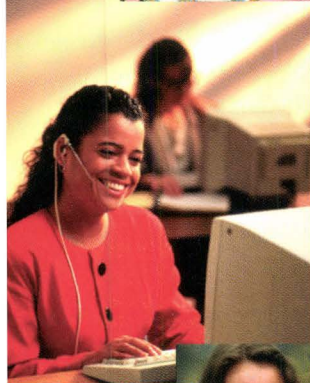
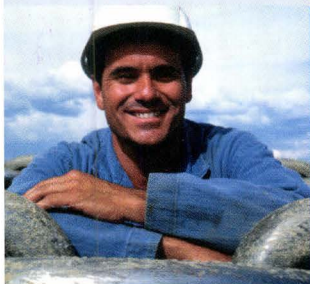




# BULLETIN

## *Economic and Social Committee*

*European Communities*



# 98

# 2



CES: 1

EN

## Facts and figures - November 1997

### Presidency

**President:** Tom Jenkins  
(United Kingdom - Workers)

**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), the Maastricht Treaty (1992) and the Amsterdam Treaty (1997) have reinforced the ESC's role.

### Membership

The 222 members 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 task of members is to issue opinions on matters referred to the ESC by the Commission and the Council, as well as the European Parliament pursuant to the Amsterdam Treaty.

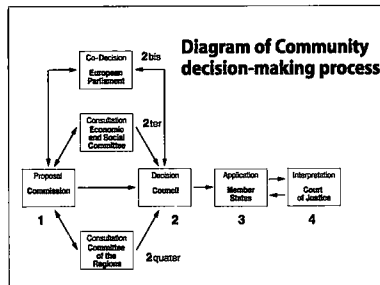
The ESC is the only socio-occupational advisory body that can be consulted by the EU Council of Ministers.

### 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), the Maastricht Treaty (7.2.92) and the Treaty of Amsterdam (signed on 2.10.97) extended the range of issues which must be referred to the Committee: regional policy, environmental policy, employment policy, broad guidelines for economic policies, combating social exclusion, etc. The ESC produces 170 advisory documents and opinions 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 Official Journal of the European Communities.

### 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. 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. 546.92.86  
(president: Göke Frerichs  
Group I - Germany)
- External Relations, Trade and Development  
Policy - secretariat tel. 546.93.27  
(president: Thomas Etty  
Group II - Netherlands)
- Social, Family, Educational and Cultural Affairs  
secretariat tel. 546.95.12  
(president: John F. Carroll  
Group II - Ireland)
- Protection of the Environment, Public Health  
and Consumer Affairs  
secretariat tel. 546.94.06  
(president: Manuel Ataíde Ferreira  
Group III - Portugal)
- Agriculture and Fisheries  
secretariat tel. 546.96.87  
(president: Pere Margalef i Masià  
Group III - Spain)
- Regional Development and Town and Country  
Planning  
secretariat tel. 546.96.11  
(president: Robert Moreland  
Group III - United Kingdom)
- Industry, Commerce, Crafts and Services  
secretariat tel. 546.95.98  
(president: John Little  
Group I - United Kingdom)
- Transport and Communications  
secretariat tel. 546.93.60  
(president: Elke Eulen  
Group II - Germany)
- Energy, Nuclear Questions and Research  
secretariat tel. 546.98.19  
(president: José Ignacio Gafo-Fernandez  
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 (normally four).

### 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.

### External Relations

#### 1. 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 worldwide with other economic and social councils at the "International Meetings" held every two years.

#### 2. 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 member delegations headed by the president or a vice-president. It is expected that some meetings involving the countries of central and eastern Europe will be institutionalized under the Europe Agreements, as is currently the case with Hungary and Turkey.

### Publications

The ESC regularly distributes a number of publications, including its main opinions in brochure format, a monthly newsletter entitled ESC INFO and its Annual Report.

### Secretariat-General

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

135 staff work exclusively for the Economic and Social Committee. Since 1 January 1995, the Economic and Social Committee and the Committee of the Regions have shared a common core of departments whose staff, numbering 519, are mostly members of the ESC secretariat.





# BULLETIN

## ***Economic and Social Committee***

*European Communities*

98

2

This Bulletin reports on the activities of the Economic and Social Committee, a European consultative assembly. It is published after plenary sessions in French, English and German. Versions in the eleven official languages of the European Union are available on the ESC Internet site (<http://www.esc.eu.int>).

The complete texts of ESC opinions are available:

- *in the Official Journal of the European Communities,*
- *on the CELEX database,*
- *at the ESC Internet site,*
- *on written request from the ESC General Secretariat.*

## **ECONOMIC AND SOCIAL COMMITTEE**

**DIRECTORATE FOR COMMUNICATIONS**  
Specialized Department for Information and Visits  
rue Ravenstein, 2 - B-1000 Brussels

Tel: (32.2) 546.90.11  
Fax: (32.2) 546.98.22

Telex: 25 983  
Telegram: ECOSEUR

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## **I. 352<sup>nd</sup> PLENARY SESSION HELD ON 25 AND 26 FEBRUARY 1998**

The Economic and Social Committee of the European Communities (ESC) held its 352<sup>nd</sup> plenary session in Brussels on 25 and 26 February 1998. The ESC president, Mr Tom Jenkins took the chair.

**Mr Neil Kinnock**, Member of the EC Commission responsible for transport, attended the plenary session and took part in the debate on the opinion on "Connecting the Union's transport infrastructure network to its neighbours".

**Mr Kinnock** underlined the importance he attached to dialogue with the ESC on this matter which was of key importance to the European continent as a whole.

The Commission's communication was linked to the Pan-European transport conference held in Helsinki and, more broadly, to the proposals set out in Agenda 2000. The first part of the communication was of more direct concern to the Member States and dealt mainly with the concept of "corridors", nine of which had been pinpointed at the conference held in Crete in 1994. A tenth corridor had been identified at the Dayton conference; this corridor linked southern Germany with Greece and Turkey via Austria and the Balkans. Negotiations were well underway but it was clearly a lengthy task which would have to involve talks with those responsible for road and rail networks. The concept of "pan-European transport areas" had been defined at the Helsinki conference; the centre of interest of a number of European regions comprised maritime areas which could not benefit from the advantages of the "corridors". The Mediterranean and Black Sea were cases in point. All of the projects were based on the partnership principle.

Steps had to be taken to facilitate links between the infrastructures of the EU states and those of the applicant states and to mobilize the necessary funding. The Commission had therefore formulated a system for assessing needs, known as TINA (Transport Infrastructure Needs Assessment). The initial results of that scheme would be published in the summer of 1998 and the work would be completed by 1999; it would then be possible to bring the applicant states within the scope of the Commission's transport guidelines.

The costs of these measures - which would mainly be borne by the states concerned - would clearly be enormous; the costs in respect of the corridors alone were put at ECU 50 billion, whilst those for the remaining projects were estimated at ECU 100 billion. The EU would provide grants under the Phare programme and, with effect from 2000, under a new pre-accession financial instrument. At a later stage funding would be provided by the Structural Funds. Throughout the whole of that process of consolidating the transport infrastructure network, every effort should be made to facilitate and promote the involvement of private funding, even in the central and eastern European countries whose economies were still in a state of flux but who shared the belief of the EU Member States in the importance of developing transport infrastructures and were ready to make considerable efforts to achieve that goal, in cooperation with the EU.

In the course of the session, the Committee adopted the following opinions:

**Section for Industry, Commerce, Crafts and Services**  
*Joao Pereira dos Santos, Head of Division - ☎ (32-2) 546 9245*

**1. MOTOR VEHICLES - CARRIAGE OF PASSENGERS**

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive relating to special provisions for vehicles used for the carriage of passengers comprising more than eight seats in addition to the driver's seat and amending Directive 70/156/EEC**

(COM(97) 276 final - 97/0176 COD)

(CES 281/98 - 97/0176 COD)

Rapporteur: Edoardo BAGLIANO (Italy - Employers)

**Gist of the Commission document**

The European Commission has adopted a proposal for a Directive on technical provisions for buses and coaches. The provisions concern the stability of the vehicle, the minimum size of seats and the spacing between seats, the number and arrangement of the doors and emergency exits, and other requirements on vehicle stability and the improvement of safety. Until now, technical requirements for buses and coaches have been laid down in national legislation. Makers of buses have therefore not been able to obtain EC type-approval. The new Directive is intended to enable manufacturers of buses, coaches and bus bodies to apply for and obtain type-approval in one single Member State which is then valid throughout the European Union.

Until now, only manufacturers of cars have been able to apply for type-approval which is valid throughout the Union. Under this system, a type of vehicle which has been tested and approved in one Member State may be sold and put on the road in all other Member States as well. For other vehicles, including buses and coaches, meaning passenger-carrying vehicles with more than eight seats excluding the driver's seat, directives are still needed in two important areas before EC type-

approval becomes possible. The directive on masses and dimensions is still going through the legislative process. The directive now proposed on vehicle stability and improved safety measures to protect against injuries caused by overturning is the last part of the series of regulations needed before buses and coaches can also get EC type-approval.

The proposed directive covers the following points:

- the distribution of the overall weight of the passengers in order to avoid overloading individual axles;
- the number, type and arrangement of the service doors and emergency exits;
- the technical requirement for doors;
- the steps;
- access to the doors, emergency exits, gangways and seats;
- handrails and handholds for standing passengers;
- the minimum size of seats and spacing between seats;
- the stability of the vehicle;
- the strength of the body structure.

**Gist of the opinion**

The principal aim of the directive is "to guarantee the safety of passengers". The Committee endorses the Commission's approach, as it provides for a reasonable balance between costs and objectives without compromising the achievement of an equivalent safety level. The approach is also in keeping with the UN-ECE regulations, which are constantly developing.

*Protection against fire risks.* The prescriptions contained in the proposal (Annex I, point 7.5) supplement those of the specific directive on burning behaviour (95/28/EC). Strictly speaking, they should therefore be incorporated in this latter directive, as they cover the same ground. A similar step is already being taken regarding obligatory



*seatbelts* on Class II and Class III vehicles, and regarding *seat resistance*.

The proposal gives detailed and comprehensive consideration to the problems involved in the carriage of passengers with reduced mobility, including wheelchair users.

The Committee fully supports this, and is pleased that the Commission intends to undertake additional studies with a view to constantly improving vehicle access for persons with reduced mobility.

However, the Committee thinks that the problem must be tackled realistically if effective results are to be achieved within a reasonable time-frame. To this end, and in accordance with the subsidiarity principle and with differing local and national circumstances, the Member States could undertake to establish a minimum quota of buses equipped with boarding aids for passengers with reduced mobility.

Article 4(1) refers to Class I vehicles, which are "designed to provide scheduled urban and interurban services" and which must:

- meet the technical prescriptions set out in parts B and C of Annex I;
- be equipped with at least one of the boarding aids for reduced mobility passengers specified in Annex VII.

Whilst it is right that the technical prescriptions should apply to Class I vehicles designed for urban services, it seems inconsistent with the categorization in classes to also speak of Class I vehicles designed for *interurban* services. The safety prescriptions for Class I vehicles are not suitable for long journeys.

The use of Class I vehicles for scheduled interurban services is thus unacceptable on safety grounds, because of the higher number of standing passengers and the reduced space for seated passengers. Article 4(1) should therefore be amended, at the very least by deleting the words "and interurban".

The Committee has already called on other occasions for retention of the decision-making powers of the committee on adaptation to technical

progress (CATP), in accordance with Articles 12 and 13 of the framework Directive 70/156/EEC.

Whilst the Committee understands the need to speed up the procedure for adapting the directive to technical progress, it cannot endorse the provisions of Article 7, which give the CATP a purely advisory role.

## 2. GREEN PAPER ON THE COMMUNITY PATENT

Opinion of the Economic and Social Committee on: *Promoting innovation through patents - Green Paper on the Community patent and the patent system in Europe* (COM(97) 314 final)

(CES 282/98)

Rapporteur: Giannino BERNABEI (Italy - Employers)

### Gist of the Commission proposal

The patent system plays a major part in the protection of innovation and the dissemination of technical information. However, the system of patents in Europe has grown complex. Alongside national patents, which continue to exist, there is a European patent, though only an embryonic one: once granted by the European Patent Office in Munich, the European patent operates to all intents and purposes like a national patent. There is no provision for a court of law with jurisdiction at European level to decide disputes in patent cases, such as actions for infringement or revocation of a patent, so that there is always the danger that the courts that hear such actions in the Member States may deliver conflicting judgements. The present system consequently places serious difficulties in the way of the openness and smooth operation of the single market.

The green paper has three main objectives:

- to gain as full a picture as possible of the situation as regards the protection of innovation by the patent system in the European Community;

- to examine whether new Community measures are necessary and/or whether existing arrangements need to be adjusted; and
- to consider what these new measures could involve and what form they could take.

The green paper asks whether and to what extent interested parties would be prepared to make use of a Community patent system established by regulation, under Article 235 of the EC Treaty, rather than by intergovernmental conventions like the Luxembourg Convention on the Community Patent of 1975 and the Agreement relating to Community patents signed in 1989 (these conventions have never been ratified by all the Member States, and have never entered into force).

A unitary Community patent would have the advantage that its effects would be the same throughout the Union; it could be granted, transferred, revoked or allowed to lapse only in respect of the whole of the Union. Applicants would need to make one application only, the management of patent rights would be simplified, duplication of legal actions would be avoided, and legal certainty would be improved.

Lastly, the green paper asks how the system of fees and charges for patents can be adapted in a way which corresponds to the service performed and does not form an obstacle to the protection of innovation.

The green paper is intended as a basis for wide ranging consultation of industry, SMEs, individual inventors, patent agents and other interested parties. But it will also be discussed with Member States and the other Community institutions.

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

The issues raised by the green paper have prompted the Committee to make the following comments, which deal in particular with the:

##### **- *Need for the Community patent***

According to some circles, the present system, based partly on national patents and partly on the centralized system for deposit and patent granting (European patent) has so far worked quite well: however, the needs of the single market appear to make it essential also to have a Community patent.

It is thus necessary to have a Community patent, while maintaining the national and European options. The Community patent could be created (or revived) by adopting a Community Regulation under Article 235 of the EC Treaty.

##### **- *Language problem***

The problem of translations into the national languages also has political significance which justifies decisions at political level. Among the solutions presented in the green paper, further attention should be given to the package solution presented by the EPO and mentioned by the Commission in the green paper.

##### **- *Unacceptability of an "à la carte" Community patent***

The "à la carte" Community patent solution is favoured by certain business and professional circles, where the need for a "flexible" system is emphasized. In reality - while the applicant for a Community patent would retain the option of choosing a European patent at a certain stage of the procedure (see point 6.4) - the "à la carte" Community patent solution appears to contradict fundamental requirements of the single market. It should therefore be firmly rejected.

##### **- *Option of converting a Community patent application into a European patent application***

In the context of a Community which is preparing for further enlargement, it seems reasonable to allow the applicant for a Community patent to be able to transform his application - before completion of the granting procedure - into a European patent application which, if successful, would give rise to a set of national patents for the countries concerned. However, for reasons similar to those given in the preceding points on the "à la carte" Community patent, it does not appear to be compatible with the requirements of the single market to allow a Community patent once granted to be transformed into a European patent, i.e. into a set of national patents.

Nor does it appear realistic to allow a European patent application to be transformed into a Community patent application, except in the case of a European patent covering all the Member States of the EU. The ESC can therefore endorse the possibility of transforming a Community

patent application into a European patent application if the request for transformation is presented before the patent is granted.

– *Legal questions*

On the delicate question of the respective jurisdictions of national courts and Community bodies, it seems reasonable to take as a starting point the system laid down by the Regulation on the Community mark with regard to forgery and validity of the Community marks<sup>1</sup>. A similar system could be provided for the Community patent, with certain correctives to take account of the specific nature of the Community patent, and in particular of the high level of legal and technical qualifications required of a body which would be competent to declare such a patent invalid with effect throughout the EU's territory.

**3. LEGAL PROTECTION OF CONDITIONAL ACCESS SERVICES**

*Opinion of the Economic and Social Committee on the proposal for a European Parliament and Council Directive on the legal protection of services based on, or consisting of, conditional access*

(COM(97) 356 final - 97/0198 COD)

(CES 283/98 - 97/0198 COD)

Rapporteur: Bernardo HERNÁNDEZ BATALLER  
(Spain - Various Interests)

**Gist of the Commission document**

The European Commission is proposing a directive on legal protection of television and radio broadcasting and information society services offered to the public at a distance where access is subject to payment. Such services include pay-TV, video-on-demand, music-on-demand, electronic publishing and a wide range of other on-line services.

The proposal's scope includes all forms of television broadcasting (by terrestrial broadcast, satellite or wire) and all form of on-line Information Society services, insofar as they are provided a conditional access basis. "Conditional access" means that access to the service at a

distance is made conditional upon a prior authorization, which aims at ensuring the remuneration of the service provider. The proposed directive would apply also to the provision of conditional access as a service in its own right.

The proposal would require Member States to prohibit the manufacture, import, sale, advertising, possession, installation, maintenance or replacement of illicit devices such as pirate decoders and smart cards which allow unauthorized access to conditional access services. The proposal would also require Member States to provide for effective, deterrent and proportional sanctions in case of violations. Moreover, service providers would be entitled to bring an action for damages, for an injunction and, where appropriate, for the seizure of illicit devices, before national authorities to be designated by the Member States.

By establishing an equivalent level of protection, the proposed directive aims at creating a single market for the supply of services on a conditional access basis, and for conditional access devices. A Member State would not, for example, be able to invoke "anti-piracy" grounds to restrict the sale, installation or maintenance of conditional access devices. However, the proposed directive would not affect Member States' right to restrict access to services from another Member State on grounds not covered by the directive, such as the protection of minors. Nor would the directive prevent the application of EU competition rules or EU rules concerning intellectual property rights.

**Gist of the opinion**

The Committee welcomes the Commission's proposal for a directive, which takes account of its opinion on the green paper.

The Committee nevertheless feels that given the current omissions and the distortion of competition that such omissions produce, the appropriate legal instrument should be a regulation rather than a directive, since this would:

- ensure more effective harmonization, since provisions would be directly applicable in the Member States;
- avoid a long process of transposing the proposed measures into national law.

<sup>1</sup>

Regulation No. 40/94/EC, Art. 91 and following.

The scope of the proposed directive should be extended to include the provision of professional services, such as telemedicine.

With respect to infringing activities, it would make sense to add "associated services" to Article 3 (c), since these include the installation, maintenance and replacement of conditional access devices, as well as the provision of commercial communication services associated with protected services or devices, or other associated services.

Paragraph 1 of Article 4 could be replaced by a provision establishing the illicit nature of the activities described in Article 3.

Paragraph 2 of Article 4 should widen the right to institute proceedings, so that anybody who can prove a "direct interest" is able to bring an action for damages or apply to the courts for an injunction.

Article 5 should include an obligation on the Member States to inform the Commission of the sanction provisions applicable, since these cannot be incorporated into the legal transposition texts.

The Committee feels that better protection should be provided for consumers who take out contracts for conditional access services, especially when it comes to dealing with: complaints and any compensation requests; quality of the service and proof thereof; aspects of payment and possible payment arrangements not covered by Directive 97/7/EC of 20 May 1997 on the protection of consumers in respect of distance contracts.

The Committee considers that the introduction of conditional access services in society must in all cases be accompanied by protection of citizens' privacy and confidentiality.

Complementary sanctions should be adopted for customs, similar to those contained in Regulation (EC) 3295/94 of 22 December 1994, which lays down measures to prohibit the release for free circulation, export, re-export or entry for a suspensive procedure of counterfeit and pirated goods.

If sanctions are adopted for customs, it would make sense to set up a committee in the Commission similar to the committee provided for in Regulation (EC) 3295/94 of 22 December 1994.

#### 4. AID TO SHIPBUILDING

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) establishing new rules on aid to shipbuilding (COM(97) 469 final - 97/0249 CNS)**

(CES 284/98 - 97/0249 CNS)

Rapporteur: John SIMPSON (United Kingdom - Various Interests)

##### Introduction

In 1994 an international agreement was concluded within the framework of OECD respecting normal competitive conditions in the commercial shipbuilding and ship-repair industry. The agreement had been due to enter into force on 1 January 1996, but has not yet done so due to delays in US ratification of the agreement.

Having reviewed the situation at its meeting on 24 April 1997, the Industry Council agreed that if the OECD agreement was not going to enter into force a specific new aid regime for shipbuilding should be established.

Since there remain uncertainties over the entry into force of the OECD agreement, this paper puts forward proposals for a new aid regime should the need arise.

The proposals for a new aid regime should be seen within the context of wider shipbuilding policy and in particular the Commission's parallel communication to the Council outlining new orientations aimed at improving the competitiveness of the sector.

##### Gist of the Opinion

Whilst the Committee would still wish to see the OECD Agreement ratified, the proposed new Regulation has, in principle, the support of the ESC as it seeks to encourage the development of a stronger and competitive EU shipbuilding industry.

The ESC commends the efforts of the Commission to create a consistent and mutually reinforcing set of maritime policies ranging from the promotion of research and innovation, encouraging industry-wide cooperation and, more recently, encouraging

the development of short sea shipping as a contribution to wider problems of freight movement around the Community and in a wider context .

Recent events in financial markets and exchange rates in the Far East have created an uncertain environment for a number of industries, including shipbuilding. The Committee recognizes that the Commission will need to monitor events and, if necessary, take appropriate action if there is a prospect that the shipbuilding industry will be adversely affected.

The ESC would be reluctant to support the removal of operating aid if the prospects for competitive success were considered too low and if the alternative measures do not offer an equivalent effect.

The Committee suggests that a further comparison to establish the relative competitive position of the main producers should be undertaken before a final date for the removal of operating aid is decided.

The Committee welcomes the assurance that at the end of 1999 the Commission will monitor the market situation and, if anti-competitive practices are established, will consider introducing appropriate measures.

Difficulties might occur if the scope of the new regulation was not broadened to cover critical aspects of ship repair activities and the Committee welcomes this more logical approach to the range of shipbuilding, ship conversion and ship repair activities.

The proposals relating to export credits, contract aid, closure aid, restructuring aid and investment aid are supported. However, the ESC would be concerned if the consequence of the changes was to increase the level of official expenditure on shipbuilding whereas the effect is supposed to be the opposite; i.e. the reduction and removal of aid.

The Commission should monitor the impact of the arrangements and, in particular, the impact of the different types of support.

The Commission should avoid any measures which could result in an international 'subsidy race' and should continue its endeavours to control, and ultimately phase out, subsidies to

shipbuilding through an overall agreement within the philosophy of the OECD Agreement.

## 5. SHIPBUILDING POLICY

**Opinion of the Economic and Social Committee on the *Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions : Towards a new shipbuilding policy* (COM(97) 470 final)**

(CES 288/98)

Rapporteur: John SIMPSON (United Kingdom - Various Interests)

### Introduction

The present regime on state aids for the European shipbuilding industry, laid down in the Seventh Directive on Aid to Shipbuilding, will expire at the end of 1997.

The Commission believes that the implementation of the OECD Agreement Respecting Normal Competitive Conditions in the Commercial Shipbuilding and Repair Industry of 21 December 1994 would be the best option to enable Community shipyards to compete under fair trading conditions. The Commission still hopes that the agreement will enter into force soon. The Union however has to be prepared for the case that this does not happen. Therefore this Communication deals with the case that the OECD Agreement will not come into force.

The aim of the policy developed in this Communication is to devote efforts towards improving the competitiveness of the industry within a period of five years commencing from the coming into force of the new regime. After that period shipbuilding will be subject to exactly the same rules as all other industries. The granting of operating aid shall be ended on 31 December 2000.

Together with this Communication the Commission is submitting to the Council a proposal for a prolongation of the existing rules on state aids to shipbuilding until 31 December 1998 and a new Council Regulation on aid to Shipbuilding, reflecting the considerations laid down in the present communication.

The aim of the new policy towards shipbuilding is to improve industry's competitiveness and allow it to face the challenge of global competition without any further sector specific aid. In order to achieve this goal, industry, Commission and Member States have to make all possible efforts.

Industry has to overcome its structural disadvantages.

The Commission will direct its efforts within its industrial competitiveness policy to this end:

- it will provide its best efforts to make sure that industry enjoys a global level playing field;
- it will particularly support efforts in research and development in shipbuilding;
- it will support industrial cooperation;
- it will help stimulate demand for EU yards.

Member States are asked to adopt and apply the new State aids policy as developed in this document and in the Commission proposal of a Council Regulation on Aid to Shipbuilding. Key issues of the new regulation are:

- no more operating aid can be made available to shipbuilding after 31 December 2000. One year before the abolition of operating aid the Commission will monitor the market in order to establish whether the EU shipbuilding industry is subject to anti-competitive practices by its competitors in the global market and will, if necessary, introduce appropriate measures;
- for a period of five years, following the expiry of the Seventh Directive, special rules on aid for innovation will apply. After this period, this type of aid will be submitted to the same rules that apply to other sectors;
- shipbuilding will be subject to the same rules as any other sector concerning aid for investment, rescue and restructuring, environment and research and development.

Only with these combined efforts, the objective of making EU shipbuilding a globally competitive industrial sector and terminating the longstanding special aid regime can be achieved.

### **Gist of the Opinion**

Whilst the Committee would still wish to see the OECD Agreement ratified, the proposed new Regulation has, in principle, the support of the ESC as it seeks to encourage the development of a stronger and competitive EU shipbuilding industry.

The ESC commends the efforts of the Commission to create a consistent and mutually reinforcing set of maritime policies ranging from the promotion of research and innovation, encouraging industry-wide cooperation and, more recently, encouraging the development of short sea shipping as a contribution to wider problems of freight movement around the Community and in a wider context.

Recent events in financial markets and exchange rates in the Far East have created an uncertain environment for a number of industries, including shipbuilding. The Committee recognizes that the Commission will need to monitor events and, if necessary, take appropriate action if there is a prospect that the shipbuilding industry will be adversely affected.

The ESC would be reluctant to support the removal of operating aid if the prospects for competitive success were considered too low and if the alternative measures do not offer an equivalent effect.

The Committee suggests that a further comparison to establish the relative competitive position of the main producers should be undertaken before a final date for the removal of operating aid is decided.

The Committee welcomes the assurance that at the end of 1999 the Commission will monitor the market situation and, if anti-competitive practices are established, will consider introducing appropriate measures.

Difficulties might occur if the scope of the new regulation was not broadened to cover critical aspects of ship repair activities and the Committee welcomes this more logical approach to the range of shipbuilding, ship conversion and ship repair activities.



The proposals relating to export credits, contract aid, closure aid, restructuring aid and investment aid are supported. However, the ESC would be concerned if the consequence of the changes was to increase the level of official expenditure on shipbuilding whereas the effect is supposed to be the opposite i.e. the reduction and removal of aid.

The Commission should monitor the impact of the arrangements and, in particular, the impact of the different types of support.

The Commission should avoid any measures which could result in an international "subsidy race" and should continue its endeavours to control, and ultimately phase out, subsidies to shipbuilding through an overall agreement within the philosophy of the OECD Agreement.

## 6. STATE AID

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) on the application of Articles 92 and 93 of the EC Treaty to certain categories of horizontal state aid (COM(97) 396 final - 97/0203 CNS)**

(CES 295/98 - 97/0203 CNS)

Rapporteur: Jan Jacob van DIJK (Netherlands - Workers)

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

The Commission aims in the near future to focus its efforts on more rigorous scrutiny of major cases of state aid which may seriously jeopardize competition, by simplifying and clarifying the existing rules. This should take the form of an innovation in the monitoring of state aid, with block exemptions being granted - for the first time since the entry into force in 1958 of the Treaty of Rome - to a range of "horizontal" aid measures, including aid for SMEs, R&D, environmental protection, education and training, employment and export credits. Essentially, the Commission takes the view that, as these aid measures generally meet the criteria laid down at Community level, the Member States should, in principle, no longer be required formally to notify it of their existence.

A first initiative towards the introduction of group exemptions was taken in November 1996, when

the Commission submitted its orientations on the use of Article 94 of the EC Treaty to the Industry Council. The Council encouraged the Commission to make proposals. Article 94 provides: "The Council, acting by a qualified majority on a proposal from the Commission and after consulting the European Parliament, may make any appropriate regulations for the application of Articles 92 and 93 and may in particular determine the conditions in which Article 93(3) shall apply and the categories of aid exempted from this procedure".

The introduction of group exemptions will lead to the creation of clear legislative texts with direct effect. This will increase transparency and predictability of state aid control. It will thus improve the possibility for additional state aid screening at national level by national administrations, national courts and national auditors. Moreover, citizens are able to complain to national courts when they suspect that aid granted without notification does not fulfil the conditions for exemption laid down in the group exemption regulations.

The proposed regulation provides for the establishment of an advisory committee to be consulted before publishing a draft Commission regulation and before the adoption of such a regulation. It also provides for the hearing of interested parties. The Commission will inform the advisory committee of the views of interested parties when the Commission consults it before adopting a regulation.

### **Gist of the opinion**

The ESC approves the Commission proposal. It thinks that the proposed approach complies with the subsidiary principle and would simplify the procedure. It also takes the view that implementation of the proposals would lead to a more efficient and transparent control of state aid than if individual notification in advance was to be required. The resources saved in this way could be better used to vet other forms of state aid.

The Committee believes that transparency and control are vital factors for a more efficient control of state aid. The criteria and thresholds of block exemption regulations should be defined as clearly as possible, in order to reduce the risk of abuse. Furthermore, according to the Committee, the mechanisms for control set out in Article 4 are

adequate provided the Commission ensures an appropriate dissemination of information to interested third parties.

Since the ESC represents socio-economic interests in the EU, it thinks that it, too, should be consulted on the evaluation report.

The ESC is concerned to ensure that:

- sufficient resources are deployed to ensure that the regulation can be effectively and equitably enforced in all Member States;
- an interim evaluation is undertaken within three years after the new system is introduced;
- reporting systems is effectively disseminated.

The ESC notes that the key to the evaluation of the proposals will lie in the answers to two questions:

- have the new exemption and de minimis systems operated in an effective, efficient and equitable manner?
- has the Commission, as a result of the new systems, been able to concentrate its state aid expertise and authority more effectively on the key cases where state aid produce significant distortions of the single market?

If the answer to these questions is in the negative, the ESC would query whether it is necessary to enact these measures.

**Section for Social, Family, Educational and Cultural Affairs**  
Alan Hick, Head of Division ad interim - ☎ (32-2) 546 9302

## 7. INFORMATION SOCIETY

**Opinion of the Economic and Social Committee**  
on the: *Communication from the Commission on the social and labour market dimension of the information society.*  
(COM(97) 390 final)

(CES 285/98)

Rapporteur: Giampaolo PELLARINI (Italy - Workers)

### Gist of the Commission proposal

This communication - which forms part of the Commission's Rolling Action Plan *Europe at the Forefront of the Global Information Society*<sup>2</sup> - sets out the Commission's strategy to further develop the social dimension of the information society, in particular in the context of Agenda 2000. It has three main purposes:

- to coordinate the process of *increasing awareness* of the labour market and social implications of the information society;

- to *build in an information society dimension*, where appropriate, into social policies and actions, especially at European level;
- to *identify specific actions* designed to maximize the contribution of the information society to promoting employment and social inclusion.

In particular, it builds on the common principles set out in the green paper - and broadly supported during the consultation - which suggested that public policies for the information society should have as basic aims to:

- facilitate access to information;
- enhance democracy and social justice;
- promote employability and lifelong learning;
- strengthen the capacity of the EU economy to achieve high and sustainable growth and employment;
- achieve and enhance equal opportunity between men and women;
- promote inclusion and support people with special needs and those lacking opportunities to improve their position;
- improve the quality and efficiency of public administration.

The co-existence of local, regional, national and European strategies and initiatives calls for

<sup>2</sup>

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complementarity and coordination of the different actions. The Commission, for its part, through its own strategy and programmes, can contribute to the development of the social dimension of the information society by:

- supporting the Member States in developing and implementing their strategies and programmes;
- taking specific initiatives in its areas of responsibility;
- taking account of the information society within social policy and other policies;
- ensuring that social needs are fully taken into consideration in the Community RTD programmes<sup>3</sup>;
- acting at international level.

#### Gist of the opinion

The Committee supports the Commission's strategy to facilitate access to the information society.

More specifically, the Committee recommends that all currently planned or future actions should, as the Commission itself envisages, provide "a real opportunity to promote gender equality"<sup>4</sup>, with the active involvement of women in producing information and in communication.

The Committee calls on the Commission to consider how to extend universal service to cover more advanced services (such as Internet), with easy access and at moderate cost, as well as the basic service.

The Committee would draw attention to the proposals of the HLEG to the effect that in order to avoid exclusion and preserve regional cohesion, universal service should include facilitated access to the information society for the educational, cultural, medical, social and economic institutions of local communities.

The Committee stresses that ICT should be built into all teaching systems and stages of education.

Special attention should be given to training and refresher courses for teachers, offering them the opportunity to bring the use of the new ICT into their teaching.

The Committee backs the Commission's plan to promote awareness-building initiatives, as part of a continuing training approach, for those sectors of the adult population currently furthest removed from the information society, or most at risk of being excluded from it, such as the unemployed, women and the elderly.

The Committee believes that the central and local public authorities, together with schools, could become the driving force behind the information society. Greater use of ICT in the public services would also have a significant effect on the quality of the services themselves, offering new opportunities and services to citizens, including in the sphere of employment.

An information society which is genuinely for all must offer an enhanced quality of life and new employment opportunities for people with disabilities too.

The Committee welcomes the Commission's initiative of consulting with the social partners to examine the possibility of Community action on the legal and social protection of teleworkers.

A fundamental question remains, which the Commission document and all its predecessors touch upon only indirectly, but which the Committee is convinced must be tackled through specific actions: how to change the information society's image.

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<sup>3</sup> The Commission has proposed that one of the technological and scientific objectives of the forthcoming 5<sup>th</sup> RTD Framework Programme be the creation of a user-friendly information society.

<sup>4</sup> COM(97) 390 final, point 18.

## 8. ORGANIZATION OF A LABOUR FORCE SAMPLE SURVEY IN THE COMMUNITY

**Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) on the organization of a labour force sample survey in the Community**  
(COM(97) 376 final - 97/0202 CNS)

(CES 294/98 - 97/0202 CNS)

Rapporteur-general: Kenneth WALKER (United Kingdom - Employers)

### Gist of the Commission proposal

In order to carry out its tasks, in particular the monitoring of trends in employment and unemployment (Annual Report to the Council following the Essen Summit), to identify the regions most affected by unemployment (eligibility for the Structural Funds - Objective 2) and to analyse the situation of individuals and households on the labour market, the Commission needs to have regular, comparable, recent and representative regional data on employment and unemployment in the Member States.

The Community Labour Force Survey currently consists of putting together the national labour force surveys conducted in the Member States. Although formally harmonized (Council Regulation (EEC) No. 3711/97 of 16 December 1991), these surveys essentially retain their own specific features as adopted to meet national requirements. The differences include the frequency, the definition of the reference period, the units observed, the survey coverage, the observation methods, the sample design, the extrapolation methods and the questionnaires. The country-to-country comparability of the data obtained, particularly on employment and unemployment, must therefore be improved.

One of the obstacles to achieving more comparable survey methods is the inertia of large sample surveys: reforming a national labour force survey represents a considerable investment of resources in terms of sample design, organization of data processing and general survey infrastructure. It is not until a Member State has actually begun to overhaul its survey that there is any real chance of progress. For this reason, the proposed Regulation defines a target while allowing the Member States,

for a transitional period, the possibility of conducting only an annual survey in the spring.

Limiting the costs if implementing the continuous survey has been a major consideration: spreading data collection over the whole year should make for more rational organization of the operations and efficient use of computer resources (particularly portable machines); the accuracy levels set do not generally imply an excessive increase in the size of the annual sample; the requirement to use the household as the sampling unit has been dropped in order to accommodate those Member States which prefer to base their sample on individuals, on condition that the other requirements regarding households are met; certain variables included in the current series of surveys have been dropped.

The proposed Regulation has been widely discussed with the national statistical offices and has received a favourable opinion from the Statistical Programme Committee. Its aim is that the Member States' labour force surveys should gradually be adapted so as to provide a statistical instrument which is more reliable, more modern and more flexible.

### Summary of the opinion

The ESC considers that the availability of reliable and detailed information on the characteristics of the labour market, including the characteristics of employment and the nature and extent of the unemployment situation in the various Member States, and on the different regions within individual Member States, is essential to the development of a coherent and co-ordinated strategy to reduce unemployment levels in the European Union. By the same token, it is obvious that such statistics need to be prepared on a comparable and consistent basis if they are to be of real value.

The Committee therefore welcomes the Commission's present proposal as constituting a positive step in this direction.

The ESC feels that the comparability of the statistics would be greatly enhanced if all Member States were to conduct the survey on a continuous basis, as is currently the case in a majority of Member States. The Committee therefore hopes that the transitional phase during which Member States would be given the option to conduct an

annual survey in the Spring will be curtailed as much as possible and that within the reasonably near future there will be a situation in which every Member State conducts a continuous survey. This should not impose an undue burden, either on the administrative departments of the Member States or on the interviewees.

The ESC approves the proposal for the Commission to be assisted by the Statistical Programme Committee, acting within the "regulatory committee" framework.

**Section for Agriculture and Fisheries**

*Francisco Vallejo, Head of Division - ☎ (32-2) 546 9396*

**9. MANAGEMENT OF FISH STOCKS  
IN THE MEDITERRANEAN**  
*(Own-initiative opinion)*

**Opinion of the Economic and Social Committee**  
*on the Management of fish stocks in the Mediterranean*

(doc. CES 286/98)

Rapporteur: Jesús MUÑIZ GUARDADO (Spain - Various Interests)

**Reasons**

The Mediterranean borders on 19 countries, a figure rising to 24 with the inclusion of the Black Sea basin which is increasingly regarded as part of the Mediterranean area. Together, the four EU Member States in this area account for nearly a third of the Mediterranean coastline.

With total production currently estimated at nearly 1.2m tonnes, Mediterranean fishing is responsible for only a limited share of world output (approx. 100m. tonnes). At the European level, however, its impact is far from marginal, since it currently represents approximately 20% by weight and 35% by value of Community production.

In the Mediterranean, fishing and associated activities have considerable social importance by virtue of the several hundred thousand jobs they provide; the non-industrial sector is particularly well developed, with landings accounting for approximately 20% of the regional total.

The Section for Agriculture and Fisheries thinks it necessary to introduce a general fisheries cooperation policy covering all Mediterranean

countries, with a view to the preservation and management of its fish stocks.

The Committee opinion should identify the main areas of this cooperation.

**Gist of the opinion**

The opinion takes as its starting point the Commission working document on guidelines for a common fisheries policy in the Mediterranean and the corresponding series of measures establishing the timetable and means by which a CFP for the Mediterranean was to be set up. It examines the legislative, political, technical, socio-economic and international cooperation aspects of the question. In all of these areas, progress towards implementation and harmonization of management of fish stocks in the Mediterranean has been very limited. In view of the critical level of fish stocks, the opinion calls for appropriate measures, rules and checks to be implemented as a matter of urgency.

In particular, the opinion calls for the General Fisheries Council for the Mediterranean (GFCM) to be given greater influence and a wider remit and for scientific research and cooperation to be stepped up. If harmonization of fisheries in the Mediterranean is to be achieved, it is vital that derogations under Regulation (EC) No. 1626/94 which are not scientifically justified be gradually removed and that the same technical measures be applied to all fishing fleets.

Fishermen should be involved in the implementation of the proposed legislation. This would give greater force to the proposal made by the European Union in the GFCM for the establishment of a committee on which fishermen would be directly represented.

Appropriate steps must be taken against producers who infringe resource conservation rules. Responsible trade must be encouraged so as to prevent the current unfair competition, particularly with regard to third country fleets.

The establishment of protected fishery zones in the Mediterranean is the type of measure capable of ensuring that resource protection and conservation measures are effective.

There must be closer cooperation between all the countries, working together at an early stage to prepare conclusions which can be put into practice immediately.

Small-scale fishing must have priority over its industrial counterpart in the transition to sustainable fishing in the Mediterranean. The interests of the Mediterranean countries should come before those of other countries.

## 10. ORGANISMS HARMFUL TO PLANTS

**Opinion of the Economic and Social Committee on the proposal for a Council Directive on protective measures against the introduction into the Community of organisms harmful to plants or plant products and against their spread within the Community (consolidated version)**  
(COM(97) 651 final - 97/0338 CNS)

(CES 287/98 - 97/0338 CNS)

Rapporteur: Joseph BALLE (France - Various Interests)

### Gist of the directive

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

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

On 1 April 1987 the Commission therefore decided to instruct its staff that all legislative measures should be consolidated after no more than ten amendments, stressing that this was a

minimum requirement and that departments should endeavour to consolidate at even shorter intervals the texts for which they were responsible, to ensure that the Community rules were clear and readily understandable.

The purpose of this proposal is to undertake official codification of this type. 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 endorses the Commission proposal, which meets the need for clarity and simplification.

## 11. FEEDINGSTUFFS

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive amending Council Directive 93/74/EEC on feedingstuffs intended for particular nutritional purposes and amending Directives 74/63/EEC, 79/373/EEC and 82/471/EEC**  
(COM(97) 408 final - 97/0208 COD)

(CES 291/98 - 97/0208 COD)

Rapporteur: Kenneth J. GARDNER (United Kingdom - Employers)

### Gist of the Commission proposal

On 13 September 1993 the Council adopted Directive 93/74/EEC on feedingstuffs intended for particular nutritional purposes.

It now appears necessary to expand the scope of that directive to include a new generation of products called "nutritional supplements for animals".

It is proposed to extend the principles applying to feedingstuffs intended for particular nutritional purposes to this new generation of products.

### Gist of the opinion

The choice of legal base is the first point of substance examined by the opinion. It is noted that



while the choice of Article 100a by the Commission is understandable, Article 43 continues to be the appropriate and correct legal base for all matters relating to agriculture because of the complexity of the Article 100a procedure and the fact that the Amsterdam Treaty is not yet ratified.

Clarification of some terms and definitions ("temporary", "special breeding and living conditions", etc.) and of particular categories of nutritional supplements is called for.

In conclusion, the opinion notes that an assessment of the impact - on SMEs in particular - is lacking.

## 12. ANIMAL FEED - REGISTRATION OF ESTABLISHMENTS

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive amending Council Directive 95/69/EC laying down the conditions and arrangements for approving and registering certain establishments and intermediaries operating in the animal feed sector**  
(COM(97) 409 final - 97/0213 COD)

(CES 292/98 - 97/0213 COD)

Rapporteur: Kenneth J. GARDNER (United Kingdom - Employers)

### Gist of the proposal for a directive

Directive .../.../EC amending Directive 93/74/EEC on feedingstuffs intended for particular nutritional purposes extends the scope of Directive 93/74/EEC to cover a new generation of products called "nutritional supplements for animals".

The scope of this proposal is restricted to laying down the rules which Member States must follow intermediaries manufacturing nutritional supplements for animals.

### Gist of the opinion

This opinion is closely linked with CES 1497/97. It notes in particular that the proposed requirement to register the receipt and quantity of nutritional supplements is excessively bureaucratic.

## 13. POTATO STARCH

**Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) amending Regulation (EC) No. 1868/94 establishing a quota system in relation to the production of potato starch**  
(COM(97) 576 final - 97/0300 CNS)

(CES 296/98 - 97/0300 CNS)

Rapporteur general: Nikolaos LERIOS (Greece - Employers)

### Gist of the Commission proposal

On the basis of the Commission's report to the Council on the quota system for the production of potato starch, the proposal seeks to renew for three years the existing three-year quota allocated to starch producer Member States, taking account of the definitive inclusion in the quota for Germany of the reserve of 104,554 tonnes, thereby establishing a new German quota of 696,271 tonnes.

The sub-quotas used for each undertaking producing potato starch are to be adjusted to take account of any amount utilized in excess of quota during the 1997/98 marketing year under Article 6(2) of Regulation (EC) No. 1868/94.

### Gist of the opinion

The Committee endorses the Commission's proposal.

## 14. FISHERIES - STRUCTURAL ASSISTANCE (consolidated version)

**Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products**  
(consolidated version)  
(COM(97) 723 final - 98/0008 CNS)

(CES 297/98 - 98/0008 CNS)

Rapporteur general: Leif Erland NIELSEN (Denmark - Various Interests)

### **Gist of the Commission's 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 the ordinary citizen, thus giving him new opportunities and the chance to make use of the specific rights it gives him.

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

On 1 April 1987 the Commission therefore decided to instruct its staff that all legislative measures should be consolidated after no more

than ten amendments, stressing that this was a minimum requirement and that departments should endeavour to consolidate at even shorter intervals the texts for which they were responsible, to ensure that the Community rules were clear and readily understandable.

The purpose of this proposal is to undertake official codification of this type. The new regulation will supersede the various regulations 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 endorses the Commission's proposal.

## **Section for Protection of the Environment, Public Health and Consumer Affairs**

*Silvia Calamandrei, Principal Administrator - ☎ (32-2) 546 9657*

### **15. END OF LIFE VEHICLES**

**Opinion of the Economic and Social Committee**  
*on the Proposal for a Council Directive on end of life vehicles*

(COM(97) 358 final - 97/0194 SYN)

(CES 289/98 - 97/0194 SYN)

Rapporteur: Sergio COLOMBO (Italy - Workers)

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

##### *The problems addressed*

Between 8 and 9 million vehicles are discarded each year in the European Union, generating about 8 to 9 million tonnes of waste. Some 25% of vehicle weight (the so-called "shredding residues") is hazardous waste which is currently landfilled, often contaminating the soil and groundwater.

This waste, which amounts to about 1.9 million tonnes per year, represents up to 10% of the total amount of hazardous waste generated each year in the EU.

The proposal focuses mainly on this waste from end of life vehicles.

##### *Legal basis and objectives*

The proposal, based on Article 130s, lays down measures for preventing waste from vehicles, for increasing reuse, recycling and other forms of recovery of vehicles and their components so as to reduce the disposal of waste, and for improving the environmental performance of treatment facilities.

##### *Prevention (Article 4)*

Manufacturers and suppliers of materials and equipment are to control the use of hazardous substances, if possible by incorporating this objective into the design of new vehicles.

New vehicles should be designed and manufactured so as to facilitate the dismantling, reuse and recovery - and in particular recycling - of end of life vehicles, their components and materials.

while the choice of Article 100a by the Commission is understandable, Article 43 continues to be the appropriate and correct legal base for all matters relating to agriculture because of the complexity of the Article 100a procedure and the fact that the Amsterdam Treaty is not yet ratified.

Clarification of some terms and definitions ("temporary", "special breeding and living conditions", etc.) and of particular categories of nutritional supplements is called for.

In conclusion, the opinion notes that an assessment of the impact - on SMEs in particular - is lacking.

## 12. ANIMAL FEED - REGISTRATION OF ESTABLISHMENTS

**Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive amending Council Directive 95/69/EC laying down the conditions and arrangements for approving and registering certain establishments and intermediaries operating in the animal feed sector**  
(COM(97) 409 final - 97/0213 COD)

(CES 292/98 - 97/0213 COD)

Rapporteur: Kenneth J. GARDNER (United Kingdom - Employers)

### Gist of the proposal for a directive

Directive .../.../EC amending Directive 93/74/EEC on feedingstuffs intended for particular nutritional purposes extends the scope of Directive 93/74/EEC to cover a new generation of products called "nutritional supplements for animals".

The scope of this proposal is restricted to laying down the rules which Member States must follow intermediaries manufacturing nutritional supplements for animals.

### Gist of the opinion

This opinion is closely linked with CES 1497/97. It notes in particular that the proposed requirement to register the receipt and quantity of nutritional supplements is excessively bureaucratic.

## 13. POTATO STARCH

**Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) amending Regulation (EC) No. 1868/94 establishing a quota system in relation to the production of potato starch**  
(COM(97) 576 final - 97/0300 CNS)

(CES 296/98 - 97/0300 CNS)

Rapporteur general: Nikolaos LERIOS (Greece - Employers)

### Gist of the Commission proposal

On the basis of the Commission's report to the Council on the quota system for the production of potato starch, the proposal seeks to renew for three years the existing three-year quota allocated to starch producer Member States, taking account of the definitive inclusion in the quota for Germany of the reserve of 104,554 tonnes, thereby establishing a new German quota of 696,271 tonnes.

The sub-quotas used for each undertaking producing potato starch are to be adjusted to take account of any amount utilized in excess of quota during the 1997/98 marketing year under Article 6(2) of Regulation (EC) No. 1868/94.

### Gist of the opinion

The Committee endorses the Commission's proposal.

## 14. FISHERIES - STRUCTURAL ASSISTANCE (consolidated version)

**Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) laying down the criteria and arrangements regarding Community structural assistance in the fisheries and aquaculture sector and the processing and marketing of its products (consolidated version)**  
(COM(97) 723 final - 98/0008 CNS)

(CES 297/98 - 98/0008 CNS)

Rapporteur general: Leif Erland NIELSEN (Denmark - Various Interests)

### Gist of the Commission's 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 the ordinary citizen, thus giving him new opportunities and the chance to make use of the specific rights it gives him.

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

On 1 April 1987 the Commission therefore decided to instruct its staff that all legislative measures should be consolidated after no more

than ten amendments, stressing that this was a minimum requirement and that departments should endeavour to consolidate at even shorter intervals the texts for which they were responsible, to ensure that the Community rules were clear and readily understandable.

The purpose of this proposal is to undertake official codification of this type. The new regulation will supersede the various regulations 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 endorses the Commission's proposal.

## Section for Protection of the Environment, Public Health and Consumer Affairs

*Silvia Calamandrei, Principal Administrator - ☎ (32-2) 546 9657*

### 15. END OF LIFE VEHICLES

**Opinion of the Economic and Social Committee on the Proposal for a Council Directive on end of life vehicles**

(COM(97) 358 final - 97/0194 SYN)

(CES 289/98 - 97/0194 SYN)

Rapporteur: Sergio COLOMBO (Italy - Workers)

#### Gist of the Commission proposal

##### *The problems addressed*

Between 8 and 9 million vehicles are discarded each year in the European Union, generating about 8 to 9 million tonnes of waste. Some 25% of vehicle weight (the so-called "shredding residues") is hazardous waste which is currently landfilled, often contaminating the soil and groundwater.

This waste, which amounts to about 1.9 million tonnes per year, represents up to 10% of the total amount of hazardous waste generated each year in the EU.

The proposal focuses mainly on this waste from end of life vehicles.

##### *Legal basis and objectives*

The proposal, based on Article 130s, lays down measures for preventing waste from vehicles, for increasing reuse, recycling and other forms of recovery of vehicles and their components so as to reduce the disposal of waste, and for improving the environmental performance of treatment facilities.

##### *Prevention (Article 4)*

Manufacturers and suppliers of materials and equipment are to control the use of hazardous substances, if possible by incorporating this objective into the design of new vehicles.

New vehicles should be designed and manufactured so as to facilitate the dismantling, reuse and recovery - and in particular recycling - of end of life vehicles, their components and materials.

In order to develop markets for recycled products, a higher percentage of recycled materials should be used in the manufacture of vehicles and other products.

Lead, mercury, cadmium and hexavalent chromium contained in vehicles placed on the market after 1 January 2003 may not be shredded, landfilled or incinerated.

As regards PVC, the Commission will draw up appropriate proposals when it has examined the scientific evidence.

### *Collection (Article 5)*

Economic operators in the vehicle cycle will be required to set up a collection system for end of life vehicles. The system will be completed by a "certificate of destruction" which can only be issued by a duly registered facility.

### *Reuse and recovery*

Member States are to take the necessary measures to ensure that the following targets are attained by economic operators:

- reuse and recovery increased to a minimum of 85% by weight per vehicle no later than 1 January 2005 (reuse and recycling to a minimum of 80%);
- reuse and recovery increased to a minimum of 95% by weight per vehicle no later than 1 January 2015 (reuse and recycling to a minimum of 85%).

After 2015, new targets will be set by the Council on the basis of a Commission proposal. In the meantime, also on the basis of a Commission proposal, the Council will amend Directive 70/156/EEC so that vehicles placed on the market after 1 January 2005 are reusable and/or recyclable in compliance with the targets set by the current directive.

### **Gist of the opinion**

The Committee endorses the Commission's decision to opt for a directive, in order to ensure a harmonized reference framework that is valid in

all Member States. It also endorses the environmental objectives being pursued, and approves the content of the proposal subject to certain comments.

The Committee also recommends close study of the many existing agreements, and of the regulations already in force in some Member States (notably Sweden), in order to make the most of the practical experience acquired and incorporate it into the legal provisions where possible.

Existing schemes have shown that the recovery and recycling objectives set out in the directive are pursuable provided that the need to reduce waste and increase recycling possibilities is catered for right from the vehicle design stage (though it goes without saying that safety features should not be compromised by this). This means designing the vehicle so that it is easier to dismantle and so that parts and materials can be more easily recovered, drawing up dismantling manuals, affixing a distinguishing mark to plastic components, and gradually reducing the amount of heavy metals and other hazardous substances. All this will also help to upgrade the work of demolition and scrap-metal yards by rationalizing and reorganizing the job of reclaiming and dismantling vehicles and separating their components.

Insofar as all the players involved take their fair share of responsibility, and the sector - as is already occurring - designs vehicles in a way which facilitates recovery and recycling, the problem of negative market value mentioned in Article 5(4) is then minimized. The establishment of a network of authorized treatment plants and the obligation to obtain a certificate of destruction will encourage the end treatment sector to modernize and extend its activity, making it more profitable.

In its specific comments, the Committee calls for a more binding commitment to the tabling of specific proposals regarding PVC, the adoption of a more appropriate approach to phasing out the use of heavy metals and hazardous substances, and the establishment of incentive measures to help small firms adjust and to provide training courses for those working in the sector.

**Section for External Relations, Trade and Development Policy**

*Georgina Willems, Head of Division - ☎ (32-2) 546 9471*

**16. EUROPE-ASIA COOPERATION STRATEGY - ENVIRONMENT**

**Opinion of the Economic and Social Committee on a Europe-Asia cooperation strategy in the field of the environment**  
(COM(97) 490 final)

(CES 290/98)

Rapporteur: Joop KOOPMAN (Netherlands - Various Interests)

**Gist of the Commission's communication**

This communication was triggered by the 1994 European Council meeting in Essen, where the EU confirmed its intention to strengthen cooperation and dialogue with Asia. The communication proposes key measures which would produce long-lasting impacts. In doing so, the communication should become a reference for use by those cooperating or seeking cooperation in the environmental field and beyond between Europe and Asia. Furthermore, it points out that at present there is no systematic mechanism to keep track of all environmental cooperation activities conducted in Asia by the Member States. Therefore the communication is intended to promote the concept of voluntary coordination between all European actors involved in cooperation in the field of environment with Asia.

The severity of the environmental problems in Asia have many implications for Europe. The global environment, the link to social issues, the threat to economic stability, and the business opportunities for EU environmental technology and environmental management know-how are all reasons for an environmental dialogue with Asia. Europe has already launched such a dialogue by conducting development and economic cooperation activities to protect the environment. More is needed and the impact of the resources available needs to be better focused.

The overall objective of the Europe-Asia environmental cooperation is to assist Asia protect its natural resources and reduce and prevent

pollution. Three key measures should produce long-lasting impacts, provided they are applied in a coordinated manner at EU level:

- Improving environment management capacity in Asia, encouraging more efficient and sustainable use of natural resources, and supporting a more sustainable pattern of wealth creation;
- Facilitating market-based approaches to environmental protection, with emphasis on pollution reduction and prevention, and protection of natural resources; and
- Developing, promoting and supporting Europe-Asia environmental R&D networks; facilitating the rise of environment awareness and training, thus also validating investments in the longer term.

EU activities should be pursued according to the following criteria: mutual interest, complementarity with the Member States' activities, synergy with the work of international donors and lending agencies, and the necessary sustainability.

The Community should develop with each Asian partner state on the basis of the three key measures listed above, specific priorities arising from the most serious environmental problems facing the respective states and regions. It should then pursue the dialogue on environmental aspects of mutual interest, promote a participatory approach, try to increase awareness, and assist European entrepreneurs offering to provide Asian states with environmental technologies and possible approaches for resolving their problems in this field.

It will be necessary to verify whether the existing resources are sufficient to enable these activities to be carried out. Asian countries need to mobilize ECU 34 billion a year from the public sector and from the national and international private sectors, in order to carry out the necessary environmental investments. The Commission however estimated the EU's 1994 commitments in Asia to



environmental issues and measures to protect tropical forests at ECU 130 million.

### Gist of the opinion

The Committee welcomes this well-written communication and agrees with the basic principles upon which its proposals rest. It presents the problems, the need for action and the strategy for cooperation in a compact but compelling manner.

The Committee wishes to state once more in this context its strong commitment towards sustainability at all policy levels.

The growth pause which these countries have experienced in 1997 should provide an opportunity to integrate environmental protection and sustainable development criterion more fully into the new economic direction which these countries are going to have to take. EU cooperation and experience can play a major part in this strategy.

Agreement on this framework may be facilitated by a better understanding of its implications, of which, because of all the sensitivities involved, an inkling of the reactions of Asian countries towards the proposed cooperation approach would seem to be an obvious parameter.

The Committee urges the Commission to indicate in what manner it thinks to engage in these discussions with its Asian partners as well as the international organizations<sup>5</sup> which are also working in this field.

It will be necessary to develop mechanisms, such as the creation of expert groups, which will be conducive to fostering coordination and which will make visible the rewards such schemes may yield to the participants.

Although the communication correctly mentions the need for specific environment strategies for each Asian partner, it would be most unfortunate if the EU would have to negotiate the cooperation strategy with each of the countries individually.

The Committee fully agrees with the communication on the significance of the

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e.g.: ESCAP (UN's Economic and Social Commission for Asia and the Pacific), World Bank and UNCTAD.

development of the environmental management capacity. It also agrees with the Commission that the Member States of the EU could make a vital contribution in this area<sup>6</sup>.

The Committee notes with pleasure the emphasis the communication places on the role of the private sector in meeting Asia's environmental challenges. It firmly believes that the social partners should be part of the strategy and their participation should be actively sought.

The Committee also endorses the third pillar of the Commission's strategy of strengthening environmental R&D. Indeed, technological development is one of Europe's strengths and could play a major role in the cooperation strategy to the mutual benefit of all the countries involved.

Finally the Committee agrees with the proposed shift of environmental priorities towards urban and industry related problems.

The Committee is of the opinion that the position of the SMEs in Asia deserves special attention.

The Committee notes the decision taken by the heads of state of ASEM to establish an Asia-Europe Environmental Technology Centre in Thailand. It wishes to signal however the existence of the Regional Institute for Environmental Technology (RIET) in Singapore which was established by the Community and Singapore jointly in 1993 and thinks it would be beneficial if complementarity were to be pursued between this new environmental institute and RIET.

The Committee would obviously be even more opposed towards a migration of foreign firms if this were to be induced by a lowering of environmental standards in Asian countries. In this connection, the Committee calls on the Commission, in the framework of multilateral negotiation rounds, such as the OECD in May and the WTO, actively to support the "non-lowering domestic standards" approach.

6

Mention should be made of the implementation of ISO 14000 series (environmental management systems) by developing countries which will help companies to better control the environmental impact of their activities. In many Asian countries a proactive approach has been taken. At the regional level, mention may be made of the establishment of a technical working group under the ASEAN Consultative Committee for Standards and Quality.

**Section for Transport and Communications**  
*Luigi Del Bino, Head of Division - ☎ (32-2) 546 9353*

**17. PUBLIC-PRIVATE PARTNERSHIPS**

**Opinion of the Economic and Social Committee on the Communication from the Commission to the Council, the European Parliament, the Economic and Social Committee and the Committee of the Regions on public-private partnerships in trans-European transport network projects**  
(COM(97) 453 final)

(CES 293/98)

Rapporteur: Lars Olof KRITZ (Sweden - Employers)

**Gist of the Commission document**

The High-Level Group on Public-Private Partnership Financing of Trans-European Transport Network Projects<sup>7</sup> was set up in September 1996 at Commissioner Kinnock's initiative, and with the agreement of the Transport Council. Its purpose was to look at how Public-Private Partnerships (PPPs) can help accelerate the implementation of the Trans-European Transport Network.

The Group reported in May, and Commissioner Kinnock presented the report<sup>8</sup> to the June Transport Council. The Group concluded that PPPs do have a crucial role to play in this respect. This Communication sets out how the Commission will follow up those recommendations in which it is directly involved. It sets out a number of projects which the Commission has initially identified on which a PPP approach, on the lines set out by the High-Level Group, would be appropriate to accelerate progress.

7

The group comprised individuals representing all parts of the private sector having an interest in the provision of transport infrastructure, as well as representatives of the public sector nominated by their Ministers of Transport, and the EIB and EIF.

8

Final Report of the High-Level Group on Public-Private Partnership Financing of Trans-European Transport Network Projects (VII/321/97)

It also points out that it:

- proposes to issue revised guidelines on the application of EC public procurement legislation to transport infrastructure concessions;
- has reviewed the existing guidelines on the application of EC competition legislation, with a view to clarifying them further - a separate Communication has been addressed to this Council on the subject;
- It has begun discussions with the EIB and the EIF on the possible development of structurally subordinated and early operational loans;
- it is consulting potential private sector investors, in consultation with the EIB and the EIF, on setting up a mezzanine fund focused on TENs;
- it will examine together with the EIB and EIF, possible innovative and pro-active ways of providing support for TENs projects
- it will consider possible methodologies for assessing project benefits at a European level (including from a strategic environmental perspective), with a view to their use in assessing the level of TENs funding, and will explore possibilities for the establishment of a European database on PPPs in transport infrastructure projects.

Moreover, in its Communication, the Commission makes an initial attempt at identifying some TENs projects that it deems suitable for a PPP approach from among the 14 priority projects announced by the 1994 Essen European Summit.

**Gist of the opinion**

The Committee welcomes the Commission's Communication on the financing of trans-European transport network projects through public-private partnerships.

The key feature for a successful PPP is the allocation of a project's risk between the public and the private sector. In principle, each party should bear the risks it is best able to control at each stage of a project. Commercial risks should normally fall to the private sector, whereas public risks ("political risks") should be borne by the public sector.

It is clear that the lack of sufficient national budget resources for TEN projects has caused increasing interest in PPPs. The Committee emphasizes that bringing in complementary financing should not be the overriding aim of PPPs. It is of equal importance to utilize the commercial, financial, technical and management skills of the private sector in order to improve cost-effectiveness when carrying out TEN projects.

According to the Committee there are some important prerequisites for successful implementation of PPPs, namely:

- a firm political commitment on the part of the Member States to use a PPP,
- private sector involvement as early as possible in projects, i.e. in the conception, design and planning phases,
- creation of dedicated project companies, responsible for carrying through a project, especially cross-border projects.

The Commission intends to issue, in the near future, specific guidelines providing greater clarity with regard to public procurement procedures to be followed for the award of transport infrastructure contracts. The Committee finds it essential that these guidelines deal with the following issues:

- the relationship between the "Public Works" and "Utilities" directives when it comes to PPPs,
- ways to improve and facilitate procurement procedures, especially the pre-tendering phase, and the use of the negotiated procedure.

The Committee also welcomes the recently published (September 1997) clarification from the Commission on the application of the competition rules to new transport infrastructure projects, which deals mainly with access rights to rail infrastructure and the possibilities of having rail infrastructure capacity reserved for some operators. As each project is more or less unique, the

Committee underlines that a case-by-case analysis is often needed.

Large transport infrastructure projects need balanced financing packages composed of equity, structurally subordinated loans, and bank debt. The Committee is pleased to note that the EIB will be more active in developing structurally subordinated loans and early operational stage loans. It also finds it essential that the Commission increases its efforts to help create a mezzanine fund.

## 18. PAN-EUROPEAN NETWORKS

**Opinion of the Economic and Social Committee on the Communication from the Commission to the Council and the European Parliament: *Connecting the Union's transport infrastructure network to its neighbours - towards a cooperative pan-European transport network policy* (COM(97) 172 final)**

(CES 298/98)

Rapporteur: Joseph KONZ (Luxembourg - Workers)

### Gist of the Commission document

On the eve of the Pan-European Transport Conference, which is being held in Helsinki from 23 to 25 June, and at a time when the Commission is preparing its pre-accession strategy for the countries which have applied for membership of the European Union, it is important to define a pan-European approach with regard to the transport networks for linking EU and neighbouring transport infrastructure.

The Commission communication calls for the creation of a continent-wide transport network covering the countries of central and eastern Europe, the European countries of the former Soviet Union and the EU's Mediterranean partners, in order to meet the needs of the 21<sup>st</sup> century. With this in mind, the Commission has drawn up a five-point action plan:

- fixing pan-European corridors and areas as a framework for ensuring efficient transport services with all EU neighbours (including those of the Mediterranean basin);

- preparation for extending the trans-European transport networks to the applicant countries as part of the pre-accession process;
- a common European approach to transport technology throughout the pan-European network;
- the encouragement of intelligent transport technologies (e.g. the application of computer technology, automatic signalling) throughout the network;
- closer cooperation on research and technology.

The comprehensive approach to the pan-European network proposed by the Commission is to be embodied in a pan-European network partnership bringing together all the parties involved in implementing the network: the European Union, Member States, other countries concerned, international financial institutions, and the private sector.

The partnership should also focus on financial, institutional and legislative matters.

#### Gist of the opinion

The Committee expressly welcomes the Commission's communication all the more so since the strategy of adopting an overall approach, taking account of the need to create mobility which is both sustainable and environmentally-compatible, bears out the Committee's long-held standpoint. The Committee regards the broadening of the approach based solely on the establishment of corridors to embrace the establishment of pan-European transport areas as a qualitative leap.

However welcome the ambitious nature of the individual projects may be, it should nevertheless always be borne in mind that a great deal of time will be required between the planning and implementing stages of the transport networks and that funding is very frequently the biggest problem in this context. The ESC feels that stepping up the pace of re-equipment of the rail network in the CEEC could provide a cheaper and, above all, quicker solution to the problem of improving capacity, safety and speed in these states.

Moreover, the ESC considers that more rapid progress will have to be made by these states incorporating the "acquis communautaire" in the areas addressed by the Commission and would stress in particular that a pan-European transport

policy can only ever be successful if it succeeds in setting in train the necessary structural change with the participation of the social partners and if it succeeds in carrying out this operation against a background of stability.

This key demand of the ESC was incorporated in the Helsinki Declaration through the inclusion of "conclusion with the socio-economic groups" as one of the ten basic principles underlying future cooperation in transport policy at pan-European level.

As far as specific aspects of the Commission's communication are concerned, the ESC would make the following comments:

- *Pan-European corridors and transport areas:* the requirement for all construction projects to be economically viable and the stipulation of a minimum economic return of 10% run counter to the objectives set out in Decision 1692/96/EC<sup>9</sup> which specifies that projects must make a contribution towards strengthening economic and social cohesion. Steps should be taken to ensure that the members of the public concerned are informed and consulted in respect of the assessment of transport networks.
- *Extending the TEN approach:* the networks to and via non-EU countries, together with the interconnection points between the different modes of transport are of reciprocal interest and should be given priority. The applicant states should enjoy a special position in this respect.

Given the variety of planning processes involved (corridors, areas and Transport Infrastructure Needs Assessment (TINA) and TEN), the ESC calls for much closer coordination and more generous joint financing of selected infrastructure projects through the provision of EU grants.

- *European approach to transport technology:* interoperability and free, non-discriminatory access to all transport infrastructure must

<sup>9</sup>

Decision No. 1692/96/EC of the European Parliament and the Council of 23 July 1996 on Community guidelines for the development of the trans-European transport network (TEN)

constitute the top priorities for the guidelines for Trans-European transport networks.

- *The intelligent use of transport networks - transport research*: the Commission should pay greater attention to the intermodal linking of telematics systems in the action plan attached to the communication.
- *Development of a Europe-wide transport networks partnership*: all possible steps should be taken to involve regional authorities, together with the socio-economic groups concerned, in the partnership, in addition to the relevant national authorities. The Committee would therefore once again highlight the importance of developing consultative machinery to permit dialogue with

the social partners, even if it is not crucial that the structures for such dialogue be fixed and regulated. Different forms of consultation, including procedures which are of limited duration or cover specific issues, could also be introduced.

Finally, the ESC takes the view that the communication under review represents an initial attempt on the part of the Commission to address the various aspects involved and to consult all interested parties; the ESC awaits future developments with great interest.

## II. FUTURE WORK

### FOR INFORMATION

- Incineration of hazardous waste (ENV-APRIL)  
COM(97) 604 final - 97/0314 SYN
- Limitation of the emission of oxides of nitrogen from civil subsonic jet aeroplanes (ENV-APRIL)  
COM(97) 629 final - 97/0349 SYN
- General framework for Community activities in favour of consumers (ENV-MAY)  
COM(97) 684 final - 98/0028 COD
- Substances used in the illicit manufacture of narcotic drugs and psychotropic substances (ENV-APRIL)  
COM(98) 22 final - 98/0017 COD
- Food, veterinary and plant health control and inspection (ENV-MAY)  
(COM(98) 32 final)
- Mechanism whereby the Commission can intervene in order to remove certain obstacles to trade (IND-APRIL)  
COM(97) 619 final - 97/0330 CNS
- Guidelines for trans-European networks for the electronic interchange of data between administrations (IDA) (IND-APRIL)  
COM(97) 661 final - 97/0340 COD - 97/0341 SYN
- Harmonization of certain aspects of copyright and related rights in the information society (IND-MAY)  
COM(97) 628 final - 97/0359 COD
- Globalization and the information society (IND-TO BE DECIDED)  
COM(98) 50 final

- Technical requirements for inland waterway vessels (TRA-MARCH)  
COM(97) 644 final - 97/0335 SYN
- Denied-boarding compensation system in scheduled air transport (1998) (TRA-MAY)  
COM(98) 41 final - 98/0022 SYN
- Framework programme for actions in the energy sector (1998-2002) (ENERG-APRIL)  
COM(97) 550 final - 97/0302 CNS
- Promotion of European pathways for work-linked training, including apprenticeship (SOC-APRIL)  
COM(97) 572 final - 97/0321 SYN
- Prices for agricultural products (1998/99) (AGR-APRIL)  
COM(98) 51 final - 98/0034 to 98/0049 CNS

#### *IN ANTICIPATION*

- Approximation of the laws of the Member States relating to fertilizers containing cadmium (ENV-MARCH)  
COM(98) 44 final - 98/0026 COD
- Sound emissions of materials used outside buildings (ENV-JULY)  
COM(98) 46 final
- Control of state aids (IND-TO BE DECIDED)  
COM(98) 73 final
- Coordinated introduction of mobile and wireless telecommunication systems (UMTS) (TRA-JULY)  
COM(98) 58 final
- Operating conditions/Ro-ro transfers (TRA-JULY)  
COM(98) 71 final
- Restrictions on heavy lorries on certain routes/International transport (TRA-TO BE DECIDED)  
COM(98) 115 final
- Roadside checks on heavy commercial vehicles (TRA-TO BE DECIDED)  
COM(98) 117 final
- Health requirements for intra-EU trade in cattle and pigs (AGR-JULY)  
COM(98) 81 final
- Special provisions on quality wines produced in production regions (AGR-APRIL)  
COM(98) 86 final
- Common organization of the sheep and goat meat markets (consolidated version) (AGR-APRIL)  
COM(98) 88 final
- Tax arrangements applicable to the dues transferred between companies working together in partnership from different Member States (ECOFIN - TO BE DECIDED)



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

#### Activities of the ESC president

On 6 February 1998 **Mr Tom Jenkins** attended the tenth meeting of the Bureau of the EEA (European Economic Area) Consultative Committee.

On 25 February **Mr Jenkins** held talks at the Committee building on the social dialogue with **Mr Herzog**, member of the European Parliament, and **Mr Hoffmann**, director of the European Trade Union Institute.

On 28 February, meanwhile, **Mr Jenkins** attended the Scottish Civic Assembly in Edinburgh. The subjects discussed were social partnership and the European model.

#### Activities of the ESC sections and members

The Committee at its 352<sup>nd</sup> plenary session ratified the following changes to section presidencies:

- the Section for Social, Family, Educational and Cultural Affairs had elected **Mr John F. Carroll** (Group II, Ireland) president to replace **Mrs H.C.H. van den Burg**; and
- the Section for External Relations, Trade and Development Policy had elected **Mr Thomas Etty** (Group II, Netherlands) president to replace **Mr Carroll**, who would remain a section bureau member.

On 5 February **Mr Moreland**, president of the Section for Regional Development and Town and Country Planning, attended a conference in Paris organized by the Council of European Municipalities and Regions on the subject of the structural policies and Agenda 2000.

On 10-11 February **Mr Malosse**, an ESC member, attended a seminar in Bucharest on the subject of harmonizing legislation. This was part of the Committee's cooperation with the Technical Assistance Information Exchange Office (TAIEX).

On 9-11 February **Mrs Davison**, an ESC member, represented the ESC at the US-EU Conference on Learning Regions, held in Akron (Ohio), USA.

On 24 February, meanwhile, **Dame Jocelyn Barrow**, a member of the Committee's Section for Social, Family, Educational and Cultural Affairs, met representatives of the Bulgarian Parliament and that country's radio and television authorities. She informed them about the ESC's activities in the area of media legislation.

Also on 24 February, **Mr Kritz**, a member of the Section for Transport and Communications, attended a conference on "Using public-private partnerships to develop transport infrastructure" in London. This event was hosted jointly by the UK presidency and the European Commission.

On 26 February **Mr Ataíde Ferreira**, president of the Section for the Protection of the Environment, Public Health and Consumer Affairs, attended a round-table on practical issues involved in the introduction of the euro. This event was hosted by the European Commission and held at the Palais de la Bourse in Brussels.

The following invited speakers took part in section meetings during the period covered by this Bulletin:

- *Transport and Communications*

**Mr Gavin Strang**, President-in-Office of the Council of Transport Ministers, took part in a section meeting on 11 February, when an opinion was being prepared on the Commission communication concerning public-private partnerships in trans-European transport network projects.

- *Energy, Nuclear Questions and Research*

**Mr Umberto Scapagnini**, chairman of the European Parliament's Committee on Research, Technological Development and Energy attended the section meeting of 4 February. He made a statement on the Parliament's current and scheduled work for 1998 in the research sector.

### Other Activities

- *Hearing on the right of establishment in the single market*

The Single Market Observatory, which was set up in 1994 in the ESC, held a hearing on 2 February 1998 in Nice (France) on the right of establishment in the internal market.

The aim of this hearing, which was organized with the help of the Nice-Côte d'Azur Chamber of Industry and Commerce, was to look at problems faced by SMEs. Over the past few months the Observatory has identified problems relating to the right of businesses to set up in Member States other than their own. The conditions that must be met to set up a business, compulsory registration for tax and social security purposes, obtaining the necessary licences and permits, as well as information on the market potential are difficult problems to deal with - especially for small and medium-sized firms - when setting up business in another member state.

The hearing formed the basis for a draft ESC opinion (rapporteur: **Mr Christos Folias**, Employers' Group, Greece) which endeavours to list the obstacles to trade and to establish priorities in this area.

- *The Euro, a currency for Europe*

The Economic and Social Committee is organizing, together with the European Commission and the European Parliament, a series of four seminars on the subject of "*The Euro, a currency for Europe*". The initiative is part of the Information Programme for the European Citizen (PRINCE) and aims to train people to provide information and shape opinions in their respective organizations.

The third seminar in the series was held in Madrid on 10 February 1998 with the cooperation of the Spanish Institute for Consumer Affairs of the Ministry for Health and Consumer Affairs.

Two round-tables featured on the programme that day. The first was entitled "*The Euro, a prerequisite for completion of the single market*" and gave three members of the ESC the chance to relay the viewpoints of each of the Committee's three groups. **Mr Stecher Navarra** (Group I), **Mr Zufiaur Narvaiza** (Group II) and **Mr Ceballo Herrero** (Group III) took part in the discussions. The round-table on "*Practical and tangible benefits of the Euro in the day-to-day life of citizens*", meanwhile, gave representatives of a number of sectors of activity such as banking, tourism, business and public services - as well as consumers' representatives - the opportunity to voice their views.

Mrs Ana Palacio Vallelersundi, MEP, and Mr García Senis, a member of the Commission's Euro Group, also spoke at the seminar.

The final seminar in the series will be held in London on 2 March 1998.

- *Employment conference*

At the invitation of the British presidency, the Economic and Social Committee (ESC) organised a conference on employment at the Foreign and Commonwealth Office in London on 19 and 20 February 1998, as a follow-up to the extraordinary summit on employment in Luxembourg.

The aim of this conference was to give socio-economic experts and national policy makers the opportunity to hear the views of Europe's socio-economic players regarding specific cases of good practice which the Member States have demonstrated, or have attempted to demonstrate, in the annual Joint Employment Report. The active participation of representatives of the socio-occupational organizations, national economic and social councils, the European Parliament, the Committee of the Regions, the Employment and Labour Market Committee and the Commission enabled the conference to make comparisons in this area.

The conference focused on specific examples of good practice in four fields:

- Youth Start;
- active measures to support employment;
- developing a spirit of enterprise; and
- flexibility, security and working time agreements.

At the end of the conference, Tom Jenkins, President of the ESC, declared in the presence of Mr Doug Henderson, Minister of State for European Affairs : "*The European Economic and Social Committee shares the UK Presidency's priority of a Europe working for the people, of a Europe in work, of a new Europe able and determined to innovate, to promote and to sustain jobs, and have people with skills to fill them.*"

*The Economic and Social Committee, which has rigorously focused on the priority issue of employment, both in its specialised work and as a key theme within its overall activity, can act as a facilitator for developing benchmarking, identifying best practice and the relevance of transferability, and help bridge conceptual differences by drawing on its broad, non-political, range of European socio-economic experience."*

#### IV. APPOINTMENT

The Council appointed Mr John Svenningsen to replace Mr Sune Bøgh (Denmark), a Group II member who had resigned.

#### V. INFORMATION VISITS

The following information visits were made to the Economic and Social Committee during the period covered by the present Bulletin:

Regional Labour Market Council Sonderjylland - Denmark

Hogeschool de Horst - Netherlands

University of Malta - Malta

Cardiff University - UK

Central Union of Agricultural Producers and Forest Owners - Finland

Câmara Municipal de Oeiras - Portugal  
Romanian Interpreter Training - Romania  
Bundesverband der Lebensmittelchemiker/-innen - Germany  
North Warwickshire and Hinckley College - UK  
CENJOR (Centro Protocolar de Formação Profissional para Jornalistas) - Portugal  
Bundesakademie für Öffentliche Verwaltung - Germany  
Université de Paris I - Panthéon Sorbonne - France  
Sindicato da Agricultura Alimentação e Florestas - Portugal  
Wiso-Führungsakademie Nürnberg - Germany  
Lycée Gustave Flaubert - France  
Instituto de Educación Secundaria "Vega del Prado" - Spain/France  
Magistère Droit des Affaires, Fiscalité, Comptabilité - France  
The College of Law - UK  
Delegation from CES Rhône-Alpes - France  
Delegation of Senior Civil Servants from Latvia.

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