

EUROPEAN COMMUNITIES

# BULLETIN

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



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Vice-presidents: Giacomo REGALDO  
(Italy - Employers)  
Johannes JASCHICK  
(Germany - Various Interests)

Secretary-general: Adriano GRAZIOSI

**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.

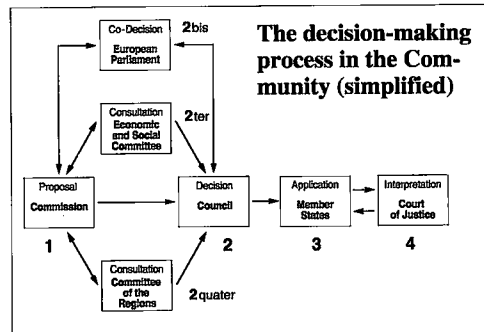
Information and integration role

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.

EUROPEAN COMMUNITIES

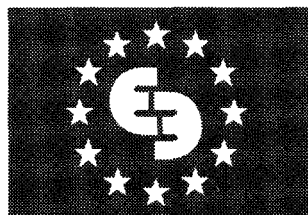
BULLETIN

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ECONOMIC AND  
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C O M M I T T E E



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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***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. 343<sup>rd</sup> PLENARY SESSION ON 26 AND 27 FEBRUARY 1997

The Economic and Social Committee held its 343<sup>rd</sup> plenary session in Brussels on 26 and 27 February. Mr Tom Jenkins presided.

The session was attended by Mr Jacques Santer, president of the Commission.

In addition to the ambitious plans for economic and monetary union, the enlargement of the Union and the joint campaign against unemployment, Mr Santer touched on the Economic and Social Committee's role in the institutional system. He welcomed the ESC's support for the Commission on many current issues and agreed with its position on issues such as the single market observatory, territorial employment pacts, progress in implementing the European social rights charter, the debate on social dialogue and its own role as an exploratory forum. He urged the ESC to continue and increase its efforts to bring political institutions close to the public and thought that the IGC should confirm and define its powers.

In the course of the session the Economic and Social Committee adopted the following opinions:

### 1. GREEN PAPER STATUTORY AUDITOR

**Opinion of the Economic and Social Committee on the *Green Paper on the role, the position and the liability of the statutory auditor within the European Union***  
(COM(96) 338 final)

(CES 224/97)

Rapporteur: Mr. Robert J. MORELAND (United Kingdom - Various Interests)

#### **Gist of the Commission document**

The requirement to have the annual and consolidated accounts of certain companies audited by a qualified professional, which was introduced for the Community as a whole by the Accounting Directives, is designed to protect the public interest.

There is no common view at EU level on the role, the position and the liability of the statutory auditor. The absence of such a common view has a negative impact on audit quality and on the freedom of establishment and freedom to provide services in the audit field.

The present green paper is intended to raise the awareness of all interested parties in the issues at stake and to elicit their comments.

After a short description of the existing regulation of the statutory audit at EU level and the reasons why renewed action at EU level may be justified, the document discusses the main issues relating to the role and the position of the statutory auditor, his liability, the audit in small companies, group audit arrangements and freedom of establishment and freedom to provide services in the audit field.

A 1996 study concludes that if there is to be a European market for audit services, initiatives are needed at EU level in two areas: freedom of establishment for audit firms and freedom to provide services in the audit field on the one hand and audit quality on the other hand. The report also concludes that differences between the liability regimes in the Member States are likely to have a negative impact on intra-Union trade in audit services.

Last year, the Commission presented a Communication to the Council and to the European Parliament on "Accounting Harmonization: a new strategy vis-à-vis international harmonization" (COM(95) 508). In this communication, the Commission announced a new strategy which would allow global players in Europe to obtain capital on the international capital market without having to comply with different requirements on financial reporting.

There is, however, a significant risk that the accounts and consolidated accounts prepared by European companies will not be accepted in international capital markets unless these accounts have been audited by an independent and qualified professional in accordance with auditing standards which are regarded as generally acceptable worldwide. The International Auditing Practices Committee of the International Federation of Accountants (IFAC) has developed a number of international auditing standards. The EU will have to decide whether it wants to support these standards and, if so, how and on what basis the European influence in the development of international auditing standards can be increased.

### **Gist of the opinion**

The Committee welcomes the Commission green paper as provoking much needed discussion on the way forward in ensuring high and compatible standards in auditing and for providing the basis for the European Union's approach towards international standards setting.

The Committee emphasizes that priorities must be given to areas where current national legislation and practice is an obstacle to the operation of the Single Market.

Any agreed definition of the statutory audit should not be restrictive in its application. In any event the Committee believes the focus should be on the objectives of the audit and on agreeing how auditors should report their conclusions to the users of accounts. The Committee believes the initiative for a "definition" should come from the accounting profession - rather than be based on an EU directive or recommendation.

The Committee recognizes that the primary responsibility lies with the directors to prevent and to detect fraud and to establish satisfactory internal controls including internal audit procedures where appropriate.

The Committee thinks that the Eighth Directive<sup>1</sup> should be adapted eventually to the guidelines put forward in the green paper and the recommendations of the conference organized by the Commission in Brussels on 5 and 6 December 1996 as amended following the consultation process. However the adaptations should cover areas not covered by self-regulation.

The Committee emphasizes the importance of the auditor being independent and being seen to be independent.

However, the Committee recognizes - as does the green paper - that there is no clear consensus on such issues as auditors providing non-audit service.

The Committee believes that companies should be required to have their accounts properly audited and agrees with the Commission that there should not be an exception for medium-sized companies. However, small companies should not be subject to a mandatory audit requirement by a qualified professional.

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<sup>1</sup> OJ N° L 126 of 12.05.1984.



## **2. INFORMATION PROCEDURE - TECHNICAL STANDARDS AND REGULATIONS (Codified version)**

**Opinion of the Economic and Social Committee on the proposal for a European Parliament and Council Directive laying down a procedure for the provision of information in the field of technical standards and regulations (codified version)**  
(COM(96) 642 final - 96/0300 COD)

(CES 225/97 - 96/0300 COD)

Rapporteur working alone: Mr Leopold MAURER (Austria - Employers)

### **Gist of the Commission proposal**

In the context of a people's Europe, the Commission attaches great importance to simplifying and clarifying Community law so as to make it clearer and more accessible to ordinary citizens, thus giving them new opportunities and the chance to make use of the specific rights it gives them.

This aim cannot be achieved so long as numerous provisions that have been amended several times, often quite substantially, remain scattered, so that they must be sought partly in the original instrument and partly in later amending ones. Considerable research work, comparing many different instruments, is thus needed to identify the current rules.

For this reason a consolidation or codification of rules that have frequently been amended is also essential if Community law is to be clear and transparent.

The purpose of the present proposal is to undertake official codification of all the legislation laying down a procedure for the provision of information in the field of technical standards and regulations. The new directive will supersede the various directives incorporated in it; their content is fully preserved, and they are brought together with only such formal amendments as are required by the codification exercise itself.

### **Gist of the opinion**

The Committee approves the Commission proposal.

## **3. APPROXIMATION OF LAWS GOVERNING MACHINERY**

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive on the approximation of the laws of the Member States relating to machinery (codified version)**  
(COM(96) 667 final - 96/0305 COD)

(CES 226/97 - 96/0305COD)

Rapporteur working alone: Mr. Wolfgang BURKHARD (Austria - Employers)

### **Gist of the Commission proposal**

The purpose of this proposal for codifying Council Directive 89/392/EEC of 14 June 1989 on the approximation of the laws of the Member States relating to machinery is to undertake official codification. The new directive will supersede the various directives incorporated in it, although the content of the latter is fully preserved.

This codification proposal was drawn up on the basis of a preliminary consolidation of Directive 89/392/EEC and the instruments amending it.

#### **Gist of the opinion**

The Committee approves the Commission proposal.

#### **4. VESSELS CARRYING DANGEROUS GOODS**

**Opinion of the Economic and Social Committee on the Council Directive amending Directive 93/75/EEC concerning minimum requirements for vessels bound for or leaving Community ports and carrying dangerous or polluting goods**  
(COM(96) 455 final - 96/0231 SYN)

(CES 227/97 - 96/0231 SYN)

Rapporteur: Mr. Eduardo CHAGAS (Portugal - Workers)

#### **Gist of the Commission document**

The aim of Directive 93/75/EEC<sup>2</sup> is to improve prevention and remedial action in the event of circumstances at sea which might lead to accidents involving ships that are carrying dangerous or polluting goods.

The directive was first amended by Commission Directive 96/39/EC<sup>3</sup> in order to apply, in accordance with Article 11, subsequent amendments which have entered into force to the international convention, codes and resolution referred to in Article 2(e), (f), (g) and (h). This amendment was carried out in accordance with the opinion of the Committee provided for in Article 12 of Directive 93/75/EEC.

The purpose of the present proposal is threefold:

- to extend the scope of the Directive to cover the carriage of irradiated nuclear fuel, plutonium and high-level radioactive waste in flasks on board ships;
- to supplement the information given in the annexes to the Directive in the light of developments in international legislation;
- to facilitate the amendment of those annexes in the light of developments in international legislation by applying the committee procedure.

In the light of the subsidiarity principle, this amendment to Directive 93/75/EEC does not affect the right of Member States to impose additional requirements in respect of vessels.

#### **Gist of the ESC**

In line with opinions expressed previously, and in particular those in its Opinion on the Communication on a Common Policy for Safety at Sea<sup>4</sup> the Committee welcomes the present draft directive.

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<sup>2</sup> OJ No. C 329 of 20 December 1989, p. 12.

<sup>3</sup> OJ No. L 196 of 7 August 1996, p. 7.

<sup>4</sup> OJ No. C 34 of 2 February 1994, page 47.

As the carriage of radioactive materials by sea is increasing and the position of EU Member States regarding that transport is very important, the Committee thinks that the introduction of a reference to the INF Code in Article 2 of Directive 93/75/EEC is fully justified.

The Committee is also of the opinion that due consideration should be given to the application of Directive 93/75/EEC, as modified by the present Directive, not only to vessels bound for or leaving Community ports, or staying at anchor in territorial waters of an EU Member State, but also to all vessels in transit in those territorial waters.

Finally, the adoption of the committee procedure makes it easier to follow the evolution of international legislation. In terms of safety at sea and marine environment protection this evolution is currently very fast.

## **5. PROMOTION OF SUSTAINABLE MOBILITY**

**Opinion of the Economic and Social Committee on the Proposal for a Council Decision on the promotion of sustainable and safe mobility**  
(COM(96) 654 final - 96/0306 SYN)

(CES 228/97 - 96/0306 SYN)

Rapporteur working alone: Mr. Joseph KONZ (Luxembourg - Workers)

### **Gist of the Commission document**

In its Communication on legal bases and maximum amounts which it forwarded to the Council and to Parliament on 6 July 1994 (SEC(94) 1106), the Commission proposed the creation of a legal basis for budget item B2-704 (Establishment and development of a common sustainable transport policy) the appropriations for which have regularly been exceeding the threshold of ECU 5 million since 1993. It would also appear advisable to consider budget item B2-702 (Transport safety), taking into account the similarities in the intervention procedures compared with item B2-704 and the continuous increases in appropriations prompted by the European Parliament.

The bulk of the expenditure effected from the appropriations provided under these two headings applies to specific measures implemented as a preliminary step to a statutory Commission initiative or necessitated by the Commission's obligation to exercise its role as guardian of the Treaty.

Consequently, the proposal for a Council Decision applies only to those significant actions which the Commission might undertake with a view to establishing and developing the common transport policy and promoting transport safety. It therefore concerns only a part of the appropriations entered by the budgetary authority under these headings. It should also be pointed out that specific legal bases are required in the case of the most significant actions in the field of transport such as the financing of projects of common interest involving the trans-European transport network, transport research, structural improvement in inland waterway transport and the programme of intermodal transport pilot schemes for the European Union.

Given this situation, certain significant actions can be financed from items B2-702 and B2-704. In the main, these involve clearly identifiable but highly diverse operations conducted by third parties, more often than not public or private international organizations engaged in publicising the objectives pursued by the Community in the transport sector. The financing of these operations normally takes the form of subsidies not exceeding 50% of the total cost of the project.

### **Gist of the opinion**

The Economic and Social Committee welcomes the proposed Council decision insofar as it should prompt the Commission to make more intensive and purposeful use of the funds made available by the Parliament so that the problems associated with the transport of goods and people are solved as quickly as possible.

The Committee thinks that it is vital for the Commission to be provided with the requisite funds and the legal basis for implementing the measures listed in Articles 2 and 3 of the proposal.

It is also in the general interest for the Commission to be able to collect authoritative evidence by commissioning studies and analyses from independent experts.

The Economic and Social Committee also welcomes the binding provision contained in Article 4 stipulating that each final payment is to be preceded by a detailed check on the services provided, taking into account the contractual obligations entered into by the beneficiary and the principles of basic economics and sound financial management.

Finally, the Economic and Social Committee eagerly awaits the first Commission report due out in 2001 on the use made of the appropriations and the evaluation of their contribution towards the achievement of the objectives pursued by the Community (cf. Article 6 of the proposal).

### **6. ONP**

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive on the application of open network provision (ONP) to voice telephony and on universal service for telecommunications in a competitive environment**  
(COM(96) 419 final - 96/0226 COD)

(CES 238/97 - 96/0226 COD)

Rapporteur-General: Mr. Jacques PE (France - Workers)

### **Gist of the Commission document**

The purpose of this directive is to revise and replace the existing Directive 95/62/EC<sup>5</sup> to take account of the forthcoming liberalization of the telecommunications market by 1 January 1998, and to guarantee the provision of a defined universal service for telecommunications in the European Union.

The European Parliament and the Council have committed themselves to decide before 1 January 1998, on the basis of a proposal submitted in good time by the Commission, on the revision of the existing directive - see Article 32(1).

This proposal for a revised directive describes the scope of the universal service for telecommunications which must be available to all users in the EU, and requires Member States to ensure that this service is affordable, taking into account national situations. The directive also sets out harmonized conditions for the provision of fixed public telephone networks and publicly available telephone services in the European Union.

The revised directive forms part of the regulatory framework for the telecommunications sector being put in place for the post-1998 environment of open and competitive markets.

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<sup>5</sup> OJ No. C 236 of 11.09.1995, p. 38.

### **Gist of the opinion**

The Committee, which widely reiterates views previously expressed by it on the subject<sup>6</sup>, is generally in favour of the proposal.

It thinks, however, that mobile services should not be fully excluded from the scope of the proposal. A number of provisions - such as the rules governing subscribers' contracts and information services - should apply to mobile and fixed telephone services.

While agreeing with the definition of universal service given in the proposal, the Committee thinks that universal service must not necessarily be mistaken for a minimum service, for that could lead people to believe that only minimum rights are guaranteed in Europe.

Finally, the Committee:

- underlines the need for consistency between the proposal, the future directive on interconnection and the Commission communication of 27 November 1996<sup>7</sup>,
- is pleased to see that the draft directive, in line with its previous recommendation, covers facilities additional to the universal service,
- notes with satisfaction that directory services are to be subject to universal service obligations, and welcomes the requirement to provide general access to a single emergency call number (112).

### **7. "INVENTING TOMORROW" EUROPE'S RESEARCH AT THE SERVICE OF ITS PEOPLE**

**Opinion of the Economic and Social Committee on the *Communication from the Commission "Inventing tomorrow" - Europe's research at the service of its people***  
(COM(96) 332 final + final 2 (only for the French version))

(CES 229/97)

Rapporteur: Mr. Giannino BERNABEI (Italy - Employers)

### **Gist of the Commission proposal**

The purpose of the Commission communication is to open a debate with the participation of Parliament, Council and all others concerned by or interested in European research. Its particular aim is to decide together the guidelines which will serve as the basis for a detailed proposal for the fifth framework programme of research and technological development, which will determine Union action in this area as we move into the next millennium.

The document provides a general outline of the problem and then discusses the objectives of European research at the beginning of the 21<sup>st</sup> century. This chapter, with an eye to the future framework programme, analyses the three parameters which are all related in different ways to the principle of added value which is the guiding principle of Community action: timescale, European level and the prospect of budgetary efficiency.

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<sup>6</sup> OJ C 19 of 25 January 1993, page 126, OJ C 236 of 11 September 1995, page 38 and OJ C 153 of 28 May 1996, page 21

<sup>7</sup> Commission communication on assessment criteria for national schemes for the costing and financing of universal service in telecommunications and guidelines for the Member States on operation of such schemes (COM(96) 608).

As an example, the text refers to the challenges and opportunities which will face Europe in the year 2000. It highlights the problems facing society in the Union and the challenge of sustainable development, market opportunities and job creation in Europe, the challenge of the globalization of knowledge and Europe's place in the world, and lastly, the mismatch between Europe's scientific and technological potential and its record on innovation.

The main objectives of the future framework programme will be the need to satisfy the expectations of citizens, to ensure a positive impact on employment and competitiveness, push back the frontiers of knowledge in a number of key sectors and create a climate favourable to research and innovation in Europe.

The second chapter traces progress from the fourth to the fifth framework programme and provides an update of the current situation. To shift the balance towards a greater social and economic impact, the communication advocates support for basic research, moves to bring research more into line with market requirements and more action to exploit results.

Three priority topics and three horizontal activities can be identified with a view to defining the structure and content of the future framework programme. The priority topics include unlocking the resources of the living world and the ecosystem, creating a user-friendly information society and promoting competitive and sustainable growth.

Horizontal activities include improving human potential, boosting innovation and the participation of SMEs and confirming the international role of European research. In terms of implementing this fifth framework programme, it should be pointed out that it is assumed that the Commission will endeavour to avoid fragmentation in Community research, increasing flexibility in research work and decision-making, ensuring more efficient management and extending the range of instruments and means of coordination.

The following instruments are envisaged:

- horizontal programmes
- task forces
- instruments to encourage cooperation between Member States
- mechanisms for liaising and interfacing with the instruments of the other policies
- joint research centre.

The preparations for the fifth framework programme are unquestionably taking place in a period of rapid, far-reaching change. This exercise is complicated by many additional factors such as the critical employment problem, the increasing globalization of the economy and the new challenges of building Europe, such as the Intergovernmental Conference, economic and monetary union or moves to enlarge the Community. The Commission's view is that given the above, European research must be made more transparent, procedures simplified, and results exploited more efficiently, so that new balances can be established and the content of research topics renewed in the light of the challenges and opportunities of the 21<sup>st</sup> century.

Thus, the idea is to move on from research which focuses solely on technological performance towards research which focuses on the citizen and economic and social needs.

In order to succeed, the Commission feels that what is needed is strong political will. It therefore invites discussion of, and reactions to, these initial guidelines in the communication. Detailed proposals will be submitted following the discussions launched by this document.

A number of tables and graphs are appended allowing analysis of the facts, figures and trends relating to European research.

### **Gist of the opinion**

The Committee welcomes the Commission Communication, and the accompanying working document containing various remarks on the forthcoming 5th RTD framework programme.

It regards this draft opinion as paving the way for the forthcoming opinion on the 5th framework programme, and accordingly, it attempts to do more than just respond to the contents of the above documents.

The Committee therefore **recommends**:

- a major search for innovative proposals capable of mustering the support and political will of all those involved in research around medium- long-term strategic objectives;
- a new philosophy rooted in an integrated system which prevents scattering of limited resources by creating synergies between European research, Community research and major RTD projects where Member States consider joint action important;
- going beyond cosmetic changes in the Community framework programme, which leaves its basic shape, management procedures, decision-making procedures and arrangements unchanged;
- full implementation of Title XV of the Treaty on European Union, with particular regard to Articles 130k, 130l and 130n as an integral part of the framework programme;
- a thorough overhaul of European research as regards framing strategic scenarios, identifying priorities, new structures, greater flexibility, improved access, clearer assignment of responsibilities and assessment of results, with improved management, simplified procedures and more efficient back-up arrangements;
- the development of a financial/tax environment conducive to intangible investment in research and training;

**and calls for**, inter alia:

- the immediate implementation of a European technology and industrial assessment mechanism, and basic figures (Tableau de Bord);
- the use of a bottom-up approach, based on these scenarios, in defining priority areas and concentrating on areas in which Community research makes a substantial contribution towards solving the problems of society, industry and individuals.
- future framework programmes to have a pyramid structure, with horizontal actions at the base, cross-sector research and cross technology problem-solving at the centre, and, at the apex, major, "open variable geometry" priority projects, of strategic interest for European competitiveness, employment and social affairs;
- an integrated approach to promote, in each individual research project, interaction with important strategic issues and horizontal actions;
- priority to be given to a "goal-based" approach, rather than simply conforming with rules;
- the promotion of major strategic projects by implementing the provisions of Articles 130k, 130l and 130n, via a package which will guarantee geopolitical economic balance and cohesion;

- the definition of a limited number of problem-solving areas;
- horizontal actions to be considered as a common pool of resources with an automatic tie-up with major common projects and "problem solving" work;
- all levels of research to include incentive and demonstration instruments as an integral part of the research-innovation-market sequence;
- better coordination of European research;
- the establishment of units for coordination within the research structure and with other schemes;
- three uniform procedures for the three levels of action in the pyramid.

## 8. BALTIC SEA

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) introducing arrangements for the management of fishing effort in the Baltic Sea**  
(COM(96) 48 final - 96/0244 CNS)

(CES 230/97 - 96/0244 CNS)

Rapporteur: Mr. Seppo Ilmari KALLIO (Finland - Various Interests)

### Commission proposal

In order to integrate Sweden and Finland gradually into the common fisheries policy, the Commission is providing first for the termination of the transitional arrangements governing access to the waters of the Baltic Sea by establishing arrangements for fishing effort in the areas of the Baltic Sea falling under the sovereignty or within the jurisdiction of the Member States.

These arrangements provide for the *a posteriori* monitoring by Member States of the fishing effort deployed by Community vessels in the fisheries concerned, mainly through:

- the defining of fisheries in the Baltic Sea;
- the preparation by the Member States of lists of named vessels flying their respective flags and authorized to enter the fisheries;
- the issue of special fishing permits by the Member States to vessels flying their flag authorized to fish in those fisheries;
- the amendment of Council Regulation (EEC) No. 2847/93 of 12 October 1993 establishing a control system applicable to the CFP, in particular as regards the recording of data on fishing effort in the logbook, the procedures for sending the lists of named vessels to the Commission, the collection of data on fishing effort by the Member States and the forwarding of the assembled data on fishing effort to the Commission.

The proposal lays down the procedure for the introduction of these arrangements.

### Gist of the opinion

In the view of the Committee, the Commission should ensure that the introduction of the system of special fishing permits does not lead to overfishing of the target species.



The Committee thinks that the Commission should promote research on the estimation of catches at different levels of fishing effort for the various species in cooperation with the International Baltic Sea Fishery Commission (IBSFC) and the International Council for the Exploration of the Sea (ICES). The Commission should also work together with these organizations to ensure that all countries which fish in the Baltic introduce the system of special fishing permits at the same time and at the earliest possible opportunity.

## 9. WINE-GROWING AREAS

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) amending Regulation (EEC) No. 1442/88 on the granting for the 1988/1989-1997/1998 wine years, of permanent abandonment premiums in respect of wine-growing areas**  
(COM(96) 706 final - 97/0009 CNS)

(CES 231/97 - 97/0009 CNS)

Rapporteur: Mr. Leopoldo QUEVEDO ROJO (Spain - Various Interests)

### Gist of the Commission proposal

Having taking note of some Member States' delay in designating the regions to benefit from the permanent abandonment premiums in respect of wine-growing areas pursuant to the terms of Council Regulation (EC) No. 1595/96 of 30 July 1996, amending the basic Council Regulation No. 1442/88 of 24 May 1988, the section approves the Commission proposal to extend the time limit (31 December 1996) fixed for eligible producers to submit applications to the authorities designated by the Member States.

### Gist of the opinion

The Committee approves the Commission proposal.

## 10. ENZYMES AND MICRO-ORGANISMS

**Opinion of the Economic and Social Committee on the Proposal for a Council Directive amending Directive 93/113/EEC concerning the use and marketing of enzymes, micro-organisms and their preparations in animal nutrition**  
(COM(96) 715 final - 97/0014 CNS)

(CES 232/97 - 97/0014 CNS)

Rapporteur: Mr. Sergio COLOMBO (Italy - Workers)

### Gist of the Commission proposal

Council Directive 93/113/EEC of 14 December 1993 authorized Member States to permit provisionally the use and marketing of enzymes, micro-organisms and their preparations in animal nutrition, provided that, on the basis of available scientific evidence, they did not present any danger to human or animal health. The timetable set by Directive 93/113/EEC required the Commission to decide before 1 January 1997 on the applications that Member States were obliged to submit before 1 January 1996, with a view to obtaining a Community authorization.

Since the large number of case files submitted by the Member States has made it impossible for the Commission to decide, in full knowledge of the facts, on all the applications, it is proposed to postpone by one year the date by which the Commission must decide on whether the products in question comply with the

conditions laid down in Directive 70/524/EEC of 23 November 1970 as regards safety of use and effectiveness for authorization as an additive.

#### **Gist of the opinion**

The Committee approves the Commission proposal.

### **11. ORGANIC PRODUCTION OF AGRICULTURAL PRODUCTS**

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) supplementing Regulation (EEC) No. 2092/91 on organic production of agricultural products and indications referring thereto on agricultural products and foodstuffs to include livestock production (COM(96) 366 final - 96/0205 CNS)**

(CES 234/97 - 96/0205 CNS)

Rapporteur: Mr. Jan OLSSON (Sweden - Various Interests)

#### **Gist of the Commission proposal**

The Commission proposal aims to round off Regulation (EEC) No. 2092/91 by establishing harmonized rules for the production of livestock with regard to organic agriculture. It also sets out a number of essential specific supplementary provisions, such as the appropriate conditions for stock-farm inspection.

The proposal lays down the basic principles governing organic livestock production, such as the link with the land, and the specific rules on the main factors governing animal husbandry, namely the origin of the livestock, animal feed, disease prevention and veterinary care, and the conditions under which livestock is housed and kept.

#### **Gist of the opinion**

Whilst the Committee welcomes the Commission proposal to frame common rules on organic animal production, it nevertheless feels that the rules are too general and imprecise, and as such, are likely to weaken the legal impact of the regulation. It therefore suggests that the regulation and its annexes should confine themselves to establishing clearly-defined minimum requirements for organic production. Attention should also be paid to the large regional variations within the EU regarding natural conditions and climate, and national exceptions should be allowed as long as they do not lead to distortion of competition.

Organic production is growing, following an increase in demand. The Committee therefore feels it is necessary to boost consumer confidence and ensure that all citizens have access to reasonably-priced organic fare.

### **12. VETERINARY MEDICINAL RESIDUES IN FOODSTUFFS**

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) amending Council Regulation (EEC) No. 2377/90 laying down a Community procedure for the establishment of maximum residue limits of veterinary medicinal products in foodstuffs of animal origin**

(COM(96) 584 final - 96/0279 CNS)

(CES 233/97 - 96/0279 CNS)

Rapporteur-General: Mr. Sergio COLOMBO (Italy - Workers)

### **Gist of the Commission proposal**

The aim of Regulation (EEC) No. 2377/90 is to protect public health and to prevent the establishment of maximum residue limit (MRL) at national level from hindering the free movement of veterinary medicinal products and foodstuffs within the European Union.

Pursuant to the regulation, on the basis of the scientific opinion of the Committee for Veterinary Medicinal Products (CVMP), it falls to the Commission to adopt a legally binding decision classifying either products developed after 1 January 1992 - its entry into force - (new substances) or existing products undergoing evaluation (old substances), in one of the four annexes of the Regulation.

Since the regulation was adopted, however, the regulatory environment for veterinary medicinal products has been radically altered, in particular as a result of the entry into force of:

- Council Regulation (EEC) No. 2309/93 laying down Community procedures for the authorization and supervision of medicinal products for human and veterinary use and establishing the European Agency for the Evaluation of Medicinal Products;
- Council Directive 93/40/EEC amending Directives 81/851/EEC and 81/852/EEC on the approximation of the laws of the Member States relating to testing of veterinary medicinal products.

The CVMP is henceforth now responsible to the Agency, which deals with requests for authorization to place human and veterinary medicinal products on the market and to which it falls to issue an opinion on the MRLs of veterinary medicinal products which are acceptable in foodstuffs of animal origin.

It is necessary, consequently, to adapt Regulation (EEC) 2377/90 in order:

- to confer on the agency the task of dealing with applications for the establishment, amendment and extension of MRLs;
- to extend the deadline of 1 January 1997 for the prohibition on the use of substances authorized before 1 January 1996 and currently undergoing progressive scientific evaluation, by two years, in order to make it possible to complete such evaluation by Member States and hence establish MRLs;
- to add a specific annex for substances undergoing clinical trials, which would be the subject of a provisional MRL and an appropriate withdrawal period guaranteeing protection of consumer health, to allow foodstuffs for human consumption being taken from animals used for testing such substances;
- to align the decision-making process with respect to the authorization and supervision of medicinal products for veterinary use with that introduced by Regulation (EEC) No. 2309/93;
- to enable the Community to fulfil its obligations under the agreement on the application of sanitary and phytosanitary measures emerging from the Uruguay Round.

### **Gist of the opinion**

The Committee notes that the amendments in question concern various procedural aspects and deadlines. Each will be considered in detail. Given the urgency as a result of the legal void which has been created, the Committee has adopted an opinion on the procedural aspects and deadlines contained in the proposal, and will return to the substantial issues raised subsequently as soon as the Commission formulates new proposals.

***The need to update the procedure***

The Committee considers that the proposed amendments to Articles 7, 8, 10 and 12 are appropriate to the new legal framework for medicinal products and the Community's international obligations.

***The need to extend the deadline for the review of substances already in use***

Given the rate at which substances already in use are being examined, and the fact that over 200 remain to be dealt with, the Committee is obliged to approve the extension laid down in the first and second paragraph of Article 14.

The Committee does not, however, consider two years to be sufficient, given the time required for in-depth examination, which is essential to consumer and animal health protection and if the practice of repeated extensions is not to continue. This is partly on the basis of the data gathered by the European Agency for the Evaluation of Medicinal Products. The Committee proposes that the deadline be set definitively for 1 January 2000, with no possibility of extension.

***Establishment of maximum residue limits for substances undergoing clinical trials***

Since the Committee considers that consumer protection is already provided at national level by the rules under Directive 93/40/EEC and by the good clinical practices laid down in Directive 92/18/EEC, it does not believe that establishing a provisional MRL will enhance consumer safety.

Consequently, the Committee does not accept the addition of a new Article 4(a) or of the third paragraph of Article 14, and calls upon the Commission to draft a new proposal reflecting the CVMP guidelines so as to reconcile consumer safety with the need to avoid the destruction of animals used for trials wherever possible.

**13. MARKETING AND USE OF DANGEROUS SUBSTANCES AND PREPARATIONS**

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive amending for the 17<sup>th</sup> time Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations**  
(COM(96) 513 final - 96/0252 COD)

(CES 237/97 - 96/0252 COD)

Rapporteur-General: Sr. Bo GREEN (Denmark - Employers)

**Gist of the draft directive**

In the context of the programme "Europe against cancer" an action plan has been launched by the Council to focus the attention on substances and preparations considered to be carcinogens. Due to the fact that the use of chemicals by consumers cannot be controlled, safety can only be ensured by prohibiting use by consumers of category 1 or 2 substances and preparations classified as carcinogens, mutagens or substances toxic to reproduction (c/m/r) in the 20<sup>th</sup> (Directive 93/101/EC) and 21<sup>st</sup> (Directive 94/69/EC) adaptations to technical progress of Directive 67/548/EEC on the classification, packaging and labelling of dangerous substances.

The prohibition will be carried out through the proposed 17th amendment to Directive 76/769/EEC on the marketing and use of certain dangerous substances and preparations. Annex I of this Directive was last amended by Directive 94/60/EC (14<sup>th</sup> time) which introduced a list of substances classified as category 1 or 2 c/m/r.

Directive 94/60/EC also imposed on the Commission the obligation to propose Directives prohibiting use by consumers of any additional c/m/r category 1 or 2 substances, and this is the reason why the list in Annex I of Directive 76/769/EEC would now be extended and consolidated in line with the technical adaptations of Directive 67/548/EEC. However, according to Directive 94/60/EC the c/m/r substances already covered by Directive 79/769/EEC and the first thirteen amendments to that Directive are not included in the consolidated list, and the Commission will make a separate proposal to ban them.

#### **Gist of the opinion**

The Economic and Social Committee approves the Commission proposal to amend for the 17<sup>th</sup> time Directive 76/769/EEC relating to restrictions on the marketing and use of certain dangerous substances and preparations.

The Committee especially welcomes the steps being proposed by the Commission at EU level to protect consumers from exposure to c/m/r substances, which are complementary to those already existing with regard to the protection of workers from carcinogenic substances.

Nevertheless, the Committee considers that it would be better if the restriction on the sale of c/m/r substances would follow automatically after their classification under the requirements of Directive 67/548/EEC. In this case, it notes that the use of a committee procedure would help to speed up the process, although there would have to be prior consultation of the various socio-economic partners and interests involved.

#### **14. GREEN PAPER EDUCATION/TRAINING - TRANSNATIONAL MOBILITY**

**Opinion of the Economic and Social Committee on the Green Paper on education - training - research: the obstacles to transnational mobility**  
(COM(96) 462 final)

(CES 239/97)

Rapporteur: Sr. José Isaiás RODRÍGUEZ GARCÍA CARO (Spain - Employers)

#### **Gist of the Commission proposal**

There are still too many obstacles to personal mobility in the EU. Capital, goods and services move freely within the Union than people. This underlines the goal of bringing the EU closer to the citizen. Obstacles to mobility particularly affect young people from more deprived backgrounds and the unemployed. The green paper identifies obstacles to mobility and proposes for consideration some possible lines of action to remove such obstacles.

Five major obstacles have been identified:

- **An obstacle to transnational training for the unemployed**

**Case study:** somebody looking for work and wanting to undergo training in another Member State loses his rights to unemployment benefit and social security if this training lasts longer than three months.

**Line of action:** extend to the unemployed in training Community law that allows job searching in another Member State for six months without a loss of rights and ensure the continued right to unemployment benefits for the unemployed undertaking training in another Member State.

- **Statutory problems for trainees and young people doing voluntary work**

**Cast study:** a student wishing to take up a traineeship in a company in another Member State is confronted in certain Member States with difficulties in finding a host company, as legislation in certain Member States would consider him as an employee, and the company would therefore have to pay him at least a nominal wage and would be responsible for associated social payments.

**Line of action:** give a legal framework to the situation of trainees and volunteers within the European Community.

- **Territorial restriction of student grants**

**Case study:** in most Member States, students entitled to grants or other forms of assistance lose them if they pursue their studies in another Member State: these grants are only paid for studies in the Member State paying them.

**Line of action:** remove the "territoriality" of grants and other assistance.

- **The fiscal arrangements for research grants**

**Case study:** Community research grants are implemented differently across the Community depending on the status given to the researchers by the host country, i.e. that of student, employee or self-employed.

**Line of action:** apply the same rules to Community funded researchers in all Member States of the European Union, either by the exemption of grants, or coordination of the rules applied in all Member States.

- **Problems of mutual recognition of academic and vocational qualifications**

**Case study:** employees wanting to undergo training in a country other than their own can face problems due to the lack of mutual recognition of qualifications, training courses and placements. This lack of recognition has a very strong discouraging effect.

**Line of action:** move towards mutual recognition of placements and vocational training courses, extend the European credit transfer system (ECTS) already established in higher education through Community action, to the vocational training sector.

### **Summary of the opinion**

The Committee endorses any initiative which adopts a critical stance towards the way the European integration process is developing. The green paper is in itself a clear recognition of the deficiencies that have blighted the integration process over the years, especially those which have a direct impact on citizens.

The Committee would particularly highlight those chapters of the green paper dealing with third country nationals who legally reside in a Member State. These citizens experience additional problems on top of those which persistently affect Community nationals. All measures aimed at integrating third country citizens should be encouraged and supported, particularly with the objective of stepping up action to counter racism and xenophobia in the Union.

The Committee therefore explicitly supports any measures adopted to implement line of action No 6 (improving the situation of third country nationals with regard to training).

All levels of training have the overriding objective of preparing young people for the challenges of the marketplace. Accordingly, Community education, training and research programmes are an important step forward in achieving this aim.

That is why the ESC - as the legitimate representative of the socio-economic interest groups - should be directly involved in the consultations which are underway on the final version of the present document, given that some proposed solutions could have a direct impact not only on the future employees of Europe's businesses, but also on today's workers and firms.

It is of consummate importance to find solutions to the problems hindering the mobility of those preparing to enter the labour market. At a time when jobs are scarce and hard to come by, any attempt by the Member States to protect their national labour market must be actively opposed. The green paper does not mention this problem which may be encountered by participants in Community training programmes when they complete their period of training.

The Committee considers that the Commission should highlight this aspect so that it is included in the final document.

The dissemination of information in the Member States must not only be guaranteed but also checked for ease of access by citizens. It is the Commission's responsibility to ensure that the dissemination of information of this kind is not restricted to the usual small groups of people who receive information on Community action.

The Committee therefore calls for line of action No. 9 also to state that a network be set up to systematically disseminate information to citizens on all Community training opportunities that are on offer.

Programmes which promote language learning for young people and adults are meaningless if we do not think about the future. We must concentrate our efforts on children and promote the teaching of Community languages in schools throughout the EU. At the same time we must respect as far as possible freedom of choice regarding the languages taught to children.

In addition to boosting the learning of Community languages in schools, the ESC calls for students to be encouraged to study subjects related to European integration and the European venture.

A new line of action which the Commission should consider including is to introduce at Community level and in all EU schools a specific academic subject along the lines described above. This would be taught to all EU schoolchildren and its content would be the same across the Union.

Validation and recognition of study courses carried out in another Member State must remain a priority for the Community. It is a principle which must be extendible to vocational training and to all non-regulated studies.

In the interests of improving social justice, it is essential that immediate and priority action is taken to ensure that the most disadvantaged citizens are able to benefit from the Community programmes dealt with in the green paper. The Committee calls for line of action No. 7 to state that the financial aid set out in the programmes should take account of the recipient's financial position or that of their family.

## **15. BURDEN OF PROOF DISCRIMINATION BASED ON SEX**

**Opinion of the Economic and Social Committee on the *Proposal for a Council Directive on the burden of proof in cases of discrimination based on sex***  
(COM(96) 340 final - 96/0196 PRT)

(CES 236/97 - 96/0196 PRT)

Rapporteur: Mrs. Anne-Marie SIGMUND (Austria - Various Interests)

### **Gist of the Commission Proposal**

On 27 May 1988 the Commission submitted a Proposal for a Council Directive on the burden of proof in the area of equal pay and equal treatment for women and men. The Economic and Social Committee delivered its Opinion on 27 October 1988 and the European Parliament on 15 December 1988.

This proposal was discussed by the Council on several occasions between 1988 and 1994. The legal basis - Articles 100 and 235 - requires unanimity, but this was not achieved. At the Council meeting of 23 November 1993, eleven of the (then) twelve Member States reached a consensus on the basis of the proposals from the Greek and Belgian Presidencies. As the required unanimity could not be obtained, the Commission undertook to initiate the procedure under Article 3 of the Agreement on social policy annexed to the Treaty on European Union.

In the light of two rounds of consultations with the social partners, the Commission considers that Community action is necessary to ensure that the principle of equal treatment is complied with scrupulously and has therefore decided to present a proposal for a directive.

On the basis of Article 2(2) of Protocol No. 14 on social policy, the Commission proposes that the burden of proof reverts to the defendant as soon as the plaintiff has established, by showing a fact or a series of facts, the existence of less favourable treatment caused by apparent discrimination. The defendant must then prove that the principle of equality has not been infringed by showing that there are objective reasons unrelated to sex which justify the difference in treatment. Once the presumption of discrimination has been established, the Member States are asked to place the onus on the defendant to provide conclusive evidence that the difference in treatment was not illegal, with the plaintiff enjoying the benefit of any doubt concerning the exact interpretation of the facts.

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 1 January 2001.

### **Gist of the opinion**

The Committee broadly welcomes the Commission initiative. It also shares the Commission's view that Community action is needed to uphold and enforce the principle of equal treatment.

The Committee does not, however, agree with the Commission that the proposed arrangement will not impose any administrative constraints on the creation, maintenance and development of SMEs. It trusts that the Commission will take appropriate action to ensure that this fact is taken into consideration in its programmes designed to establish, maintain and promote SMEs.

Although the Commission clearly states in the recitals to the draft directive that its intention in Article 4(1) is not to reverse the burden of proof, the actual wording of the directive does not wholly bear this out.

The Committee proposes that, to make it easier for the principle of equal treatment to be enforced in law, a clear rule must be established that, as a matter of principle, the plaintiff continues to bear the burden of proof, but that it is enough for the plaintiff to make out a credible case for his or her claim that discrimination based on sex has taken place. This means that, unlike the situation in certain Member States, the courts need not have virtually watertight proof that sex discrimination has taken place - which in practice would make it inordinately difficult to take proceedings in these cases. Rather, there need only be overwhelming probability, in the light of all the facts of the case. In other words, sex discrimination may be deemed to have occurred where there are well-founded indications that a person has been treated improperly. This removes the plaintiff's difficulty in having to supply absolute proof of discrimination before the courts. In each case, therefore, it is up to the courts in each individual Member State, acting in line with national provisions, to pass judgement on the claims made.



The Economic and Social Committee feels this to be a balanced arrangement - particularly since it makes it easier for the plaintiff to furnish proof while at the same time clearly giving the defending employer the opportunity to demonstrate that there has been no discrimination on the grounds of sex.

## 16. GSP TEMPORARY WITHDRAWAL - MYANMAR

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) temporarily withdrawing access to generalized tariff preferences for industrial goods from the Union of Myanmar, and the Proposal for a Council Regulation (EC) temporarily withdrawing access to generalized tariff preferences for agricultural goods from the Union of Myanmar**  
(COM(96) 711 final and COM(97) 58 final - 96/0317 ACC)

(CES 240/97 - 96/0317 ACC)

Rapporteur-General: Mr. Thomas ETTY (Netherlands - Workers)

### Gist of the Commission proposals

On 7 June 1995, the European Trade Union Confederation (ETUC) and the International Confederation of Free Trade Unions (ICFTU) made a joint complaint to the Commission pursuant to Articles 9 and 10 of Council Regulation (EC) No. 3281/94, regarding Myanmar's use of forced labour. The Regulation states that the advantages of the Community scheme of generalized preferences may be temporarily withdrawn in whole or in part in circumstances including practice of any form of forced labour as defined in the Geneva conventions of 25 September 1926 and 7 September 1956 and International Labour Organization Conventions Nos. 29 and 105.

After thoroughly examining the complaint in consultation with the generalized preferences committee, the Commission decided to open an investigation and informed the authorities of Myanmar accordingly.

Having discussed the matter, the Commission considers that the available information provides sufficient evidence that the Myanmar authorities do in fact use forced labour, and that there is justification for withdrawing the tariff preferences granted to the country.

The Commission suggested consulting the European Parliament and the Economic and Social Committee on the proposal for a Council regulation temporarily withdrawing access to the generalized scheme of industrial and agricultural tariff preferences from the Union of Myanmar. The procedure is in progress at the Council.

### Gist of the opinion

The Committee fully supports the Commission's proposal to withdraw from Myanmar the advantages of the generalized scheme of preferences established by Regulation (EC) No. 3281/94 as long as forced labour practises in that country remain.

The proposal sets a vital precedent. It seems a clear signal to the EU's trading partners that the EU is serious about its determination to use the GSP to meet the goals for which it was created, namely to improve the conditions of people in the developing countries through the provision of trading privileges and to prevent the abuse of the GSP through the encouragement of reports from countries which do not respect the basic human rights mentioned in the EU's relevant instruments.

The Committee wishes to stress the importance it attaches to the extremely careful handling of the case by the Commission. This has set a standard for future cases and must have convinced the EU trading partners of the fairness and transparency of the investigations practises.

The current situation is that the government of Myanmar, far from acting to end the practise of forced labour, is actively engaged in its promotion.

The government of Myanmar has argued that the alleged forced labour practices are in fact based on Buddhist traditions. In this connection, the Committee reiterates its view that human rights are universal values which cannot be interpreted by governments at will in a "flexible" way.

The Committee expresses its sympathy with the request of the plaintiffs, the International Confederation of Free Trade Unions (ICFTU) and the European Trade Union Confederation (ETUC), and recommends Council to act accordingly.

Public opinion in the EU is increasingly aware of the abuse of human rights in Myanmar. Attention has been drawn to the role of multinational companies, which, by their investments, could throw a lifeline to the beleaguered military regime by providing it with badly needed foreign currency.

Furthermore, the Committee requests the Commission to explore ways and means of addressing in an appropriate way human rights violations in future meetings with the ASEAN, of which Myanmar will shortly be a member.

The Committee finally notes that it thinks that a formal investigation must be initiated by the Commission into the situation in Pakistan. Despite the adoption of a law against forced labour in March 1992, the government of Pakistan has taken no effective measures to achieve observance of the law.

## **II. FUTURE WORK**

### **Industry section**

- Information procedure in the field of technical standards and regulations  
COM(96) 392 final - 96/0220 COD  
Deadline: March
- Quality of petrol and diesel fuels - measures to be taken against motor vehicle emissions  
COM(96) 248 final - 96/0163 COD - 96/0164 COD  
Deadline: April
- Transportable pressure equipment  
COM(96) 674 final - 97/0011 SYN  
Deadline: July
- Green Paper on vertical restraints in EC competition policy  
COM(96) 721 final  
Deadline: July
- Transit system  
Deadline: to be decided

### **Social section**

- European voluntary service for young people  
COM(96) 610 final - 96/0318 COD  
Deadline: March

- Establishment of a European monitoring centre for racism and xenophobia  
COM(96) 615 final - 96/0298 CNS  
Deadline: March
- Action programme to improve awareness of Community law for the legal professions  
COM(96) 580 final - 96/0277 COD  
Deadline: April

#### **Agriculture section**

- Control of pseudomonas solanacearum Smith  
COM(97) 15 final - 97/0025  
Deadline: March

#### **Economic section**

- Annual Economic Report 1997  
COM(97) 27 final  
Deadline: April

#### **Transport section**

- Admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas  
COM(97) 25 final - 97/0029 SYN  
Deadline: May

#### **Social section**

- Equal opportunities for men and women in the EU (1996)  
COM(96) 650 final  
Deadline: to be decided

#### **Energy section**

- Towards the fifth framework programme  
COM(97) 47 final  
Deadline: July

#### **IN ANTICIPATION**

##### **Environment section**

- Framework for Community actions relating to water policy  
COM(97) 49 final  
Deadline: October

#### **Industry section**

- Adequacy of credit investment enterprises' own funds  
COM(97) 71 final  
Deadline: May

#### **Transport section**

- Safety of third-country aircraft using Community airports  
COM(97) 55 final - 97/0039 SYN  
Deadline: July

#### **Economic section**

- Taxation of energy products  
COM(97) 30 final  
Deadline: to be decided

### **OWN-INITIATIVE OPINIONS**

#### **Agriculture section**

- Report from the Commission to the Council on the organization of the common market in raw tobacco  
Deadline: May

#### **Economic and social sections**

- Social policy and economic performance  
Deadline: May

### **INFORMATION REPORT**

#### **Regional section**

Territorial pacts for employment  
Deadline: September

### **III. PRESENCE AND INFLUENCE OF THE ECONOMIC AND SOCIAL COMMITTEE**

#### **President**

On 18 February, a historic day in the development of dialogue between the economic and social interest groups of Central Europe and the EU, the EU/Hungary Consultative Committee was established at an official meeting in Budapest, in the presence of Mr Peter Kiss, the Hungarian Minister of Labour and Mr Tom Jenkins, President of the European Economic and Social Committee.

The committee of six ESC members and six representatives of Hungary's National Council for the Conciliation of Interests is to meet twice a year. It is to be responsible for advising on all the economic and social aspects of relations between Hungary and the EU, its object being to keep tabs on the accession process.

- Establishment of a European monitoring centre for racism and xenophobia  
COM(96) 615 final - 96/0298 CNS  
Deadline: March
- Action programme to improve awareness of Community law for the legal professions  
COM(96) 580 final - 96/0277 COD  
Deadline: April

#### **Agriculture section**

- Control of pseudomonas solanacearum Smith  
COM(97) 15 final - 97/0025  
Deadline: March

#### **Economic section**

- Annual Economic Report 1997  
COM(97) 27 final  
Deadline: April

#### **Transport section**

- Admission to the occupation of road haulage operator and road passenger transport operator and mutual recognition of diplomas  
COM(97) 25 final - 97/0029 SYN  
Deadline: May

#### **Social section**

- Equal opportunities for men and women in the EU (1996)  
COM(96) 650 final  
Deadline: to be decided

#### **Energy section**

- Towards the fifth framework programme  
COM(97) 47 final  
Deadline: July

#### **IN ANTICIPATION**

##### **Environment section**

- Framework for Community actions relating to water policy  
COM(97) 49 final  
Deadline: October

#### **Industry section**

- Adequacy of credit investment enterprises' own funds  
COM(97) 71 final  
Deadline: May

#### **Transport section**

- Safety of third-country aircraft using Community airports  
COM(97) 55 final - 97/0039 SYN  
Deadline: July

#### **Economic section**

- Taxation of energy products  
COM(97) 30 final  
Deadline: to be decided

### **OWN-INITIATIVE OPINIONS**

#### **Agriculture section**

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Deadline: May

#### **Economic and social sections**

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The inaugural session followed the ESC President's official meetings on 17 February with the Minister of Labour, members of the Parliamentary Committee for European Integration Affairs, the Secretary of State for Integration, the Minister for Industry, Trade and Tourism and the presidents for management and labour from the Hungarian National Council for the Conciliation of Interests.

On 27 February President Jenkins had an official meeting in Brussels with Mrs Olga Keltosova, the Slovak Government's Minister of Labour and Mr I Hajdusek, Councillor at the Republic of Slovakia's Mission to the European Community.

#### **Sections and members**

On 5 February Mr Mobbs (Section for Transport and Communications and an ESC rapporteur) attended a European Commission hearing in Brussels on the Green Paper on a numbering policy for telecommunications services in Europe.

Brussels, 6/7 February: Mr Notz, expert to Mr Giesecke (member of the Section for industry, Commerce, Crafts and Services and an ESC rapporteur).represented the committee at the European Commission's conference on "Eurotransit 97 - a new transit system for Europe".

Innsbruck, 13/15 February: Mr Petersen, of the Section for External Relations, Trade and Development Policy, attended a symposium on "The importance of the WTO for the European economy and its businesses" organized by the Research Institute for the Economy and Competition.

Brussels, 24 February: Mr Gafo Fernandez, president of the Section for Energy, Nuclear Questions and Research, presented the ESC's point of view on the free trade area in the Mediterranean at a meeting on "The Mediterranean Free Trade Area and the Environment" hosted by the European Environmental Bureau (EEB).

Helsinki, 27/28 February: Mr Gafo Fernandez, president of the Section for Energy, Nuclear Questions and Research, attended a seminar on climate change and energy - local and regional action.

Brussels, 28 February: Mr Bernabei (Section for Energy, Nuclear Questions and Research) attended the conference on the 5th RTD Framework Programme.

#### **Other activities**

Strasbourg, 24/26 February: the ESC hosted an information stand on its position and work at Directoria V - the European Convention on Internal and External Interregional Cooperation.

#### **IV. RESIGNATIONS - APPOINTMENTS**

The Council appointed Mr Maurizio Angelo (Italy) to replace Mr Gian Paolo Carrozza, who had resigned from Group II.

#### **V. INFORMATION VISITS**

During the period covered by the Bulletin, the following groups visited the Economic and Social Committee:

3 February 1997                      Swedish Association of Hard Hearing, Sweden

6 February 1997                      Staffordshire University, United Kingdom

11 February 1997	Delegation from Bosnia-Herzegovina
13 February 1997	Associacao dos Jovens Agricultores, Portugal
17 February 1997	Magistry, University of Aix-en-Provence, France
18 February 1997	University of London (Japanese students), United Kingdom
20 February 1997	Civil Servants from Local Administrations, Denmark
24 February 1997	University of Central Lancashire, United Kingdom
24 February 1997	University of Malta
25 February 1997	FTF Denmark
25 February 1997	Portuguese CGT, Portugal
26 February 1997	Jewel and Esk Valley College, United Kingdom
27 February 1997	Bisowe des DBB, Germany
27 February 1997	The American University, USA
27 February 1997	Delegation of the Azores Regional Assembly, Portugal
28 February 1997	Université de Paris Panthéon Sorbonne, France

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