

EUROPEAN COMMUNITIES

BULLETIN

7

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



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(Belgium)

Origins

The Committee was established by the 1957 Rome Treaties in order to involve the various economic and social interest groups in the establishment of the common market and to provide the institutional machinery for briefing the Commission and the Council on all matters relating to the Community.

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

Membership

The Committee has 222 members (195 men, 27 women) representing 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: Tom JENKINS - United Kingdom), 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 ESC members' main task is to issue Opinions on matters referred to the Committee by the Commission and the Council.

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

Advisory Role

Consultation of the Committee by the Commission or the Council is mandatory in certain cases; in others it is optional. The Committee may, however, also adopt Opinions on its own initiative. Both the Single Act (17.2.86) and the Maastricht Treaty (7.2.92) extended the range of issues which must be referred to the Committee, in particular the new policies (regional and environmental policy). On average the ESC delivers 180 Opinions a year (of which 10% are Own-initiative Opinions). All Opinions are forwarded to the Community's decision-making bodies and then published in the EC's Official Journal.

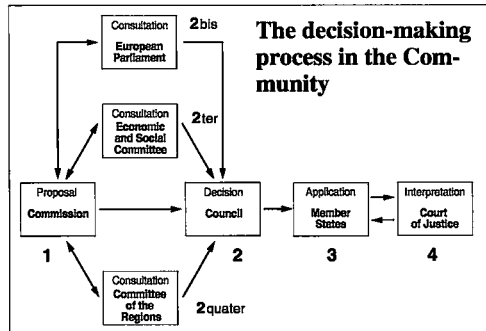
Information and Integration Role

Over the last few years the ESC has stepped up its role in the European Union and has transcended the straightforward duties flowing from the Treaties. Providing a forum for the Single Market, the ESC has, in conjunction with other Community Institutions, organized a number of events designed to improve links between the general public in Europe and the European Institutions.

Internal organization

1. Presidency and Bureau

Every two years the Committee 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 in the discharge of his duties by the Vice-Presidents who deputize for him in the event of his absence.

The President represents the Committee in relations with outside bodies.

Joint briefs: relations with EFTA, CEEC, AMU, ACP countries, Latin America and other third countries fall within the remit of the Committee Bureau and President.

The Bureau's main task is to organize and coordinate the work of the Committee's various bodies and to lay down the political guidelines for this work.

2. Sections

The Committee has nine Sections:

- Economic, Financial and Monetary Questions - secretariat tel. 546.94.71 (President: Jean Pardon - Group I - Belgium)
- External Relations, Trade and Development Policy - secretariat tel. 546.93.16 (President: Roger Briesch - Group II - France)
- Social, Family, Educational and Cultural Affairs - secretariat tel. 546.93.02 (President: John F. Carroll - Group II - Ireland)
- Protection of the Environment, Public Health and Consumer Affairs - secretariat tel. 546.92.27 (President: Manuel Ataíde 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: Liam Connellan - Group I - Ireland)
- Transport and Communications - secretariat tel. 546.93.53 (President: René Bleser - Group II - Luxembourg)
- 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 comprising an average of 12 members, including a Rapporteur, who may be assisted by experts (usually four with a maximum of six).

4. Sub-Committees

Where appropriate, the Committee can set up a temporary sub-committee, which operates on the same lines as Sections.

5. Plenary Session

The Committee meets in Plenary Session as a rule 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.

Moreover, the ESC maintains similar contacts worldwide with other economic and social councils in the "International Meetings" held every two years.

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

The Committee 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 Committee sets up 15-30 man delegations headed by the President. For links with the countries of Central and Eastern Europe, some meetings will be institutionalized under the European Agreements.

Meetings

The average number of meetings held each year is as follows:

Plenary Sessions	10
Sections	70
Study Groups	350
Group meetings	85
Meetings of sub-groups recognized by the three Groups	160
Miscellaneous	370
Visitors' groups (approx. 8,000 visitors)	200
TOTAL	1,245

Publications

The ESC regularly distributes a number of publications free of charge (Order in writing by mail or fax - 546.98.22) inter alia 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, reporting to the Chairman representing the Bureau.

The number of officials (including temporary and auxiliary staff) is as follows:

Category A (Administrators)	59 (48 men, 11 women)
Category B (administrative assistants)	65 (25 men, 40 women)
Category C (secretarial and clerical staff)	237 (59 men, 178 women)
Category D (skilled employees)	48 (36 men, 12 women)
Language Service	121 (67 men, 54 women)

Total: 530 (235 men, 295 women), more than a third of whom are involved in language work, given the need to operate in the Community's 11 official languages. However, as of 1 January 1995, the Economic and Social Committee and the Committee of the Regions will share a common core of services, drawing the bulk of their manpower from the ESC's secretariat.

1995 Budget

The 1995 Budget appropriations total ECU 83,900,000, of which ECU 57,800,000 have been earmarked for the joint services which the ESC shares with the Committee of the Regions.

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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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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 Division for Relations with Economic and Social Councils and socio-economic groups (Fax: +32.2.546.98.22)

I. 328th PLENARY SESSION ON 13 AND 14 SEPTEMBER 1995

The 328th Plenary Session of the Economic and Social Committee of the European Communities was held in Brussels on 13/14 September 1995. Mr Carlos FERRER presided.

Mr Carlos WESTENDORP, Spanish Secretary-of-State for European Affairs, representing the Spanish Presidency-in-office, outlined the Presidency's programme and the preparatory work for the Intergovernmental Conference. Mr WESTENDORP's statement was followed by a broad exchange of views with the Members and there was unanimous agreement on the need for a substantial increase in the ESC's powers and authority at the next Intergovernmental Conference.

Mr José Antonio GRIÑAN, Spanish Minister for Labour and Social Security, accompanied by the Secretary-of-State for Employment, Mr Marcos PEÑA PINTO, outlined the Presidency's work programme on employment. This outline was followed by an exchange of views.

At the Session the following Opinions were adopted:

1. EU CREDIT TRANSFERS (Additional Opinion)

Opinion of the Economic and Social Committee on the *Amended Proposal for a European Parliament and Council Directive on EU credit transfers*
(COM(95) 264 final - 94/0242 (COD))

(CES 962/95)

Rapporteur : Mr Umberto BURANI (Italy - Employers); Co-Rapporteurs: Mrs Helga ELSTNER (Germany - Various Interests) and Mr Giampaolo PELLARINI (Italy - Workers)

Gist of the Opinion

On 1 June 1995 the Economic and Social Committee unanimously adopted an Opinion¹ on **EU Funds Transfers: Transparency, Performance and Stability**, in response to a referral by the Council on the

Communication to the European Parliament, the Council of the European Union, the European Monetary Institute and the Economic and Social Committee,

the Proposal for a European Parliament and Council Directive on cross-border transfers, and the

Draft Notice on the application of the EC competition rules to cross-border transfer systems

(COM(94) 436 final - 94/0242(COD)).

On 6 June 1995 the Commission presented an **Amended Proposal for a European Parliament and Council Directive on EU credit transfers** which, as the Commission itself states, "takes largely into account the proposals of the Committee".

¹ CES 573/95

The Committee however believes that the Directive would gain in precision and in balance if two amendments suggested in the earlier Opinion and not taken on board by the Commission in its amended proposal were in fact accepted.

The present Opinion therefore reiterates the Committee proposals **that the credit transfer must be executed in good time (Art. 5) and that institutions must be under an obligation to refund in cases of non-completed credit transfers (Art. 7).**

2. CIVIL PROTECTION

Opinion of the Economic and Social Committee on the *Proposal for a Council Decision establishing a Community action programme in the field of civil protection*
(COM(95) 155 final - 95/0098 (CNS))

(CES 963/95)

Rapporteur : Mr Giampaolo PELLARINI (Italy - Workers); Co-Rapporteurs : Mr Giuseppe PRICOLO (Italy - Employers) and Gräfin Soscha zu EULENBERG (Germany - Various Interests)

Gist of the Commission proposal

In 1985, a first ministerial-level meeting laid the foundations for cooperation in the field of civil protection. At its meeting on 21 April 1994, the Council of Ministers responsible for civil protection emphasized the importance of cooperation in this field in order to increase solidarity between Member States. In a resolution on strengthening Community cooperation on civil protection, the Ministers welcomed the active role played by the Commission in developing such cooperation and called for it to be stepped up.

The resolution recalls that Article 3(t) of the Treaty establishing the European Community states that the activities of the Community shall include measures in the sphere of civil protection. A declaration appended to the final Act of the Treaty on European Union states that the question of introducing into the Treaty establishing the European Community a title relating to civil protection will be examined on the basis of a report which the Commission will submit to the Council by 1996 at the latest.

Action programme

The general objective of the proposed action programme in the field of civil protection is to help provide better protection for people, the environment and property in the event of natural and technological disasters.

Each individual action undertaken within the framework of the action programme shall be aimed at supporting, backing up and supplementing the civil protection activities undertaken in the Member States.

In practical terms, technical instruments are being developed (operational manual and pilot projects) as well as initiatives aimed directly at those involved in civil protection which help to increase their degree of preparedness (training, exchanges of experts and simulation exercises).

Gist of the Opinion

The Committee welcomes the Commission's opportune and concrete proposal for a Council Decision establishing a Community action programme in the field of civil protection.

The Committee particularly hopes that as well as supporting, backing up and supplementing national activities, the programmes will seek to inject Community added value in an area which is closely bound up with the development of a citizens' Europe.

The Committee notes that in the absence of a specific legal basis, the proposal is based on Article 235 and feels that the forthcoming Treaty revision should include a Title on civil protection, either in the form of a separate chapter or as an adjunct to an existing chapter, bearing in mind the potential Community added value in this field. The insertion of a separate chapter would be justified by the cross-sectoral nature of the problem, as in the case of the new chapters on public health and consumer protection.

NGOs in some Member States are already highly active in the civil protection field, and they could play an important intermediary role in the preventive approach recommended by the Committee. Such bodies could contribute to the work of the advisory committee mentioned in Article 4, as well as to training and experience-swapping activities.

3. CUSTOMS 2000

Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Decision adopting an action programme for Community customs (Customs 2000) (COM(95) 119 final)

(CES 964/95)

Rapporteur : Mr Helmut GIESECKE (Germany - Employers)

Gist of the Commission proposal

The Commission proposal is based on the fact that, so far as business and citizens are concerned, the trust that they have in the internal market will be proportionate to their trust in the ability of the Community to ensure respect for Community law and to combat the development of any types of fraud that the abolition of controls at national frontiers between Member States might favour.

The management of the internal market imposes on Member States' administrations a radical transformation in their *modus operandi*.

The need for Community action has been recognized for a long time and was reflected, in particular, in the adoption of the Decision establishing a programme of vocational training for officials from the customs administrations of the Member States (Matthaeus Programme)², providing training of a high standard and of a comparable quality with the implicit aim of ensuring uniform implementation of Community law at external borders.

² Decision No. 91/341/EEC of 20.6.1991, O.J. No. L 187 of 13.7.1991, page 41
ESC Opinion, O.J. No. C 102 of 18.4.1991, page 5

The objective of the proposed programme is to ensure improved openness in the application of Community customs law and to identify particular difficulties in its implementation, so as to reinforce the effectiveness of customs procedures and controls at the EU's external borders and allow the best possible management of the internal market.

The action programme is addressed to all officials exercising customs responsibilities in the national administrations.

The following measures, whose establishment or further development the programme entails, are firmly rooted in the principle of partnership between the Commission's services and those of the Member States, as well as in active collaboration with outside interests:

- monitoring the application of Community law, practical difficulties in application and working methods;
- developing the best working methods: greater use of risk analysis techniques, development of company audits, generalization of simplified procedures and coordinated development of the use of computerized customs procedures;
- gearing common training actions to the priority needs of customs policy on the basis of the common training policy established by the Matthaeus Programme;
- fostering the creation of an international environment conducive to the best possible management of the external border, in particular through cooperation and mutual assistance between customs administrations;
- developing information and communication links with professional circles.

Gist of the Opinion

The Committee unreservedly endorses the aims of the strategic programme. In the context of the following observations it also welcomes the Commission's approach.

Effective uniform application of Community legislation is the key prerequisite for smoothly operating internal and external trade. In this connection, uniform application of legislation at the Community's external frontiers assumes particular importance, since a trading area without internal customs frontiers within the 15 Member States requires uniform customs clearance for equivalent transactions in all places in the customs area; in this, as many aspects as possible of the associated free trade in goods within the Single Market should be taken into consideration. The public and the business sector in the Member States - and equally their counterparts in third countries - should be confident of receiving the same treatment from the customs authorities in any part of the uniform customs area.

Information and communication links between administration and business must be improved at all levels. Active involvement through prompt and detailed information to economic operators on pending new or amended European customs legislation and other relevant legal provisions is essential to enable them to prepare for the new circumstances and make the necessary arrangements in good time.

One of the key requirements of the European business community is for computerized, compatible customs clearance procedures to be introduced at national and European levels in a coordinated way. Currently, all EC Member States are attempting to set up computerized systems and liaise with the business sector in their countries. However, 15 different solutions should not emerge from this

approach. Customs union and the drive for uniform application of customs law (customs code and implementing provisions) and related legislation (e.g. on foreign trade, the origin of goods, the protection of intellectual property rights) throughout the Community urgently require Europe-wide customs communications.

Even modern procedures for controlling the cross-border flow of goods will not be able to dispense entirely with physical checks. These should be conducted only once and should, as far as possible, be limited to sensitive product categories. They should always be carried out at places where the customs administrations concerned have specialist staff and the necessary resources at their disposal. In addition, controls conducted pursuant to customs law must be limited to purely accounting measures. Closer cooperation with the Member States' financial authorities and customs investigation services is essential in order to combat effectively the growing number of cases of fraud. The fight against crime must not start at the border. In the medium term, it would be useful to establish a European Community customs investigation service (EUROZOLL similar to EUROPOL).

There is an undeniable need for "a common core of training" in customs law and procedure for customs officials in the Member States. Comparable careers must be based on comparable training programmes. In the interests of this objective the exchange of trainees and trainers is particularly necessary, for certain careers at least.

In the Committee's view, the measures carried out under the five-year action programme should be reviewed every 18 months.

4. EUROPE 2000+ (Additional Opinion)

Opinion of the Economic and Social Committee on *Europe 2000+ - Cooperation for European territorial development*

(CES 965/95)

Rapporteur : Mr Eugène MULLER (Luxembourg - Various Interests)

Purpose of the Opinion

The Additional Opinion seeks to make a more detailed examination of the various issues and spheres of action put forward in the Commission Communication and in the resultant European Spatial Development Perspective (ESDP).

Gist of the Opinion

The Additional Opinion supplements the principal Opinion which offered political guidance to the Strasbourg Council of 30/31 March 1995. The Committee considers that the framing of an EU spatial planning policy must respect certain principles and procedures, in the interests of efficacy and openness.

The Committee considers that the ESDP must be tailored to regional trends and potentialities, and must respect the regions' geographical, socio-economic and cultural differences. Decisions must be coordinated at all levels (possibly by means of a code of conduct), with due respect for the subsidiarity principle. All the relevant players must work together in partnership, and account must be taken of the qualitative aspect of spatial development.

While welcoming the setting-up of the Committee on Spatial Development (CSD), the Committee considers that the CSD should cease to be an intergovernmental body and should be made a consultative committee. The Committee also intends to be closely involved in the work of the CSD.

The Committee calls on the Commission to improve the coordination between the relevant Directorate-Generals, including the Directorate-General for Competition.

Finally, the Committee considers that spatial planning policy must be accorded the political status it deserves in the Treaty at the 1996 Intergovernmental Conference.

5. INLAND WATERWAY TRANSPORT

Opinion of the Economic and Social Committee on the *Proposal for a Council Regulation (EC) on common rules applicable to the transport of goods or passengers by inland waterway between Member States with a view to establishing freedom to provide such services*
(COM(95) 167 final)

(CES 966/95)

Rapporteur working alone : Mr Francis WHITWORTH (United Kingdom - Employers)

Gist of the Commission Document

The transport of goods or passengers by inland waterway between Member States and in transit through them is only partly covered by Community provisions on market access. Only access to traffic on the Rhine is governed by conditions of access adopted at Community level; these were introduced pursuant to Additional Protocol No. 2 to the Convention of Mannheim and transposed into Community law by Council Regulation (EEC) No. 2919/85³. Therefore, while the national transport-services sector⁴ is fully covered by rules of access adopted by the Council, access to one area of international transport links is not covered by Community provisions.

However, the freedom to provide inland waterway-transport services between Member States has always been applied *de facto* and there did not seem to be any need to lay down rules governing access to these transport services at Community level.

Since the most recent enlargement, different arrangements apply between the Member States in relation to international transport and transit by inland waterway because of the bilateral agreements which two old Member States have concluded with one of the new ones (Austria).

In accordance with the requirements arising from the judgment of the Court of Justice of 22 May 1985, the Council, acting on the basis of Article 75(1)(a) of the Treaty, is now to lay down Community rules for access to transport services between Member States which ensure that the principle of freedom to provide services applies in law to all international transport links within the

³ Council Regulation (EEC) No. 2919/85 of 17.10.1985 laying down the conditions for access to the arrangements under the Revised Convention for the Navigation of the Rhine relating to vessels belonging to the Rhine Navigation (OJ L 280, 22.10.1985).

⁴ Council Regulation (EEC) No. 3921/91 of 16.12.1991 laying down the conditions under which non-resident carriers may transport goods or passengers by inland waterway within a Member State (OJ L 373, 31.12.1991, p. 1).

Community. The achievement of this objective will furthermore make it possible to avoid distortions of competition and disturbances in the organization of the transport market concerned.

Gist of the Opinion

The Committee approves the proposed Regulation as not only is it necessary to comply with the Court of Justice decision, but it is also consistent with the principle of freedom to provide services which the Committee has supported in numerous Opinions dealing with other transport modes.

6. STRUCTURAL IMPROVEMENTS/INLAND WATERWAY TRANSPORT

Opinion of the Economic and Social Committee on the *Proposal for a Council Regulation (EC) amending Regulation (EEC) No. 1101/89 on structural improvements in inland waterway transport*
(COM(95) 200 final)

(CES 967/95)

Rapporteur working alone : Mr Eike EULEN (Germany - Workers)

Gist of the Commission document

Regulation (EEC) No. 1101/89 of 27 April 1989⁵ introduced arrangements for structural improvements in inland waterway transport, designed primarily to reduce structural overcapacities through scrapping schemes coordinated at Community level.

To this end, the Member States concerned have provided from their national scrapping funds the financial resources needed to grant a scrapping premium to the owners of vessels who submitted their requests **before 30 June 1994**, pursuant to Commission Regulation (EC) No. 3039/94 of 14 December 1994⁶.

However, because of the difficult economic situation in the sector new requests for scrapping premiums have been submitted since 30 June 1994 and with the financial resources to meet these requests being limited extra financial resources need to be added temporally.

The budget authority has therefore decided to enter an amount of ECU 5m in the Community budget for 1995, and to earmark this for co-financing current scrapping measures, i.e. the scrapping of vessels on the waiting list.

The purpose of the current proposal is thus to amend Regulation (EEC) No. 1101/89 so as to provide the legal basis for:

- allocating the aforementioned ECU 5m to structural improvement measures in inland waterway transport in 1995, and

⁵ OJ No. L 116, 28.4.1989, p. 25.
ESC Opinion - OJ No. C 318, 12.12.1988, p. 58.

⁶ OJ No. L 322, 15.12.1994, p. 11.

- providing for the possibility of Community co-financing as part of the total structural improvement package for 1996-1998.

Gist of the Opinion

The Committee welcomes the provision of Community funds for structural improvements in inland waterway transport. These funds will make it possible, in particular, to scrap vessels which are already on the waiting list.

It nevertheless thinks that it will be necessary to change the nature and scope of the structural improvements, which so far have mainly been financed by the sector.

It would seem to make sense, in the context of a liberalized common market, to aim for full solidarity between the funds. However, this will also touch on the question of the redistribution of public funds between Member States in connection with their inland shipping fleets. The Committee assumes that compensation between funds will be by agreement and the future of the scrapping schemes themselves will not in principle be jeopardized by any conflicts.

7. DRIVING LICENCES

Opinion of the Economic and Social Committee on the Proposal for a Council Directive amending Directive 91/439/EEC on driving licences
(COM(95) 166 final - 95/0109 SYN)

(CES 968/95)

Rapporteur working alone?? : Mr Roy DONOVAN (Ireland - Employers)

Gist of the Commission document

One of the Council's aims in adopting Directive 80/1263/EEC⁷ which established the first Community model for national driving licences, was to facilitate the free movement of people travelling within the Community or taking up residence in a Member State other than the one where they passed their driving test.

In July 1991, the Council adopted a second directive on driving licences (Directive 91/439/EEC)⁸ which adapts the model established by Directive 80/1263/EEC to take account in particular of the harmonization of categories of vehicles and to aid comprehension of driving licences for everyone. National licences issued from 1.7.1996 will have to comply with the revised model, which will also be compulsory for EEA (European Economic Area) member countries. All other licences will be valid until their expiry date, unless a Member State decides to legislate to the contrary.

⁷ OJ No. L 375 of 31/12/80, page 1.
ESC Opinion 582/76 - OJ No. C 197 of 23/08/76, page 32.

⁸ Directive 91/439/EEC - OJ No. L 237 of 24/08/91, page 1.
ESC Opinion 553/89 - OJ No. C 159 of 26/06/89, page 21.

The aim of this proposal for a directive is to introduce, as an alternative to the model in Annex I of the directive 91/439/EEC, a new Community model driving licence in credit card format which fulfils the requirements of the issuing States, those who check the licence and the holder, while complying with the aims of mutual recognition and paving the way for technological progress.

Gist of the Opinion

The Committee unreservedly supports the Commission's proposed amendments which it considers to be very forward-looking and certainly consistent with the further development of the Single Market.

8. VETERINARY CHECKS

Opinion of the Economic and Social Committee on the *Proposal for a Council Directive amending Council Directive 90/675/EEC laying down the principles governing the organization of veterinary checks on products entering the Community from third countries* (COM(95) 254 final - 95/0141 (CNS))

(CES 969/95)

Rapporteur : Mr José BENTO GONÇALVES (Portugal - Various Interests)

Gist of the Commission proposal

Council Directive 90/675/EEC, laying down the principles for the organization of veterinary checks on products entering the Community from third countries, introduces arrangements for new veterinary checks for products entering the Community from third countries.

To facilitate the move to the new system, Article 30 provides for the possibility of transitional measures up to the end of June 1995.

Although progress has been made in moving to the new system, it has not been possible within the existing time frame to establish all the necessary checking arrangements and in particular to complete the process of harmonizing the import conditions for animal products originating in third countries.

In order to avoid trade disruption, it is necessary to extend the transitional measures for a limited period.

Since the existing deadline for the transitional measures runs out on 30 June 1995, it is urgent to extend this date with effect no later than 1 July 1995.

Gist of the Opinion

The Committee unanimously endorses the Commission proposal.

9. GREEN PAPER/TELECOMMUNICATIONS LIBERALIZATION

Opinion of the Economic and Social Committee on the *Green Paper on the liberalization of telecommunications infrastructure and cable television networks: Part II*
(COM(94) 682 final)

(CES 970/95)

Rapporteur : Graf Alexander-Michael von SCHWERIN (Germany - Workers)

Gist of the Commission document

The Commission document constitutes Part II of the Green Paper on the Liberalization of Telecommunications Infrastructure and Cable TV Networks. Part I, adopted on 25 October 1994⁹, set out the general principles and proposed timetable for liberalization.

Part II of the Green Paper logically follows the Resolution of the Council of Telecommunications Ministers meeting of 17 November 1994, which confirmed the principle of full liberalization of the telecommunications sector by 1 January 1998. It examines the substantive issues involved in establishing the regulatory framework for full competition in the telecommunications sector.

The major issues raised in Part II are as follows:

- a) **Universal service:** three key issues are raised: the definition and scope of universal service, a common approach to costing universal service and the financing of universal service.
- b) **Interconnection and inter-operability:** the Green Paper outlines the scope of an Interconnection Directive, provided for in the Commission's Action Plan on the Information Society¹⁰.
- c) **Licensing:** Licensing of telecommunications infrastructures, networks and services will remain a matter for national regulatory authorities. At the same time an overall framework is required which sets the general principles and procedures for granting licences.
- d) **Competition rules:** the Green Paper stresses the need for fair and effective competition through the enforcement of the Treaty competition rules.
- e) **Employment and the information society**
- f) **Social challenges**
- g) **The international dimension:** the Commission's objective is to ensure comparable and effective access to global markets.

Infrastructure liberalization, enabling operators to apply for licenses to build or develop new telecommunications networks, backed up by an efficient regulatory framework will be one of the key factors in encouraging the development of communications and the information society in the Union.

⁹ COM(94) 440 final.

¹⁰ COM(94) 347 final.

On completion of the consultation procedure on the Green Paper, the Commission will report in May to the European Parliament and the Council, so that the latter can adopt a resolution in June. The Commission will submit proposals before 1 January 1996 on specific measures for extending the EU regulatory framework, and will send a Communication to the EP and the Council on the principles and financing of the universal service.

Gist of the Opinion

The Committee recognizes that liberalization of telecommunications infrastructure is extremely important if Europe is to continue to modernize economically and socially. Creating the regulatory framework will also have a decisive influence on the viability of competition, the ability of the European economy to innovate, the range of services upstream and downstream in the telecommunications field, and the securing of jobs and the development of living and working conditions.

Liberalized markets must be regulated in social, economic and technical terms in order to prevent undesirable developments. Such regulation involves a comprehensive universal service which takes account of the development of society in Europe. The funding must be assured.

The Committee feels that the interests of citizens must take priority alongside technical and commercial interests. For workers, work and training, as well as decent working conditions, form the basis of an information society which is both progressive and underpinned with social provision. This is the only way that a modern and progressive telecommunications policy will find broad acceptance in Europe, and that Europe's economic position will be strengthened in future.

The Committee feels that the Commission should set up a panel of experts to examine the effects of liberalization on the employment situation, with the purpose of cataloguing the social consequences and proposing solutions. If similar studies are being conducted elsewhere in the Commission, they should be made available to this panel of experts.

The Committee cannot endorse implementation of the Commission Decision of 21 June 1995 on liberalization of telecommunications infrastructure and cable television networks based on Article 90(3) of the Treaty. On such an important future issue, the Commission is urged to ensure as broad a debate as possible by issuing a draft Directive under Article 100a of the Treaty.

10. GROUNDHANDLING/AIRPORTS

Opinion of the Economic and Social Committee on the *Proposal for a Council Directive on access to the groundhandling market at Community airports*
(COM(94) 590 final)

(CES 971/95)

Rapporteur : Graf Alexander-Michael von SCHWERIN (Germany - Workers)

Gist of the Commission document

This proposal follows on from a consultation document presented by the Commission, on which the Committee has delivered an Opinion¹¹.

Groundhandling means all the services provided at airports to allow airlines to operate. These range from marshalling of the aircraft on the ground to cleaning, refuelling, and passenger and baggage registration and handling.

Most airports in the Community restrict the right to provide these services to the national carrier or the airport itself. This situation is inconsistent with the principle of free competition, which requires complete liberalization of air transport.

The proposal for a Directive adopted by the Commission, in accordance with the conclusions of the Comité des Sages and its own action programme on civil aviation, aims to:

- define Community rules which will allow effective application to the groundhandling market of the general principles laid down in the Treaty;
- introduce detailed rules in support of the principles of liberalization of air transport and of the ancillary activities, by organizing access to the various categories of handling services and granting airlines the right to provide their own services (self-handling);
- make costs more transparent by keeping the accounts and funding for handling activities separate and prohibiting any funding which could distort competition. However, to allow for the unique nature of airports and of the numerous constraints on space, capacity, security and safety imposed on the managing bodies, it was essential to define certain framework measures laying down a transparent, non-discriminatory procedure to limit access to the market where there are special constraints.

Gist of the Opinion

The Committee welcomes in principle the Commission's efforts to ensure rapid, functional handling at European airports, especially for passengers and freight.

It would, however, draw attention to:

- the necessity to make a technical distinction between the land side and the air side, where the individual areas of activity should be listed in detail;
- the fact that the proposal lacks clear definitions in many respects. In particular, it will be necessary initially to establish business transparency with a view to defining the subsequent measures to be taken;
- the danger that safety, environmental and employment concerns are not heeded, with users' and passengers' interests suffering as a result. With regard to safety provisions, the Committee thinks that it will be necessary to make a detailed analysis of the Directive's effects and to make the validity of national provisions binding.

¹¹

ESC Opinion on Ground Handling Services (CES 1017/94 - OJ No. C 393 of 31.12.1994).

The Committee also criticizes the Directive's complete failure to consider the social consequences.

In its comments, on the individual Articles, the Committee thinks that it is necessary to

- reconsider the scope of the proposal by closely scrutinizing the practical operations at airports;
- oblige airport companies and other providers of groundhandling services to unbundle their accounting and management;
- be more precise about the establishment and operation of the Users' Committee.

On the subject of exemptions, the Committee thinks that the criteria must be very precise and legally binding so that Member States really are in a position to grant exemptions. It also considers it useful to make provision for consultations between the Commission and the Member States before appealing to the Court of Justice.

In view of the wealth of unanswered questions and objections to the Commission's approach, implementation of the Directive by July 1996 in the interests of all parties does not make much sense. This is also true in particular of the Commission's basic idea that the proposal ought to improve economic efficiency.

11. TELEVISION WITHOUT FRONTIERS

Opinion of the Economic and Social Committee on the *Proposal for a European and Council Directive amending the Directive 89/552/EC of 3 October 1989 on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the pursuit of television broadcasting activities*
(COM(95) 86 final)

(CES 972/95)

Rapporteur : Mr Roger RAMAEKERS (Belgium - Various Interests)

Gist of the Commission document

The proposal seeks to amend the 1989 so-called "Television without frontiers" Directive to take account of technological and market developments, and to offset some implementation problems:

The proposal clarifies which legislation is applicable to a broadcaster, i.e. the law of the Member State where the broadcaster is established.

As regards the rules for promoting European programmes (a majority of European productions), the proposal calls for the deletion of the phrase "when feasible". The broadcasting obligations are to be maintained on the same basis as in 1989 for the mainstream channels. The majority requirement has turned out to be perfectly feasible for such channels because it applies to a wide variety of programmes. On the other hand, for thematic film channels, documentaries, fiction or cartoons, the proposed proportion of broadcasting time has not always been attainable. Therefore, the Commission proposes that these channels should have the option of investing 25% of their programming budget

in European productions, instead of having to broadcast a majority of European productions. At any rate the new channels will have three years to achieve the required proportions.

The measures to promote European programmes aim to allow the European programme industry to become competitive on the world market and in a multi-service environment. Ten years are considered necessary for this aim to be met. After this time, the measures will lapse.

Tele-sales' programmes are to be liberalized from two aspects. On the one hand, no time limits are set for channels exclusively dedicated to tele-sales. On the other hand, tele-sales' slots on other channels could be extended from one hour to three hours per day.

More lenient rules on commercial breaks (especially for TV films) and sponsorship are envisaged.

Protection for minors is to be strengthened against programmes containing pornographic or violent scenes likely to be harmful to young viewers.

Gist of the Opinion

The Committee welcomes the Commission's concern to submit a Draft Directive aimed at harmonizing and coordinating certain legal and administrative provisions in the Member States relating to the pursuit of television broadcasting activities.

The Committee wonders, however, whether the new quota measures are appropriate.

It would like to see a more flexible and progressive system dovetailing with the gradual impact of the MEDIA II programme.

It proposes that the Directive leave it up to the broadcasting organizations to choose between meeting either broadcasting or investment quotas, irrespective of whether they be a general- or special-interest channel.

The Committee also proposes that these quotas - of whichever type - be progressive and that intermediary stages be fixed after which the effectiveness of the measures would be assessed before moving on to the next stage. For instance, the objective would have to be met after two or three two-year stages.

The Committee would highlight the cultural aspect of this issue and would like to see the proposed measures help to upgrade the quality of European audiovisual production.

In this respect the Committee considers that culture and quality will not be achieved purely by quotas; for this reason it puts forward alternatives, although it realizes that quotas may also have a beneficial effect on European production provided that they are progressive.

Having stressed the need to take account of economic and cultural realities and to introduce a progressive system for achieving the targets for the proportion of European works, the Committee wonders whether consideration might not be given to financial assistance measures through a fund, possibly as part of the European Investment Fund.

In this context, the Committee would refer to the proposals put forward by the European multimedia industries, which could be major providers of jobs in the third millennium.

The Committee stresses the importance of preparing a stable and clear regulatory framework in preparation for the Information Society. This comment applies equally to regulation of media concentration.

In this connection the Committee awaits the forthcoming Green Papers on new services and reserves the right to take up the matter again then.

The time is right to consider setting up a European regulatory body, the scope of whose powers in general would have to be established.

The Committee notes the Commission's concern to tackle the specific issue of teleshopping.

While the Committee regards teleshopping as falling basically under the heading of distance selling, it also thinks that this sales technique must, by its very nature, respect a number of rules in the audiovisual sector.

The Committee welcomes the Commission's stated intention of clarifying the rules for the protection of the physical, mental and moral development of minors.

12. FOODSTUFFS - PROHIBITING USE OF CERTAIN ADDITIVES

Opinion of the Economic and Social Committee on the *Proposal for a European Parliament and Council Decision on the maintenance of national laws prohibiting the use of certain additives in the production of certain foodstuffs*
(COM(95) 126 final - 95/0085 (COD))

(CES 973/95)

Rapporteur : Mr Kenneth J. GARDNER (United Kingdom - Employers); Co-Rapporteurs : Mr Sergio COLOMBO (Italy - Workers) and Mr Joop KOOPMAN (The Netherlands - Various Interests)

Gist of the Commission proposal

Background

On 30 June 1994 the Council adopted Directive 94/34/EEC amending framework Directive 89/107/EEC on the approximation of the laws of the Member States concerning food additives authorized for use in foodstuffs intended for human consumption.

The amending Directive introduced a new Article 3a into the framework Directive on additives, enabling Parliament and the Council, under the Article 100a procedure, to authorize Member States to maintain their prohibitions on the use of certain additives in the production of certain foodstuffs considered traditional.

Member States had to send the Commission a list of the foodstuffs they consider traditional before July 1994. The three new Member States were granted an extended deadline. The new Article required that the list be accompanied by an explanation of why the foodstuffs were considered traditional, together with the relevant legislative provisions.

All 15 Member States now covered by the Directive replied within the given deadlines. Belgium, Ireland, Luxembourg, the Netherlands, Portugal and the United Kingdom said they had no traditional foodstuffs liable to fall within the scope of the proposal. The remaining nine Member States notified products (around 300), which are mainly cheeses, prepared meat products and spirit drinks.

Before 1 April 1995 the Commission had to submit a proposal to Parliament and the Council, on the criteria to be applied for deciding whether or not a product is traditional and on the national prohibitions which may be maintained in conformity with these criteria, and on which they must act before 1 April 1996. However, and as certain notifications do not contain all the data required (particularly the Spanish and Italian notifications) the Commission reserves the right to amend the list proposed if necessary.

The new Article 3a of Directive 89/107/EEC stipulates that, until such time as the Council has given a ruling, Member States may maintain any prohibitions which have been communicated to the Commission provided they comply with the general conditions of the amending Directive.

Selection criteria for the notified foodstuffs

The Commission has chosen the following selection criteria for specific foodstuffs considered traditional within the framework of Community legislation on additives:

- foodstuffs for which Member States authorized a particular additive but excluded other additives from the same category are discounted;
- requests were not justified where the main aim in prohibiting an additive was to protect public health, because all Community legislation on additives pays scrupulous attention to essential health requirements;
- foodstuffs with a defined geographical designation were also discontinued;
- spirit drinks were excluded as they are already defined and protected as traditional spirit drinks by Regulation (EEC) No 1576/89.

Annex

The Member States listed in the Annex are hereby authorized to maintain in their legislation the prohibition on the use of categories of additives in the production of the corresponding foodstuffs listed in that Annex.

Gist of the Opinion

Considering that there are no health grounds for justifying this proposal and with a view to avoiding the use of these prohibitions for protectionist purposes, the Committee only accepts the Proposal provided it is modified as follows:

- Products must be labelled with the words:
 - . in the tradition
 - . the name of the country
 - . and the product name

- The Article and the Recitals have to spell out clearly that products so labelled can be manufactured in any Member State.
- The Article and the Recitals have to spell out clearly that products not labelled with all these three elements (i.e. tradition, country, product name) have to conform to the normal rules for additives, composition etc.
- Member States must not put any administrative and regulatory obstacles in the way of such products.

13. EURO-MEDITERRANEAN PARTNERSHIP (Own-initiative Opinion)

Own-initiative Opinion of the Economic and Social Committee on the *Euro-Mediterranean partnership*

(CES 974/95)

Rapporteur : Mr Carlo Ernesto MERIANO (Italy - Employers)

Reasons for issuing an Own-initiative Opinion

At the Essen Summit on 9 and 10 December 1994, the European Council welcomed the report submitted by the Council in response to its request at Corfu. The report was drawn up on the basis of the Commission Communication on Strengthening the Mediterranean Policy of the European Union: Establishing a Euro-Mediterranean Partnership.

The long-term economic objective is a large free trade area spanning the EU, any Central and Eastern European countries which remain outside the EU, and all the non-member Mediterranean countries. The first stage would be the establishment of a Euro-Mediterranean partnership; a wide range of activities is envisaged in such spheres as industrial cooperation, the environment, energy, telecommunications, the fight against drugs, illegal immigration, and tourism.

The political objective is to establish a Euro-Mediterranean area of peace and stability through the promotion of a political dialogue and security talks.

To launch the move towards a new partnership, the Commission proposes holding a Euro-Mediterranean conference in 1995, before establishing the institutional framework necessary for political and economic dialogue. In this context the Committee, drawing on its vast experience in this area, could usefully put forward its views and formulate recommendations.

Gist of the Opinion

Subject to concrete action being taken by the Commission and Council on its recommendations, the Committee approves the Commission's general approach to the Euro-Mediterranean partnership.

The Committee particularly appreciates the linkage of economic, political and development/security aspects and the generalized use of multilateral instruments. It views this approach as broadly consistent with the guidelines set out in its previous Opinions on the Community's Mediterranean policy.

The Committee stresses that the strictly political dimension of the partnership presupposes the preservation of the cultural identity of the societies concerned. Dialogue is also needed, with representatives of civil society as well as Governments. The Committee hopes that the planned introduction of procedures for regular monitoring of compliance with undertakings on the protection of human rights can provide an objective basis to meet justified insistence that partnership aid should be conditional.

Turning to the economic sphere, the Committee stresses the inextricable link between the establishment of a free trade area and implementation of a concurrent structural reform programme. It attaches great importance to acceptance of the Commission proposal whereby EU-MED Association Agreements should provide a framework of legal guarantees to encourage investment by EU operators, with priority for joint ventures and industrial cooperation.

The Committee also attaches particular importance to the scale and medium-term continuity and predictability of the financial resources which the EU is to make available to its Mediterranean partners. However, it deplores the fact that the appropriations earmarked by the Council for the years 1997-99 generally fall far short of what the Commission had proposed, thereby exacerbating the inadequacy of the funds needed to meet the partnership targets.

The Committee wholeheartedly endorses the Commission's view that the worrying social situation in the Mediterranean countries could be aggravated by worsening disparities caused by possible temporary adverse effects of economic anchorage to Europe. The Community's help in countering these disturbing trends therefore seems justified. The Committee also shares the Commission's conviction that the social dimension of partnership is inextricably intertwined with the cultural dimension, especially as regards action to curb racism and xenophobia by fostering greater mutual understanding.

The Committee reiterates that decentralized cooperation - the aim pursued by the Community since the very start of its New Mediterranean Policy - presupposes full involvement of the socio-occupational interest groups, in a constant drive to encourage small and medium-sized businesses and the informal sector.

The Committee stresses the importance of work in recent years to pave the way for effective participation of the socio-economic interest groups in the sphere of cooperation. It highlights its own specific responsibility in such matters, especially as regards decentralized cooperation. In this connection, the Committee notes the Council's mention of the need for "contacts between those active in civil society", but feels that this phrasing is clearly inadequate. It deplores the failure of the Commission and Council texts to address the role of socio-economic interest groups and the institutions representing them.

As regards the negotiations in progress and problems in the various areas of the Mediterranean, the Committee voices concern at the fact that the accession process for Malta and Cyprus seems to be being treated as parallel to that for the central and eastern European countries. It also feels that the conclusion of an Association Agreement with Israel must be seen in direct correlation with the EU's interest in, and commitment to, the resumption and progress of the Middle East peace process.

The Committee welcomes the holding of a Euro-Mediterranean Ministerial conference in Barcelona, but points out that the EU position approved by the Cannes European Council sets only one objective for the Conference, namely the preparation of a joint document on the three principal aspects of

partnership, leaving vague the question of the conclusion of a multilateral agreement and so confirming the concerns expressed by the Committee.

14. EU - MIDDLE EAST (Additional Opinion)

Additional Opinion of the Economic and Social Committee on *relations between the European Union and the Middle East*

(CES 975/95)

Rapporteur : Mr Thomas ETTY (The Netherlands - Workers)

Background

In its Own-initiative Opinion of 28 January 1993 on the European Community and Economic Cooperation in the Middle East, the Committee outlined its views and made recommendations on the potential for boosting cooperation in this region and the role that the Community could play in Euro-Mediterranean relations. The Opinion concluded with the following statement: "Once peace has been achieved, it will be necessary for the countries of the region to accept that their development within a regional framework will be to their advantage" (CES 78/93, paragraph 6.9).

This historic event - an initial step on the path to peace in the region - has taken place. On 13 September 1993 the Chairman of the PLO, Yasser ARAFAT, and the Israeli Minister for Foreign Affairs, Shimon PERES, signed the Gaza-Jericho Agreement, establishing provisional, partial Palestinian autonomy in the Gaza Strip and in Jericho, coupled with mutual Israeli-Palestinian recognition; the Agreement stipulates that in two years' time negotiations will start on a long-term solution.

The Middle East is at a watershed in its history; the reconciliation between the Israeli and Palestinian peoples is not, however, rock-solid. Extremists on both sides are threatening to sabotage application of the Agreement and the peace process by acts of violence. If we want to prevent public opinion from drifting towards these opponents, there has to be clear, rapid economic expansion to highlight the advantages of stabilization in the region. The European Union illustrates how interdependence and regional cooperation can help to foster wellbeing and peace in a region.

However, the Commission Communication to the Council on 8 September 1993 demonstrates that regional cooperation is only successful if supported from the outside. For this reason the Commission is proposing to allocate considerable financial and technical assistance to the region so as to promote the following factors: regional movement of goods, services, labour and capital, the establishment of joint infrastructure (particularly transport and industry) and joint utilization of resources such as know-how, culture and tourist assets. Moreover, a joint approach could be adopted to regional problems such as water shortages and environmental pollution. Middle Eastern countries could benefit from the experience and expertise of the European Union here.

In talks with the Jordanian Prime Minister and the Minister for Foreign Affairs, Mr ABDELSALAM AL-MAJALI and Mr TALAL HASSAN, on 23 September 1993, Council President Willy CLAES, expressed the European Union's desire to pass on its experience in this area to the Middle East region, adding that the Twelve were ready to extend their programmes to other countries in the region, such as Jordan and Syria. Moreover, the EU was considering closer links with Israel.

Gist of the Opinion

The Committee considers that the European Union should concentrate its efforts on helping to reinforce public support for the peace process in the Occupied Territories and in Israel. There are important issues in the socio-economic field where the Committee could make a contribution, among which employment in the Occupied Territories is first and foremost.

Creation of sustainable jobs must be a major goal of the European Union's efforts in this field and should be contemplated by the employment effects of the infrastructural projects the Commission has already identified as priorities.

The situation has deteriorated significantly due to the closure of the Israeli border for most Palestinian workers. Exports from and the imports to the Territories are also severely impaired by this. The Committee supports the ILO statement that "it is imperative that security issues be dealt with otherwise than by closing the territories, a practice that has aggravated problems rather than solved them. In addition, the time may have come for the Palestinian Authority, assisted as necessary, to seek the re-employment of Palestinian workers in other Arab countries, in particular the Gulf States"¹².

The problems which cause lack of confidence among the donors and reluctance to make funds available will take some time to be resolved. One of the remedies is training of Palestinians who will administer and implement aid projects. With a view to the short run, however, donors will have to find arrangements with the Palestinian Authority for supervision of the projects by third parties who have the confidence of both the donors and the Palestinians.

One international organization which might help the Palestinians in administering and supervising aid projects is the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). Another is the ILO. The Committee thinks the ILO could make an important contribution also because of its tripartite character (Governments, employers' organizations, trade unions).

Foreign aid should help to keep things going in the Territories in the period of transition and to start economic activity with stimulating effects on local business. Meanwhile, the major general task for the Palestinian Authority will be to combat existing uncertainty which is a disincentive for potential foreign investors and a source of unrest and dissatisfaction for the population. Many initiatives must be taken as regards economic reform, legislation and institution building.

Given the scarcity of means and the cautious attitude of foreign donors at the present time, and taking into account the political necessity to produce shortly some tangible, positive results of the peace process for the populations, a limited number of strategically chosen aid projects should be selected by the parties concerned for immediate funding, even if the beneficiary cannot fully meet the donors' criteria. The EU, as the major donor, should take the initiative. The projects should alleviate some of the most pressing problems of the population, contribute significantly to the major tasks of economic reform, legislation and institution building, and/or have a high political "visibility".

The Committee welcomes that trade unions and employer organizations, and perhaps also other socio-economic interest groups in and outside the EU, are multilaterally and bilaterally seeking contacts and rendering assistance to their counterparts in the Occupied Territories. It further suggests that Governments wishing to develop forms of cooperation with the Palestinian Authority, should as much as possible involve socio-economic interest groups in their country.

¹²

Report of the Director-General, International Labour Conference, 82nd Session, 1995.

The Committee wishes to underline that it is important to involve non-governmental organizations in the implementation of aid programmes.

The Committee thinks it is of great importance that the Israeli Government and the Palestinian Authority involve, from the very beginning, socio-economic interest groups and in particular employers' and workers' organizations in the formulation and implementation of plans for industrial zones in the Occupied Territories. The Committee recommends that the European Union follows the developments closely and helps this project to start and succeed.

Special attention should be given to reforming and increasing vocational training in the Occupied Territories. The EU might also look into new possibilities to support the development of agriculture in the Territories.

The Committee hopes and expects that the European Union will remain well aware of developments in this field and will support organizations, like Chambers of Commerce, from the countries concerned who want to take initiatives or even stimulate such initiatives. The near future might bring new opportunities to bring other relevant organizations together (Euro-Mediterranean Conference, Amman Summit Conference).

15. GREEN PAPER ON TOURISM

Opinion of the Economic and Social Committee on the role of the Union in the field of tourism - Commission Green Paper
(COM(95) 97 final)

(CES 976/95)

Rapporteur : Mr Giacomo REGALDO (Italy - Employers); Co-Rapporteur : Mr Colin LUSTENHOUWER (The Netherlands - Various Interests)

Gist of the Commission document

The Green Paper opens with an overview of tourism as a sector of economic activity and describes the stakes involved. It goes on to trace the growth of a European-level response to tourism (at the instigation of the ESC and the European Parliament) which resulted in the first Community action plan, the European Year of Tourism, action taken to harmonize statistics and by indirect incentives (in the environment, for SMEs, R&D and the impact of the structural funds).

It then explains the added-value impact of action at a European level on private sector activities, with the support (or otherwise) of the Member States.

Lastly, it tackles the question of future developments. The four options that are given suggest different levels of subsidiarity based on the extent to which - if at all - tourism is considered a Community responsibility.

Gist of the Opinion

In its Opinion the ESC points out that it has been advocating the introduction of a European policy on tourism since 1989. Tourism is both a sector which has considerable scope for development and one which has been very much neglected by the public authorities.

The ESC has come out in support of Option 4 - in spite of the opposition expressed by those ESC members who voted for a Counter-Opinion. The ESC wishes to draw attention to all the benefits which could accrue to tourism if the forthcoming IGC decides to add tourism to the list of fields covered by community policies.

16. BANANAS/TARIFF NOMENCLATURE

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) amending Regulation (EEC) No. 404/93 on the common organization of the market in bananas, Regulation (EEC) No. 1035/72 on the common organization of the market in fruit and vegetables, and Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff
(COM(95) 114 final - 95/0084 CNS)

(CES 977/95)

Rapporteur : Mr José Fernando RODRÍGUEZ DE AZERO Y DEL HOYO (Spain - Employers)

Gist of the Commission proposal

Regulation (EEC) No. 404/93 at present covers fig bananas. However, careful consideration of the characteristics of these products and the way they are marketed shows that they are quite different from the bananas most commonly marketed in the Community. Consequently, they should be excluded from the scope of Regulation (EEC) No. 404/93 and included, along with other tropical fruits, in Regulation (EEC) No. 1035/72 on the common organization of the market in fruit and vegetables. Regulation (EEC) No. 2658/87 on the tariff and statistical nomenclature and on the Common Customs Tariff should be amended accordingly.

The Commission proposes that, in future, allocation and administration of the tariff quota should be based on actual imports of bananas.

The Commission proposes that the necessary measures be defined in greater detail and developed so as to ensure that Community supplies and normal trade relations are maintained and to enable any serious damage suffered by Community producers or certain categories of banana traders to be remedied. These measures include inter alia an adjustment of the forecast supply balance.

Moreover, in cases of force majeure the Commission stipulates that ACP producer countries may supply the Community market with bananas of other origins.

The Commission also proposes temporarily reallocating traditional and non-traditional quantities for reasons other than force majeure, between ACP countries listed in Annex II to the proposal and located in the same geographical zone.

Gist of the Opinion

The Committee approves the proposed Regulation except for the exclusion of "fig" bananas from the scope of the COM in bananas. In its view, this could lead to distortions in the import system.

The Committee also feels that the Commission should, when considering banana supply, take account of the working conditions under which bananas are produced and urge the exporting countries to ensure that social conditions are respected and human rights protected in such production.

Lastly, the Committee takes the view that the concept of "force majeure" in the Commission proposal should cover the case of war which seriously affects the production possibilities of a given country.

17. RELATIONS THE EUROPEAN UNION AND THE UNITED STATES (Information Report)

Information Report of the Section for External Relations, Trade and Development Policy on *Relations between the European Union and the United States*

(CES 91/95 fin)

Rapporteur : Mrs Ann DAVISON (United Kingdom - Various Interests)

Reasons for the Information Report

The ties linking the European Union and the United States are closer than any other in the world. The EU and the USA share major interests and each is the other's main trading partner.

The last Committee Opinion on relations with the USA dates back to 1987 and since then major changes have taken place on both sides following the establishment of the single market, the signing of the Maastricht Treaty, the proposed enlargement of the EU, President Clinton's election to the White House and the signing of NAFTA.

With the ending of the Cold War, security in the world has had to face new challenges. The European Union and the United States now share responsibility as regional crisis managers and the guarantors of stability in the former Soviet Union. At the same time, they have the task - along with Japan - of stimulating economic growth and international trade and reducing exchange rate instability.

Despite the signing in 1990 of the Transatlantic Declaration which established the basis for an effective partnership between both sides, EU-US relations have continued to be overshadowed by differences of opinion and bilateral trade conflicts in sectors such as iron and steel, telecommunications and public procurement. Thanks to the positive outcome of the Uruguay Round, some of these problems have been resolved, but some important areas of disagreement still remain, and there is still a tendency on the part of the USA to settle its trade conflicts unilaterally.

It is important in this new international context for the European Union to seize on the opportunities afforded by the Maastricht Treaty to try to establish a more balanced transatlantic partnership. On the international economic front, this new partnership will have to address not only the age-old problems but also the "next generation" of trade problems such as the link between trade and the environment.

Gist of the Information Report

For nearly fifty years the transatlantic relationship between the United States and Western Europe was based on a common security interest. Even though security issues are still of major importance, it should be said that the end of the Cold War has increased the importance of trade relations vis-à-vis military ties.

In recent years, the political situation has changed radically in the United States. The incoming President Clinton shifted the focus to a renewal of America and the domestic economy. This shift found expression in efforts to strengthen US competitiveness, through federal support for research and development and an aggressive export strategy. In addition, the changes brought about recently by the elections to Congress signal growing resistance to spending abroad and a risk of growing unilateralism in foreign and trade policy.

The political dialogue between the European Union and the United States is based on the 1990 Transatlantic Declaration, which created a framework for consultation between the two sides. The question of a Transatlantic Treaty to put relations on a new footing has been mentioned on both sides of the Atlantic, but there is no likelihood of these negotiations taking place before the end of the 1996 inter-governmental conference.

Trade between the European Union and the United States was of the order of ECU 185 billion in 1994. In recent months the fall of the dollar has revived Europe's concern about apparent US disinterest in the impact of exchange rate changes on the rest of the world. The Section thinks that this problem underlines the lack of international cooperation on macro-economic and monetary issues.

Even if 95% of bilateral trade is trouble-free, a number of problems exist at the moment. Some of these are old problems such as the consequences of EU enlargement, the audiovisual sector, bovine somatotropin and hormones in beef, the rules governing trade in agricultural produce, the aircraft industry and telecommunications.

The Section thinks that these disputes of varying intensity which disrupt transatlantic relations from time to time are due in the main to the different approaches in the European Union and the United States with regard to the nature of the market economy and the regulation of market failure and also because of the different ways of thinking of interest groups on each side of the Atlantic. There are also differences in the EU and US approaches to commercial policy. The US has proved much more proactive than the EU in commercial diplomacy and it has also displayed a worrying tendency to resort more and more to unilateral solutions.

The Section thinks it is important for the European Union and the United States to join together in implementing a policy of proactive multilateralism. Firstly, they must cooperate in ensuring the effective implementation of WTO agreements and procedures, and especially the new disputes settlement procedure. They must also be proactive with regard to the agenda for multilateral negotiations in the decade ahead, i.e. the harmonization of the rules governing direct investment, the relations between trade and the environment and between trade and social issues, competition policy and the protection of consumers. The United States and the European Union are also jointly responsible for trying to involve Japan fully in world trade and for finding solutions to the problems facing developing countries.

In this new post Cold War context, the Section thinks that the transatlantic dialogue ought to be extended to new groupings with commercial, social and environmental interests. For economic and social interests, and in the light of support received for this idea from the US, the Committee might consider a regular exchange of views with its US counterparts.

In recent months the idea of a transatlantic free trade arrangement has been raised on several occasions. Considering the risks involved in entering into negotiations on such an agreement with the United States, the Section suggests a more pragmatic approach which would seek to focus on common interests. This approach would concentrate on regulatory cooperation.

This cooperation should include the consultation of interests affected by regulatory policies. The Section thinks that the Committee, by building on the Transatlantic Business Dialogue which is being set up, could, by virtue of its membership, play a constructive and useful role in deepening relations between the European Union and the United States.

II. FUTURE WORK

Economic Affairs Section

- Green Paper on the practical arrangements for the introduction of the single currency
COM(95) 333 final
Deadline: October

Environment Section

- Establishment of a financial instrument for the environment (LIFE)
COM(95) 135 final - 95/0093 SYN
Deadline: October
- Pesticide residues in fruit and vegetables, cereals and foodstuffs
COM(95) 272 final - 95/0154 CNS
Deadline: December
- Indication of prices of products offered to consumers
COM(95) 276 final - 95/0148 COD
Deadline: December

Regional Development Section

- 5th Annual Report on the implementation of reform of the Structural Funds
COM(95) 30 final
Deadline: October

Transport Section

- Marine equipment
COM(95) 269 final - 95/0163 SYN
Deadline: December
- Short sea shipping (Communication)
COM(95) 317 final
Deadline: February

Energy Section

- Amendments to the Statutes of the Joint European Torus (JET) Joint Undertaking
COM(95) 234 final - 95/0136 CNS
Deadline: October

Agriculture Section

- Community financial contribution for implementing the control system applicable to the common fisheries policy
COM(95) 243 final - 95/0146 CNS
Deadline: October
- Control system applicable to the common fisheries policy
COM(95) 256 final - 95/0146 CNS
Deadline: October

Industry Section

- Green Paper on the protection of utility models in the Single Market
COM(95) 370 final
Deadline: January
- Green Paper on copyright and related rights in the information society
COM(95) 382 final
Deadline: January

External Relations Section

- Environmental measures in developing countries in the context of sustainable development
COM(95) 294 final - 95/0161 SYN
Deadline: October
- White Paper on the integration of the Central and Eastern European countries into the Internal Market
COM(95) 163 final
Deadline: To be decided

IN ANTICIPATION

Industry Section

- Aids to shipbuilding
COM(95) 410 final - 95/0219 CNS
Deadline: November
- Community customs code
COM(95) 335 final - 95/0182 COD
Deadline: December
- Approximation of the laws of the Member States relating to the measures to be taken against the emission of gaseous and particulate pollutants from internal combustion engines
COM(95) 350 final
Deadline: December

Transport Section

- Approximation of the laws of the Member States relating to roadworthiness tests for motor vehicles and their trailers
COM(95) 415 final
Deadline: December
- Mobile and personal communications
SEC(95) 1382 final
Deadline: December
- Development of Community railways - Infrastructure access*
COM(95) 337 final - 95/0205 SYN
Deadline: February
- Aids for transport by rail, road and inland waterway
COM(95) 377 final - 95/0204 SYN
Deadline: November
- Telecommunications interconnection*
COM(95) 379 final - 95/0207 COD
Deadline: February/March
- Statistics relating to the air transport of passengers, freight and mail*****
COM(95) 353 final
Deadline: To be decided

Social Affairs Section

- Right of third-country nationals to travel in the Community
COM(95) 346 final - 95/0199 CNS
Deadline: January
- Elimination of controls on persons crossing internal frontiers
COM(95) 347 final - 95/0201 COD
Deadline: January
- Social security schemes for employed persons, self-employed persons and members of their families moving within the Community
COM(95) 352 final - 95/0196 CNS
Deadline: November
- Fourth action programme on equal opportunities for women and men (1996-2000)
COM(95) 381 final - 95/0206 CNS
Deadline: November
- Abolition of restrictions on movement and residence within the Community
COM(95) 348 final - 95/0202 COD
Deadline: January

Unofficial title

- Safety and health of workers in potentially explosive atmospheres*
COM(95) 310 final
Deadline: To be decided
- Protection of workers against the risks of exposure to carcinogens*
COM(95) 425 final
Deadline: To be decided

Energy Section

- Investment projects of Community interest in the petroleum, natural gas and electricity sectors
COM(95) 118 final - 95/0083 CNS
Deadline: October
- Repeal of Community legislation in the energy policy sector*
COM(95) 391 final - 95/0214 CNS - 95/0217 CNS
Deadline: October
- Introduction of planning techniques in gas and electricity supply*
COM(95) 369 final
Deadline: To be decided

Agriculture Section

- Community organization of the market in rice (to be confirmed)
COM(95) 331 final - 95/0203 CNS
Deadline: October
- Monitoring measures applicable to fishing activities carried out in the waters of the Baltic Sea, the Belts and the Sound
COM(95) 249 final
Deadline: November

III. PRESENCE AND INFLUENCE OF THE ECONOMIC AND SOCIAL COMMITTEE

President's activities

On 13 September, President FERRER had talks with Mr WESTENDORP, Spanish Secretary-of-State for European Affairs and President-in-office of the Council.

On 14 September, Mr FERRER met the Spanish Minister for Labour and Social Security, Mr José Antonio GRINAN, accompanied for the Secretary-of-State for Employment, Mr Marcos PEÑA PINTO.

On 28 September, Mr Carlos FERRER addressed a conference organized by the European Finance Forum and the Club de Bruxelles on "undertakings and convergence towards monetary union".

Other activities

From 4 to 15 September an ESC delegation attended the 4th United Nations World Conference on Women in Beijing, China.

On 7 September, Mr Luís Maria ANTIENZA SERNA, Spanish Minister of Agriculture, Fisheries and Food and President of the Councils for Agriculture and Fisheries addressed the Section for Agriculture and Fisheries (President: Mr MARGALEF i MASIA) on the current problems of the Common Agricultural Policy and the Common Fisheries Policy.

Prior to the Plenary Session, the ESC Bureau held its 400th meeting on 12 September.

On 14 September, the Polish Tripartite Commission for Socio-economic Affairs, under the Presidency of Mr BACZOWSKI, Under-Secretary-of-State at the Ministry for Labour and Social Policy visited the Economic and Social Committee. Mr BACZOWSKI was met by Vice-President, André LAUR, and by the Social Affairs President, John CARROLL.

From 14 to 16 September, the association of former members of the Economic and Social Committee held its annual general meeting in Lisbon. The main topics on the agenda were small-scale fishing and a meeting with the Portuguese Economic and Social Committee.

From 20 to 22 September 1995, Mr Paolo ANDRADE, represented the ESC at the 25th European Seminar for SMEs at Nicosia (Cyprus). Mr ANDRADE spoke about the ESC's work on behalf of European SMEs.

On 26/27 September, a Committee delegation attended a hearing on steps to enhance EU-MERCOSUR relations. The Committee was represented by Mr MARGALEF i MASIA, President of the Study Group and Mr Sergio SANTILLAN, Rapporteur for the Additional Initiative Opinion which the Section for External Relations is currently preparing.

IV. IN MEMORIAM

Mr Achim DENKHAUS, a German Group I member since 21 December 1994, died on 4 September 1995.

V. FACT-FINDING VISITS

During the reference period, the following groups visited the Economic and Social Committee:

7 September 1995	The Union of Commercial and Clerical Employees, Denmark
8 September 1995	Confederacion regional de empresarios de Aragon, Zaragoza, Spain
8 September 1995	Universidad San Pablo CEU, Madrid, Spain
11 September 1995	Socialtjänsten, Stockholm, Sweden
12 September 1995	Alliance agricole belge, and German farmers from Niedersachsen, Germany

19 September 1995	Landeszentrale für Politische Bildung Sachsen-Anhalt, Magdeburg, Germany
20 September 1995	Up and coming executives from Mexico, Argentina and Chili
20 September 1995	Young diplomats from non-EU Mediterranean countries
21 September 1995	Politische Akademie Biggensee, Attendorn/Neu-Listernohl, Germany
21 September 1995	The Union of Housepainters, Denmark
25 September 1995	Deutsche Gesellschaft, Germany
26 September 1995	Funktionærerernes og Tjenestemændenes Fællesråd, Copenhagen, Denmark
26 September 1995	Association "Femmes Europe 92", Metz, France
27 September 1995	Deutscher Beamtenbund Jugend, Bonn, Germany
29 September 1995	Local Politicians from Borås, Sweden

