of the Economic and Social Committee on the *Commission Communication concerning an action programme to promote the combined transport of goods and the Proposal for a Council Regulation (EC) concerning the granting of financial assistance for actions to promote combined goods transport*

(COM(96) 335 final - 96/0207 SYN)

(CES 102/97 - 96/0207 SYN)

Rapporteur: Mr Bo GREEN (Denmark - Employers)

⁴ OJ No. L 250, 23 September 1980, page 7.

⁵ OJ No. L 111, 22 April 1989, page 34.

⁶ OJ No. L 281, 30 September 1989, page 116.

Gist of the Commission document

The Union is required to set up and maintain an efficient goods transport system which is capable of meeting users' mobility requirements. Combined transport plays a key role in this system since it allows transport capacity to be used more efficiently.

In its resolution of 30 October 1990 on setting up a European combined transport network, the Council emphasized the need to make the best possible use of the Community's transport resources while respecting the need to protect the environment. One implication would be increased use of combined transport.

However, the fact that transport prices in all modes of transport do not fully reflect the social costs of individual journeys in terms of environmental acceptability, the safety of users and third parties and congestion places combined transport at a considerable disadvantage. It has therefore become necessary to implement policies to compensate this by helping this sector to improve its performance, particularly in terms of organization and logistics.

This was the thinking behind the Commission's decision to launch the PACT programme⁷ in 1992 for a five-year experimental period. The general aim of this proposal is to continue and broaden the scope of the current scheme to grant financial assistance for pilot actions to promote combined transport (PACT). The proposal retains the features of the existing pilot actions and extends the geographical scope to sea transport. Moreover, it:

- shifts the emphasis of financial assistance slightly (it discontinues the possibility of 100% subsidies for preliminary studies, provides for the funding of concrete feasibility studies at 50% and defines the basis for innovative measures more clearly at 30%);
- improves the procedures for selecting and monitoring projects and provides for an enhanced framework for evaluation.

Finally, it is important to stress that the development of combined transport is intended to encourage the transfer of actual or potential traffic from roads to more environmentally acceptable modes like rail, inland waterway and maritime transport. It will also contribute towards the sustainable regional development of Europe, as it will foster the integration of peripheral regions into Europe.

Gist of the Opinion

The ESC endorses the proposed regulation concerning the granting of Community financial assistance for actions to promote combined goods transport but calls on the Commission to amend it so as to:

- clarify unsatisfactory and incomplete definitions;
- specify which activities are/are not eligible for the proposed subsidies;
- ensure effective arrangements for monitoring the implementation and management of the approved projects.

In addition, in pointing out that the new PACT programme's provision for 30% financial assistance for certain types of action could generate unfair competition, the ESC feels that it is vital for this programme also to be open to small enterprises.

⁷

PACT: Pilot Actions for Combined Transport. Commission Decision 93/45/EC of 22.12.92 concerning the granting of financial assistance for pilot schemes to promote combined transport. OJ No. L 16/55, 25.1.1993.

It also stresses the need to press on with the far-reaching organizational and structural reform of Community railways set in motion under Council Directive 91/440 (EC) of 29 July 1991 and the two implementing texts 95/18 and 95/19, with particular reference to making access to European railways easier for private operators.

Lastly, the ESC underlines the importance of listening to transport users as well as to service operators and other suppliers so as to remove both financial and legal barriers and further promote combined transport.

10. SOCIAL SECURITY - APPLICATION

Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) amending Regulation (EEC) No. 1408/71 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community and Regulation (EEC) No. 574/72 laying down the procedure for implementing Regulation (EEC) No. 1408/71

(COM(96) 452 final - 96/0227 CNS)

(CES 103/97 - 96/0227 CNS)

Rapporteur: Mr Pierre CHEVALIER (France - Various Interests)

Gist of the Commission document

Since the entry into force of Regulation (EEC) No. 2001/83, under which Regulations (EEC) Nos. 1408/71 and 574/72 were amended and updated in a single official document, following the extension of their scope to include self-employed persons, these Regulations have been amended by Council Regulations (EEC) Nos. 1660/85 and 1661/85, Commission Regulation No. 513/86 and Council Regulations Nos. 3811/86, 1305/89, 2332/89, 3427/89, 2195/91, 1247/92, 1248/92, 1249/92, 1945/93, 3095/95 and 3096/95, and by the Acts of Accession of the Kingdom of Spain and the Portuguese Republic in 1985 and of the Republics of Austria and Finland and the Kingdom of Sweden in 1995.

This proposal is intended to update the Community Regulations in the light of changes made to national legislation, and to take account of certain bilateral agreements concluded between Member States.

Moreover, coordination will be enhanced with the introduction of new provisions geared mainly to simplifying and speeding up administrative procedures in conjunction with the multiannual TESS programme⁸, which was adopted by the Administrative Commission on Social Security for Migrant Workers with a view to developing telematic services for the coordination of social security schemes within the Community. In this context, a set of common operational rules has been laid down to facilitate the use of telematic services for the exchange of social security information. These rules have been implemented and are already being used for exchanges of data between various institutions.

Summary of the opinion

The Committee endorses the proposal in question because it meets the need to continue the amendment and updating of legal instruments designed to facilitate the coordination of social security systems and so to pave the way for convergence of Member States' social security policies.

⁸

TESS stands for "Telematics in Social Security".

The proposal also seeks to simplify and accelerate administrative procedures. For migrant workers, this should facilitate access to legal instruments and improve management of the documents and benefits.

The Committee notes with satisfaction that the proposal meets its repeated requests. It hopes that efforts to simplify all Community legislation will be continued and completed as soon as possible.

11. DEVELOPMENT OF THE SOCIAL DIALOGUE

Opinion of the Economic and Social Committee on the *Commission communication concerning the development of the social dialogue at Community level*
(COM(96) 448 final)

(CES 106/97)

Rapporteur: Mr Jan Jacob van DIJK (Netherlands - Workers)

Summary of the Commission document

In view of the major policy changes facing the European Union, the Commission considers that it is time to reflect on the whole framework of the social dialogue at Community level. The Commission has a formal obligation under the Treaty (Art. 118b) to develop the social dialogue between management and labour (the social partners) at European level. Furthermore, under the agreement attached to the Protocol on social policy in the Treaty on European Union (the Agreement on Social Policy), the Commission has the task of promoting the consultation of the social partners at Community level and taking any relevant measures to facilitate the social dialogue. The aim of this communication, therefore, is to find ways to strengthen the social dialogue, to make it more adaptable and to associate the work of the social partners more closely in the development and implementation of EU policies, particularly employment and economic growth.

In the medium term social policy action programme⁹, the Commission undertook to present a number of different documents in the field of social dialogue, reviewing the standing committee on employment, the sectoral social dialogue and the development of the social dialogue in general. The Commission has decided to regroup all three subjects in this communication, which is consultative in form, so that the issues to be tackled and the different possible solutions can be identified in a coherent way. The communication also fulfils a commitment in the 1993 communication concerning the application of the agreement on social policy¹⁰, for a regular pattern of appraisal and re-examination of the way in which social dialogue works.

Summary of the opinion

The Committee is pleased that the Commission has published such an important and informative communication.

The ESC's position is not mentioned by the communication. As the consultative assembly of the representatives of the various categories of economic and social activity in the Member States, the ESC is an integral part of the institutional set-up of the European Communities¹¹.

The Commission draws a distinction between the civic dialogue and the social dialogue. For the first, the Commission specifies which organizations are consulted, while the organizations participating in the social dialogue decide for themselves who may take part in their talks. For the results of the talks to have any value it

⁹ COM(95) 134, 12 April 1995.

¹⁰ COM(93) 600 final, 14 December 1993; notably paras. 21 and 49.

¹¹ See Article 195 of the Treaty on European Union.

is advisable to have taking part as many representative European organizations as possible which operate in the socio-economic force field. The ESC recently expressed its view on this matter when it stated that the representatives of the most important economic and social sectors (among which the ESC certainly includes small and medium-sized firms) should be involved in an adequate framework in one way or another.

One important issue in talks on European social consultation is representativeness. Which organizations may be considered as representative?

The Committee feels that a representative organization should satisfy the following three criteria:

- a European representative organization must be widely spread over the EU. This means that it must have member organizations in at least three-quarters of the relevant EU Member States and be seeking to be represented in the others;
- the European organization must have a mandate from its member organizations to negotiate at European level;
- all the organizations affiliated to the European organization, either in their own name or through their member organizations, must be entitled to negotiate in the member states and must be able to implement conventions concluded at European level in accordance with national practices and usage.
- the European organization must be made up of organizations that are considered in their Member States as representative.

The interprofessional social dialogue

In its opinion on the application of the social protocol the ESC called for adequate back-up for the social dialogue. If the social partners want this they can work towards an independent secretariat.

Social dialogue under the protocol on social policy

Experiences suggest that the six-week period which the Commission had planned to allow the social partners for replying to its questions is too short. In its opinion referred to earlier the ESC had proposed extending the period to eight weeks.

The Committee thinks that the EP and the ESC can be kept informed about the progress of the talks by the social partners. If the social partners come to an agreement and, in accordance with Article 4 of the agreement on social policy, present it to the Commission with a request that a proposal be submitted to the Council, they must state what sort of legal instrument they wish to have. The role of the Council should be to check to what extent the agreement concluded is signed by representative organizations. The Commission can carry out the preparatory work here. After that they can decide whether or not to support the agreement. They would not be allowed to make any substantial changes to it, as this would infringe the autonomy of the social partners. The EP would be free to issue an opinion on the agreement concluded, in which the question of representation might be discussed.

The sectoral social dialogue

For the further development of the sectoral social dialogue, various aspects must be taken into consideration. Effectiveness is an important aspect, but attention must also be paid to the contribution which can be made towards improving the European system of labour relations. Cost efficiency must also be taken into account, but it should not be the only yardstick. The section therefore feels that the Commission must make sufficient funds available for the sectoral social dialogue.

Interprofessional advisory committees

The Commission usually only convenes the advisory committees if they have a concrete proposal. The Committee thinks that the advisory committees must be consulted sooner.

The Standing Committee on Employment (SCE)

Basically the Committee shares the view that the SCE must be given a higher profile.

Social consultations and possible participants

At present social consultations are open to member organizations from EU countries. As part of the social dialogue, organizations from EEA countries are also invited, in view of the consequences for them. Organizations from southern European countries which have applied to join the EU and from central and eastern European countries with association agreements are not involved in the consultations. In view of the possible accession of these countries to the EU the section thinks they should be invited to the consultations as observers.

Impact

Knowledge of the social dialogue within organizations can also be increased by making effective use of the European Centre for Labour Relations in Florence. In this centre there are opportunities for involving a broad spectrum of social partners. DG X and its info-points and the European Foundation for the Improvement of Living and Working Conditions also play an important role here.

12. COMMUNITY SYSTEM FOR FISHERIES/AQUACULTURE

Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) amending Regulation (EEC) No. 3760/92 establishing a Community system for fisheries and aquaculture

(COM(96) 350 final - 96/0183 CNS)

(CES 104/97 - 96/0183 CNS)

Rapporteur: Mrs Maria Luísa SANTIAGO (Portugal - Employers)

Gist of the Commission proposal

The Commission proposal was drawn up in accordance with Article 4 of Council Regulation (EEC) No. 3760/92 of 20 December 1992 establishing a Community system for fisheries and aquaculture. Its purpose is to amend certain provisions of the regulation. These involve:

- powers conferred on the Commission as regards technical measures on fishing gear and its method of use. These simply incorporate, into the Community legal order, binding acts adopted within the framework of international fisheries organizations to which the Community is a contracting party;
- powers to establish the fishing opportunities for allocation to third countries and to set the technical conditions under which catches must be made.

Gist of the opinion

The Committee approves the proposal as it clarifies the system established by Regulation No. 3760/92.

The ESC takes the opportunity to emphasize that when allocating fishing opportunities to third countries, the Council should take strict account of the state of resources in Community waters and the need to preserve the relative stability of fishing activities in each Member State.

13. STOCKTAKING OF CAP REFORM (*Own-initiative opinion*)

Opinion of the Economic and Social Committee on stocktaking of the first three years of the application of the CAP reform

(CES 108/97)

Rapporteur: Mr Etienne de PAUL de BARCHIFONTAINE (Belgium - Various Interests)

Gist of the opinion

The Committee begins by outlining the reasons which prompted the CAP reform of May 1992, and points out that the reform still does not cover all the common market organizations. The Committee takes a broadly positive view of the results of the first three years of the reform, at least as regards the relevant sectors (cereals, oilseeds, protein crops and livestock products). Extensification of crop growing has helped to protect the environment, and the decoupling of compensatory payments from production has benefited farm incomes.

The Committee notes with regret that the reform has not improved the employment situation in agriculture; job losses remain worryingly high, especially among farm workers. Another problem which needs to be remedied is the excess of red tape regulating the sector, which is becoming more and more difficult for farmers to negotiate.

14. EU-ASEAN RELATIONS (*Additional own-initiative opinion*)

Opinion of the Economic and Social Committee on Creating a new dynamic in EU-Asean relations

(CES 105/97)

Rapporteur: Mr Antonello PEZZINI (Italy - Various Interests)

Reasons for drawing up an additional own-initiative opinion

In July 1996, the Commission adopted a communication to the Council, the European Commission and the Economic and Social Committee on creating a new dynamic in EU-Asean relations. The process of links between Asia and Europe, initiated with the adoption of a new strategy for Asia, was given a boost with the Asia Europe Meeting (ASEM) in Bangkok and the beginning of a dialogue at summit level between the two continents.

Asean has been a partner of the EU a considerable length of time and is an important political interlocutor. It represents a major economic challenge for Europe. Both sides have expressed the will at the highest level to raise the profile of the partnership and strengthen it.

The Commission's communication examines ways of giving the necessary thrust to the development of links at all levels between the two regions and outlines two options for launching a new dynamic:

- a formal agreement, or
- an active partnership based on an action plan.

Gist of the opinion

Referring to the eminent persons group (EPG) set up by the Asean-EU Ministerial meeting, the opinion calls for a consideration of the cultural aspects, for which the forum on culture in Venice provided a platform. Indeed, there can be no significant development of economic relations until cultural exchanges are stepped up and networks of relations established between the various strands of civil society, involving in particular young people.

Greater advantage should be taken of the experience of the Committee and the organizations it represents in this serious attempt to come closer to the complex reality of Asia.

As concerns human rights, and more particularly the problems of East Timor, the Committee considers that the time might be right for a negotiated solution based on the most recent UN resolutions, to which the EU Troika could contribute.

More stress should be laid on the fact that the spread of small businesses is beneficial not only economically, but also in disseminating know-how and participation and thus in furthering the cultural growth of society and the affirmation of democratic values.

The Committee also considers that both parties (EU and Asean) need to strengthen cultural values and social and legal mechanisms which are barriers to the use of child labour, and stamp out the plague of child abuse.

On the basis of these considerations, and of the comprehensive economic picture based on the data provided by the Commission's communication, the Committee supports the proposal for an active partnership.

15. EU/BALTIC SEA REGION RELATIONS *(Information report)*

Information Report on *Relations between the European Union and the Baltic Sea region countries*

(CES 949/96 fin)

Rapporteur: Filip HAMRO-DROTZ (Finlande - Employers)

Content

In the context of the accession of Finland and Sweden to the EU, the functioning of the European Agreement with Poland, the signing of the Europe agreements with the three Baltic states and the Partnership and Cooperation Agreement signed with the Russian Federation, the potential for stronger concerted efforts to enhance development and increase synergy through a regional integrated approach for cooperation in the region must be outlined.

From a political point of view, the European Union is in a unique position to promote the dialogue within the Baltic Sea region in a multilateral framework on issues of common interest, with a view to promoting stability and security in the region.

On the economic side, the Baltic Sea region, with a strong economic growth, provides new opportunities for trade and investment. There is the need to foster regional economic cooperation in the region, with some priority given to trade, infrastructure, investment, energy and nuclear safety and development of activities by local entities and the private sector.

In May 1995, the general affairs Council adopted some conclusions on the European Union policy vis-à-vis the Baltic Sea region calling for the Commission to prepare a report on the current state of and perspectives for cooperation in the Baltic Sea region. This report was examined by the European Council in Madrid which noted that it is in the interest of the Union to promote the political stability and the economic development of this region, and urged the Commission to propose a suitable regional cooperation initiative to be presented to the heads of state and of governments of the Council of Baltic Sea states in Visby on 3 and 4 May 1996, and thereafter report to the European Council in Florence.

Gist of the information report

The Baltic Sea, including its northern and eastern arms of the Gulf of Bothnia and the Gulf of Finland, is becoming an EU sea, surrounded by the EU's internal market: Sweden and Finland in the north, Denmark in the west and Germany in the south. Today, about two-thirds of the Baltic's coastline lies within the EU. In the east and southeast, the Baltic is bordered by Russia (including the Kaliningrad region), Estonia, Latvia, Lithuania and Poland. Other countries are often included in the Baltic Sea cooperation area: for example, Norway and Iceland participate in the Council of the Baltic Sea states.

The countries making up the Baltic Sea region are rich in natural and human resources. In many cases the region's resources complement each other. Closer cooperation between the countries of the region offers an opportunity to exploit these resources. Industry and citizens in the region are seeking better channels and modes of cooperation, the development of which could take place on the basis of existing agreements. Closer cooperation in the region would benefit the entire Union and Europe as a whole.

International relations between the EU and countries in the Baltic Sea region as embodied in international agreements of various kinds have undergone major revision in recent years and it seems likely that these relations will be strengthened and developed further in the future. The information report describes the various agreements of the Baltic coast states with the EU.

The combined area of the nine Baltic coast states is significant and is home to almost 300 million people. Great differences exist between the countries of the Baltic Sea region in terms of standards of living and other indicators of economic development. The non-EU countries of the region face immense challenges in endeavouring to bring their economies up to a level where they function effectively. Growth is unevenly distributed and income differences and social tensions are growing in many of the economies in transition.

The foreign trade patterns of the countries of the Baltic Sea region have changed significantly as a result of the social upheaval in the region. It is obvious that the liberalization of intra-regional trade has provided a considerable boost to the growth of trade.

The Baltic Sea region has significant raw material resources. Forests are a major natural resource in most countries in the region.

The Baltic Sea is affected by a combination of unfavourable natural conditions and the continuous pressure of pollution and over-exploitation due to human activities. Since 1974, the Helsinki Convention on the protection of the marine environment of the Baltic Sea area, administered by the Baltic Marine Environment Protection Commission (HELCOM), has initiated and coordinated a broad range of activities aimed at curbing all sources of pollution.

There are several forums for cooperation in the Baltic Sea region and their number is growing all the time. The most important is the Council of the Baltic Sea States (CBSS), which was set up in 1992 at the initiative of Denmark and Germany as a general body at government level. Member countries are represented on the

