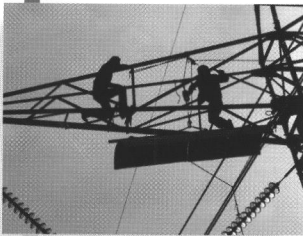
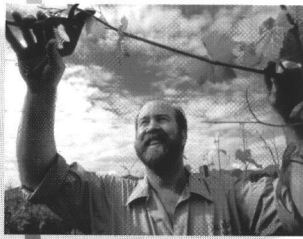


European Economic and Social Committee



European Economic and Social Committee



BULLETIN

6 '99

CES:1

Facts and figures - October 1998

PRESIDENCY

President: Beatrice RANGONI MACHIAVELLI
(Italy - Various Interests)

Vice-presidents: Josly PIETTE
(Belgium - Workers)

Aina Margareta REGNELL
(Sweden - Employers)

Secretary-General: Patrick VENTURINI

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: Anne-Marie Sigmund - Austria). 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

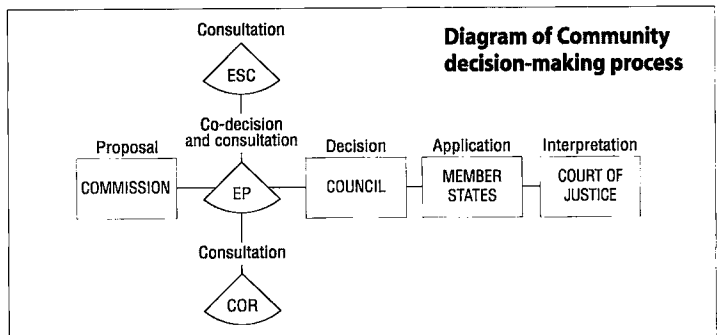
Consultation of the ESC by the Commission or the Council is mandatory in certain cases; in others it is optional. The ESC may, however, also adopt opinions on its own initiative. The Single European Act (17.2.86), the Maastricht Treaty (7.2.92) and the Treaty of Amsterdam (signed on 2.10.97) extended 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 180 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 mar-

ket and has hosted, with the support of other EU bodies, a series of events aimed at bringing the EU closer to the people.

Diagram of the Community's decision-making process



INTERNAL ORGANIZATION

1. Presidency and Bureau

Every two years the ESC elects a Bureau made up of 21 members (seven 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 six sections:

- Section for Economic and Monetary Union and Economic and Social Cohesion - secretariat tel. 546 9366 (president: Umberto Burani - Group I - Italy)
- Section for the Single Market, Production and Consumption - secretariat tel. 546 9598 (president: Klaus Schmitz - Group II - Germany)
- Section for Transport, Energy, Infrastructure and the Information Society - secretariat tel. 546 9611 (president: José Ignacio Gafó Fernández - Group I - Spain)
- Section for Employment, Social Affairs and Citizenship - secretariat tel. 546 9215 (president: Jan Olsson - Group III - Sweden)
- Section for Agriculture, Rural Development and the Environment - secretariat tel. 546 9687 (president: Etienne de Paul de Barchifontaine - Group III - Belgium)
- Section for External Relations - secretariat tel. 546 9537 (president: Tom Jenkins - Group II - United Kingdom)

3. Study groups

Section opinions are drafted by study groups, varying in size from three to 15 members, including a rapporteur who may be assisted by as many as four outside experts.

4. Other bodies

The ESC has the right to set up other ad hoc

structures under its Rules of Procedure, known as sub-committees, for specific issues. It has also set up a permanent Single Market Observatory.

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 delegations headed by the president or a vice-president. Some meetings involving the countries of central and eastern Europe have been institutionalized with the agreement of the Council, e.g. with the Committee's counterparts in Hungary and - in the near future - with those in Bulgaria and Poland. There are also formal links with socio-economic interest groups in 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

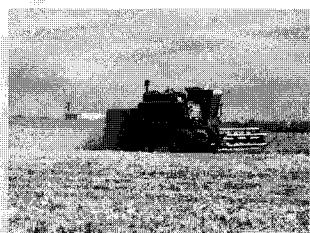
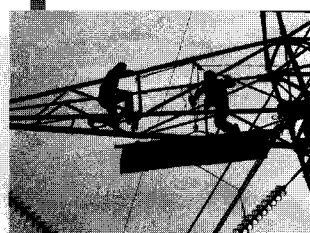
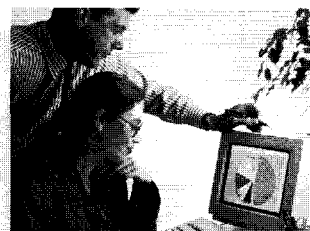
The Committee is serviced by a secretariat-general, headed by a secretary-general who reports to the president, representing the Bureau.

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 516, are mostly members of the ESC secretariat.

European Economic and Social Committee



European Economic and Social Committee



BULLETIN

6 99

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.*

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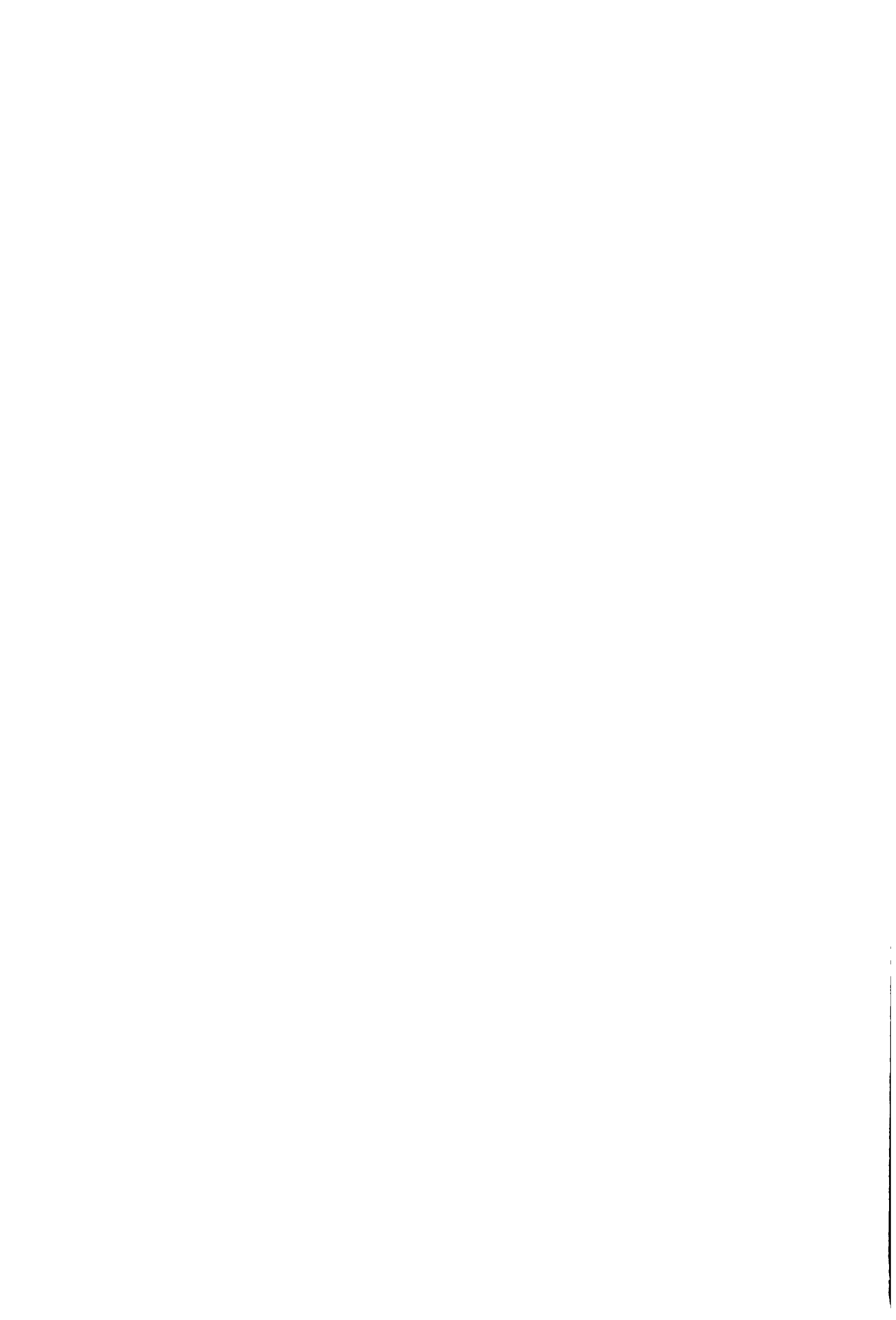
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I. 365th PLENARY SESSION - 7 and 8 JULY 1999

The European Economic and Social Committee held its 365th plenary session in Brussels on 7 and 8 July 1999. The ESC president, **Mrs Rangoni Machiavelli**, took the chair. **Mr Kimmo Sasi**, Finnish Minister of Foreign Trade and European Affairs, representing the presidency-in-office of the EU Council, attended the session.

Mr Sasi began by pointing out that the Finnish presidency would be founded on continuity and planning, but would also require a measure of flexibility. The EU was currently in a rather contradictory phase: the Amsterdam Treaty afforded stability, but there was still some uncertainty following the mass resignation of the European Commission earlier in the year, and the depressingly low turn-out in the recent elections for the European Parliament. To counter this, it was the responsibility of all EU institutions to be open and efficient and to display full control over the use of resources.

An immediate challenge was the aftermath of the Kosovo crisis, and more generally efforts to shape the future of South-East Europe. Here the EU was expected to play a major role in increasing stability. Employment issues were also important, particularly following decisions taken regarding employment pacts at the Cologne summit. The specific target areas of the Finnish presidency would be the role of the information society (in which Finland was a pioneer) in the labour market, and gender equality.

Turning to the question of an expanded EU, **Mr Sasi** expected the Helsinki summit to be something of an "enlargement" summit. Over ten countries had applied for membership of the Union and it would be possible to make headway in negotiations to expand the EU.

Elsewhere, **Mr Sasi** took the view that the prospects were good for making progress in the area of environmental policy. He also looked forward to the Commission's proposals to combat discrimination in the field of social security, and the extraordinary summit in Tampere would provide a stage for discussion of the matter of immigration and the question of how to fight cross-border crime.

Mr Sasi concluded by paying tribute to the Economic and Social Committee: it had an important role and its expertise and know-how brought added value to the EU. He hoped that the Committee would continue to give a voice to Europe's civil society organizations.

*

* *

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

Section for Economic and Monetary Union and Economic and Social Cohesion
Arie Van De Graaf, Head of Division - ☎ (032-2) 546 9227

1. COHESION AND TRANSPORT

Opinion of the Economic and Social Committee
on the *Communication from the Commission: Cohesion and transport*
(COM(1998) 806 final)

(CES 707/99)

Rapporteur: Bill TOSH (United Kingdom - Employers)

Gist of the Commission document

Like its predecessors (cohesion and environment, cohesion and the information society, cohesion and RTD policy, etc.), this communication examines how Community sectoral policies can help to attain the objective of economic and social cohesion and how Structural Fund operations interact with these policies.

The Commission also suggests a number of ways of enhancing the synergy between cohesion and transport policies so as to promote a more balanced and sustainable development of the Union's territory, notably by improving the situation of peripheral or weaker regions and disadvantaged social groups.

The starting point for these recommendations is a recognition of the need for greater coordination in the future development of the EU's transport and regional policies right from their conception. Their main objectives are:

- to improve regional economic development prospects, competitiveness and employment;
- to contribute to balanced development in the Fifteen and create conditions favourable to the integration of the new Member States;
- to promote sustainable mobility and ensure the availability of transport services to those with-

out the use of private cars and those with impaired mobility.

Gist of the opinion

While the Committee supports the ethos of Cohesion principles, it finds little historical evidence of the value of Structural and Cohesion Funds' expenditure for the purpose of releasing the drive for economic convergence, promoting social cohesion and promoting sustainable development.

In the light of its study of the Communication, the Committee would especially recommend:

- the implementation of specific programmes and new financial instruments conducive to attracting private finance and fostering partnerships between the EU, Member States and operators;
- a transport financing policy based on marginal social cost pricing;
- the adoption of specific recommendations on interoperability, at both trans-European and local level;
- greater recognition of the need to support the development of intermodal links in the context of the Structural Funds and Cohesion Fund;
- a study of the scope for transport expenditure in support of cohesion, post enlargement;
- evaluation of the impact of infrastructure "pricing" on peripheral regions;
- an assessment of long-term financing of transport policy as a Cohesion factor and possible links with balanced economic development, with improving the services available to disadvantaged people and with aid for enlargement;
- the reorientation of all policies with a spatial impact by encouraging transnational and cross-border approaches and the interlinking of all policies on socio-economic regeneration;
- encouraging the development of air and rail communications in peripheral regions and particularly for linking enlargement countries.

Lastly, the Committee takes the view that the purpose of the Communication should be clarified and its objectives clearly stated. It also believes that:

- it is essential that planning, evaluation, appraisal and monitoring formats, and the adoption of indicators and measurement techniques, draw on the research and technological development programmes and other research programmes;
- it is also imperative that principles for peripheral regions are developed to ensure that fair

criminate due to lack of alternatives or insufficient demand to produce viable services;

- enlargement will entail additional problems for both new and existing Member States, and at EU borders. It will push the EU centre of gravity eastward which will add to the problems already faced by existing outlying regions and will have an impact on newly created peripheral regions. This should be fully recognized.

Section for the Single Market, Production and Consumption
Joao Pereira dos Santos, Head of Division - ☎ (32-2) 546 9245

2. GYLLENHAMMAR REPORT - MANAGING CHANGE

Opinion of the Economic and Social Committee on *Managing change - Final report of the High Level Group on economic and social implications of industrial change set up by the Luxembourg Employment Summit of November 1997*

(CES 698/99)

Rapporteur:

John LITTLE (United Kingdom - Employers)

Co-rapporteur:

Mario SEPI (Italy - Workers)

Gist of the Managing Change Report

The Managing Change Report addresses the three issues of how to anticipate, prepare for and manage industrial changes. In short, the report concludes that it is mainly the private sector that has the responsibility for managing and anticipating industrial change. In preparing for change, it is important to sustain economic development through competitiveness and to maintain a European social model characterised by employability, entrepreneurship and effective social protection.

How to anticipate change

First, companies should develop an in-house social dialogue with their employees, which presupposes

consultation of workers' representatives. This should concern the organisation of work and employment policies. Secondly, a **European Observatory on Industrial Change** should be created, forming an autonomous establishment attached to the Commission and comprising company heads, social partners and independent experts. Its task would be to present forecasts of market and labour-force trends in Europe. Finally, companies with over 1000 employees should on a voluntary basis and in consultation with employees and their representatives, prepare a **Managing Change Report**, an annual report on employment and working conditions within the company. The report should encourage other companies to report on their practices and policies. The group suggests a suitable framework and recommends that the report be considered as a criterion for the award of all government contracts and grant aid at European, national and regional levels.

How to prepare for industrial change

In order to prepare for industrial change, Europe must maintain its competitiveness and should therefore consider the following recommendations:

- As the demand for IT skills will grow and result in a need to update people's skills, Europe must develop a world-class **information infrastructure** in order to close the gap with the USA. The EU must ensure universal accessibility by fully opening the European market in

telecommunications and data services, increase access to State owned data, take a leading role in the adoption of legislation and recognise the need for some financial support in this area.

- There should be a shared responsibility for workers' **employability and lifelong learning**. Companies should maintain the employability of their workforce by drawing up training programmes, preparing their workers for different approaches to their work as well as for the risk of changing jobs. Companies manifestly failing to safeguard the employability of those dismissed shall no longer be eligible for any form of public aid. Workers must devote time to training and considering their future direction, and Member States and local authorities should support joint funding of training programmes and develop work-linked training. Finally, a European Skills Charter recognising workers' training and qualifications, would facilitate the mobility of workers and better meet the demands of the EU labour market.
- The group has identified two **new areas of employment** which could play a role in the labour market over the next decade. First, in order to stimulate primary personal services, the Group recommends the reduction of taxes on low wages, tax relief for employers and contract flexibility. Secondly, as one of Europe's strongest assets is the diversity of its cultural heritage, the creative arts and entertainment sector needs to be stimulated and encouraged through extension of the Member States' budgets for culture, strong tax incentives and development of programmes supporting these industries.
- Finally, the Commission and the Member States need to further stimulate the development of SMEs as well as support start-ups by establishing "one stop shops" with a view to removing unnecessary regulatory obstacles and administrative burdens.

Managing crises

Successful crisis management can be achieved only through joint efforts involving public authorities, companies and employees' representatives, but the main responsibility lies with the company. Local authorities should manage the collective effort to transform a crisis into a sustainable strategy for redevelopment and govern-

ments should abstain from interfering with industrial change but instead concentrate on education, employment policies, research and development, and infrastructure.

Gist of the opinion

The Committee considers the report as providing a stimulus to the consideration of the phenomenon of industrial change and the promotion of effective action to deal with it. The Committee particularly welcomes the report's recognition that industrial change provides new opportunities and its emphasis on the creation of new jobs rather than the defence of obsolete ones.

The Committee regrets that some of the proposals are confined to possibilities for providing information - mostly on a voluntary basis - which are not part and parcel of effective consultations in preparation for political and economic decision-making. Such consultations should be aimed at exerting a timely influence on decision-making so that structural changes lead to an optimum economic and social scenario.

The report calls for companies to recognize obligations to other stakeholders in addition to their legal responsibilities to shareholders. Many large companies do operate in this way and the Committee welcomes the suggestion that through benchmarking, comparison and sharing information on a voluntary basis, other companies would be encouraged and helped to improve their policies and procedures.

The benefits of having effective means of informing and consulting employees have long been recognized by the Committee. Voluntary arrangements are favoured for such dialogue, having the commitment of all parties involved and being tailored to the organisation's size and culture.

The Committee regrets that there is no specific reference in the report to collective bargaining.

The Committee feels that there are a number of surprising omissions. It makes no reference to the need for improving the access to venture capital markets nor, in the main body of the text, to the potential boost to employment which could be given by completing the single market. It fails to place sufficient emphasis on the necessity for international competitiveness in order to safeguard

employment and to the potential for employment growth from SMEs and the service sector.

The Committee considers that the economic and social implications of industrial change call for a global approach, including strong pressure from the EU to secure a better framework for competition conditions internationally, inter alia by means of minimum social clauses.

The report recommends the creation of a European Observatory on Industrial Change which could provide a resource in helping to anticipate and plan for sectoral and regional economic developments. The Committee will be interested to see the outcome of a feasibility study of this proposal and which is being launched by the Commission.

It is vital that the Commission step up consultations on industrial change with industrial circles and the social partners; it must also radically reform its own internal organisation, for example by using multidisciplinary task-forces to eliminate the barriers between directorates-general and which prevent it from acting with the requisite consistency.

The Committee would wish to encourage all companies - both European and foreign-owned - with over 1,000 employees within the EU to prepare a form of "managing change report" on a voluntary basis.

The Committee would also wish to encourage public sector bodies employing over 1,000 to adopt the practice of preparing such a form of report.

The involvement of employees and their representatives in drafting and implementing the report is considered to be essential to its success.

The Committee fully agrees that training and life-long learning are of paramount importance in striving for employability but considers that it is invalid for the report to refer to companies having to "safeguard" the employability of employees. Corporate responsibility for taking certain measures cannot itself guarantee a positive outcome.

The report fails to identify the link which is necessary between education bodies and industry to ensure that education and training remain relevant to the rapidly-changing world of work.

The Committee notes with satisfaction that the two examples taken into account as factors in employment growth - personal services and creative arts of entertainment - play an important role in society not only at the economic level but also in improving the quality of life.

The report notes that several countries have taken active steps to reduce the tax and social cost burden in respect of low paid employees and recommends such measures be taken more widely in order to bring down the actual cost of less-skilled labour. The Committee welcomes the recommendation.

The Committee is pleased to note that a number of its policies for the sound development of SMEs are incorporated in the report. It particularly welcomes the emphasis on entrepreneurship and innovation.

The Committee supports the general principle that major change at regional level be managed through a collective effort as has been undertaken, successfully in many instances, for steelmaking, coal mining and shipbuilding industries.

3. WHITE PAPER ON COMMERCE

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 - White Paper on Commerce* (COM(1999) 6 final)

(CES 706/99)

Rapporteur: Christos FOLIAS (Greece - Employers)

Gist of the Commission proposal

The White Paper on Commerce sets out plans for the European Commission's follow-up to its 1991 communication entitled "Towards a single market in distribution" and the 1996 Green Paper on Commerce. It proposes a range of specific measures designed to create a coherent strategy for promoting the sector in the coming years.

These measures, which are summarised in an action plan set out in annex 1 of the white paper, fall into four groups:

– **Improving the use of policy instruments to assist commerce**

The first step is to carry out a thorough stocktake and identify market trends in order to gain a better understanding of the sector. The constant changes in the structure of commerce bring new political challenges in their wake. Here, forms of selling such as direct marketing, pyramid selling and commercial agents need thorough examination.

– **Improving the administrative, legislative and financial environment**

European enterprises face an increasingly complex legal, fiscal and administrative environment. Existing legal and administrative rules need to be simplified to reduce the burden on European businesses, particularly SMEs. However, the white paper also addresses issues such as facilitating access to finance, especially with regard to the provision of risk capital, and improving dialogue between commercial enterprises and their partners (workers, consumers, credit institutions).

– **Strengthening competitiveness and promoting entrepreneurship**

The white paper views electronic commerce as a new factor in strengthening competitiveness and a major opportunity to foster new activities, in particular new intermediaries, on-line business and logistic services. It also stresses the importance of cooperation between commercial enterprises. Businesses have to reach a critical mass before they can buy and sell on best terms. The issue of training goes along with both these areas. Developments in technology and management necessitate training in accountancy, finance, sales techniques, use of multimedia, human resource management and networking. The white paper particularly highlights the role of commerce in rural and less-favoured urban areas and in the fields of tourism and environmental protection.

– **Encouraging Europeanisation and internationalisation**

Here, the focus is on issues connected with the euro, international trade and EU enlargement.

Gist of the opinion

Unfortunately, the statistics published by Eurostat once again fail to give an accurate picture of commerce in Europe because the data on which they are based are incomplete, such information being particularly difficult for national authorities to collect owing to the nature of commercial activities. The significance of commerce for Europe's economies is consequently understated owing to the lack of clear and reliable comparative data.

The measures proposed for addressing the chronic problems faced by commerce include many theoretical solutions that do not directly and obviously help SMEs, which are particularly vulnerable. Specific funding should be earmarked for certain measures.

DG XXIII must be given more funding and its staff and other resources should be reinforced so that it can fulfil its remit.

The measures to reduce bureaucracy advocated in the BEST Report must be implemented.

Special consultations must take place between national governments and the commerce sector during the period when both the euro and national currencies are in circulation.

As regards credit card charges and other banking costs, there must be a Europe-wide initiative to harmonise, without compromising free market principles, the costs to commercial enterprises of banking services.

The critical role of commerce in combating unemployment and creating new jobs is not adequately documented.

The ESC thinks that the White Paper does not draw sufficient distinction between commerce as it affects commercial enterprises and commerce as it affects consumers, with a view to the necessary measures being taken for both sides of commerce.

DG XXIII must take an active part in all European policies relating to or affecting commerce.

Once Europe's economies have converged under the Maastricht criteria, national governments are

asked to proceed with specific measures to strengthen commerce and boost demand.

European commercial enterprises must become more assertive and take more risks in the current globalised environment. Whatever happens, there must be adequate harmonisation of provisions and practices relating to commerce at European level. The governments of the Member States are called upon to initiate a serious and frank dialogue to this end.

Small commercial enterprises need assistance in the form of special tax and development measures.

Equal attention must be given to new forms of commercial activity (e.g. franchising, distance selling), from both a tax and legal point of view.

The main responsibility for supporting commerce must be shouldered by governments, which are asked to initiate a Europe-wide dialogue immediately so that coherent and practical measures can be taken.

After this dialogue on the White Paper has taken place, DG XXIII must gather the opinions of all concerned and continue its efforts to devise clear and practical measures that can be put into effect without delay. The Commission (DG XXIII) must keep track of the rapid changes taking place in commerce in the context of the information society, and take or propose the necessary measures, avoiding bureaucratic procedures and encouraging national governments to move in the right direction.

Section for Transport, Energy Infrastructure and the Information Society

Luigi Del Bino, Head of Division - ☎ (32-2) 546 9353

4. CTP - PROGRAMME 2000-2005

Opinion of the Economic and Social Committee on the *Communication from the Commission to the Council, European Parliament, Economic and Social Committee and Committee of Regions on the Common Transport Policy - Sustainable Mobility: Perspectives for the Future* (COM(1998) 716 final)

(CES 699/99)

Rapporteur: Peter MORGAN (United Kingdom - Employers)

Gist of the Commission document

This document builds on previous Commission documents on which the Committee has also issued opinions. Basically the action programme has **three strategic objectives** aimed at safeguarding competitiveness, growth and employment in Europe, without however infringing the subsidiarity principle (the main measures planned for the period 1998-2000 are listed in Annex I of the Commission document).

The first main objective is **improving efficiency and competitiveness**, for which the following five priorities are crucial:

- liberalising market access, especially in the rail and port services sectors;
- ensuring integrated transport systems across Europe through the development of trans-European transport networks;
- ensuring fair and efficient pricing for transport, taking into account the principle of charging for marginal social costs;
- enhancing economic and social cohesion;
- making sure that competition rules and legislation are properly implemented.

The second main objective, **improving quality**, comprises measures in the following areas:

- safety in air and road transport and in shipping;
- environmental and consumer friendliness;
- quality-driven transport systems, especially improving the quality of local public transport.

The negotiations with the applicant countries and globalisation of the economy underline the growing importance of the **external dimension of the Common Transport Policy** as the third main objective.

The Commission is already negotiating agreements with the central and eastern European countries in the areas of civil aviation, heavy goods vehicles, coach services and inland waterways.

For the longer term, top priority will continue to be given to the three main objectives for sustainable mobility. Annex II of the Commission document contains a list of possible main tasks for the period 2000-2004.

Gist of the opinion

The ESC welcomes this opportunity to review the status of the Common Transport Policy. The Committee believes it is essential that the CTP has clear objectives and that the legislative programme reflects these effectively. In this context the Committee regrets that the Commission's vision for 2010 and beyond is not yet developed.

The ESC would like the Commission to refocus the CTP around economic, social and environmental objectives. Given this change in focus, it believes that the action plans will acquire the urgency and vitality that the importance of transport policy demands. If this is done, then transport will also fulfil its considerable potential for job creation.

The Committee is encouraged by the progress on transport statistics, and hopes to see them more widely deployed in support of transport policy. It is likely that a factually-based progress report would inject a useful sense of urgency. In the same con-

text, the appraisal and monitoring of EU financed projects can be improved.

The Committee supports the Commission's intention to encourage fair and efficient pricing in transport. At the same time it is important to ensure that competition between modes of transport is kept free and fair. The revitalisation of railways must continue with even more vigour and speed. The Committee welcomes the continued focus on safety issues.

The Commission rightly gives prominence to the transport implications of enlargement, nevertheless, investment support in Central and Eastern Europe needs to extend beyond major inter-urban routes to helping applicant countries avoid the spatial planning problems that have aggravated the environmental impact of transport in EU countries.

The ESC recognises that a number of issues, especially urban and suburban transport, are governed by subsidiarity. However, they are so central to the general evolution of transport policy, and to meeting the economic, social and environmental objectives laid down in the opinion, that the Council as well as the Commission must give them top priority.

The development and volume of personal private transport (the motor car), whether or not powered by the internal combustion engine, is a major strategic issue to be taken into account in the future CTP.

One of the most important issues, and again a matter of Member State discretion, is spatial planning policy. Unless land use is planned in a way consistent with the principles of sustainable mobility, it is unlikely that the CTP goals will ever be met.

Section for Agriculture, Rural Development and the Environment
Sylvia Calamandrei, Head of Division - ☎ (32-2) 546 9396

5. LABELLING (codified version)

Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Directive on the approximation of the laws of the Member States relating to the label-

ling, presentation and advertising of foodstuffs (codified version)

(COM(1999) 113 final - 99/0090 COD)

(CES 700/99 - 99/0090 COD)

Rapporteur working alone: Johannes JASCHICK
(Germany - Various Interests)

Gist of the Commission proposal

The purpose of this proposal is to undertake an official legislative consolidation of Council Directive 79/112/EEC of 18 December 1978. The new directive will supersede the various directives incorporated in it and their content is fully preserved.

Gist of the opinion

The Committee supports the Commission proposal.

6. PREVENTION AND CONTROL OF CERTAIN TRANSMISSIBLE SPONGIFORM ENCEPHALOPATHIES AND SCRAPIE

Opinion of the Economic and Social Committee on the Proposal for a European Parliament and Council Regulation laying down rules for the prevention and control of certain transmissible spongiform encephalopathies and

Proposal for a European Parliament and Council Directive amending Council Directive 91/68/EEC as regards scrapie
(COM(1998) 623 final - 98/0323 and 98/0324 COD)

(CES 703/98 - 98/0323 and 98/0324 COD)

Rapporteur: Manuel Ataíde FERREIRA (Portugal - Various Interests)

Gist of the Commission proposal

The main objective of the proposal is to create a legal base for the control and prevention of all animal TSEs. It consolidates much of the existing legislation on BSE and TSEs and updates this legislation.

The scope of the proposal does not apply to industrial, cosmetic or pharmaceutical products or to medical devices as there is either no inherent risk for human or animal health or the provisions are covered by sectoral legislation.

The proposal specifically lays down provisions in relation to

- Determination of TSE status: Member States and third countries exporting to the EU must submit information to the Commission which would allow their TSE status to be evaluated. This submission should include for example the structure of the bovine, ovine and caprine animal populations, production, imports, specified risk material bans etc. On the basis of this information, Member States and third countries would be categorised into four categories.
- Monitoring systems: Member States must put in place monitoring systems for bovines, ovines and caprines. Information arising from monitoring must be presented to the Commission each year.
- Specific Risk Material (SRM): Until such time as the global proposal on TSE is adopted, it is proposed to introduce specific measures on SRM removal. It is proposed to establish four categories into which a country or region will be placed, taking into account all information available to the Commission on the applied risk management and the occurrence of BSE. The obligation for removal and destruction of SRM, including its definition vary by category, with category four demanding the most strict measures.

Gist of the opinion

The ESC's analysis of the draft regulation begins by drawing attention to problems of definition and translation. It also questions the effectiveness of the Commission's powers to adopt safeguard measures either on its own initiative or at the request of another Member State, especially in view of the lack of cooperation between the relevant Commission DGs and between the Commission and the Member States, and shortcomings in the apportionment of responsibility.

On the central issue of determining BSE status (especially the data countries are to send to the Commission), the ESC raises the following points:

- The concept of "geographical area" is not defined and needs clarification.

- When referring to "strains of BSE and scrapie agents", some explanation should be given of the scientific basis for this requirement in the case of BSE.

On the whole, the procedural aspects of the system appear satisfactory.

The Committee recommends that the European Union take over the OIE categories of countries or regions when determining BSE status (4 status categories). The Commission and international animal-disease agency approach of differentiating specified risk materials in accordance with the geographical risk is welcomed by the Committee. This approach takes account of the differing BSE risk in the Member States.

The Committee emphasizes that provisions should be based on Article 95(3) of the EC Treaty which unequivocally requires the Commission, in its proposals concerning health, the environment and consumer protection, to take a high level of protection as its base.

The system proposed by the Commission is based on information on BSE levels over a seven-year period. This period is not considered to be long enough in view of the quantity of data.

Human consumption of all potential risk material must be banned until the situation is once again under control throughout the EU.

Reference is made to specific aspects of the proposed education programme for all parties involved in implementation of the regulation (e.g. information campaigns in the EU and third countries to ensure uniformity).

The ESC also makes concrete recommendations on the specified risk materials listed in Annex IV. The reliability of the required tests has not yet been established and this is very important. The training proposed for meat processing staff is not a realistic solution in certain cases. The Commission should make more use of European TSE research networks on this point.

The regulation should give stricter specifications about which slaughter techniques are acceptable in the Member States.

The ESC also asks why dogs are excluded from the ban on feeding protein derived from mammals to ruminants and why animals bred for their fur are not (applies to category 4). The Commission proposal does not draw the full consequences of the fact that there is no reliable analysis for detecting ruminant-derived protein in feed. Clearer definitions are also needed for the restrictions to be placed on suspect animals. Compensation should be paid immediately or interest paid to make up for any delay.

The Committee supports the proposal and stresses that the proposed amendment should be transposed into national law promptly so that it is in force by the time the regulation enters into force.

Section for External Relations, Trade and Development Policy
Georgina Willems, Head of Division - ☎ (32-2) 546 9471

7. CONSERVATION AND SUSTAINABLE MANAGEMENT OF TROPICAL FORESTS IN DEVELOPING COUNTRIES

Opinion of the Economic and Social Committee on the Proposal for a Council Regulation (EC) on measures to promote the conservation and sustainable management of tropical forests and other forests in developing countries
(COM(1999) 41 final - 99/0015 SYN)

(CES 701/99 - 99/0015 SYN)

Rapporteur: Seppo Ilmari KALLIO (Finland - Various Interests)

Gist of the Commission's Proposal for a Council Regulation

Since the United Nations Conference for Environment and Development (UNCED) in Rio de Janeiro in 1992, the conservation and sustainable management of forests has been acknowledged as critical for maintaining a healthy global environment and allowing for sustainable social and eco-

conomic development. The draft Regulation under review will provide the EU with an instrument which will enable it to meet its Commitments in this field and to continue the measures implemented under Council Regulation (EC) No. 3062/95 of 20 December 1995, which is due to expire on 31 December 1999.

The draft regulation sets out the framework for the management of budget line B7-6201, under which strategic actions such as the following are to be financed:

- pilot projects and innovative activities in developing countries; and
- studies to increase the effectiveness of Community assistance and of developing countries' efforts for the conservation and sustainable management of forests.

The main activities to be carried out pursuant to this Regulation shall aim at:

- raising the status of forests in national policies and integrating forest policies in development planning;
- promoting the production and use of wood and non-wood forest products from sustainably managed resources;
- contributing to the adequate valuation of forest resources and services.

Through the provision of financial assistance and technical expertise, the Community is seeking, in particular to promote the following: the development of appropriate national and international forest policy frameworks based on a realistic valuation of forests; the conservation of forests which are recognized as being of high ecological value as well as restoration of degraded forest areas; forest certification and environmentally-sound harvesting; highly efficient use of forest products and technical improvements in downstream activities.

Aid recipients and cooperation partners are to include: states and regions, international organizations, decentralized departments, regional bodies, public agencies, traditional and local communities, private operators and industries. Financial aid is to take the form of grants.

Community financing may cover studies, technical assistance, education, training or other services,

supplies and works, small grant funds as well as appraisals, audits and evaluation and monitoring missions.

Since the conservation and sustainable management of forests are a long-term commitment, it is suggested that the regulation be given an unlimited duration. Four years after the entry into force of this regulation, the Commission will submit to the European Parliament and the Council an overall assessment of the operations financed, together with suggestions concerning the future of this regulation.

The new regulation should be adopted as soon as possible and be applicable from 1 January 2000.

Gist of the opinion

Tropical forest resources are an important renewable natural resource for developing countries. Tropical forests are a fundamental part of the planet's biological diversity. The environmental balance of the planet essentially depends on the growth, existence and sustainable management of its forests. Tropical forest resources are important for the populations of developing countries and for regional development. The international community must step up its efforts to ensure that the principles of sustainable forestry are applied in global and regional agreements and arrangements.

The European Union must contribute to improving the effectiveness of measures to prevent overfelling and destruction of tropical forests in developing countries.

The ESC is extremely concerned about the situation regarding tropical forests. Although international agreements call for the sustainable management of tropical forests, they continue to be destroyed in many developing countries.

The Economic and Social Committee considers the main thrust of the Commission document to be correct and worthy of support. The proposal should, however, be linked more directly to UN-led forestry policy processes. The compatibility of EU decisions and international agreements should be improved.

The ESC continues to emphasise the need for a more precise definition of sustainable forestry. This also applies to developing countries' own forestry policy objectives and programmes.

In planning and implementing EU programmes, the needs of the local labour force and the rest of the population need to be taken into account.

The Committee recommends that EU development programmes for tropical forests be clearly linked to the commitments of multilateral international agreements, such as the Rio declaration, Agenda 21 and World Trade Organisation (WTO) agreements.

The Committee hopes that more of the EU's development resources will be channelled into research, education and information, the main beneficiaries of which should be the local population.

The Economic and Social Committee recommends additional investment in projects which establish and develop national sustainable forestry policy programmes in developing countries. These measures would be aimed at creating new jobs in developing countries and improving the quality of education, social policy and job security.

Finally, the ESC supports the EU position to conclude a broad, international agreement on forestry, which would establish a basis for the sustainable management and use of tropical forests, as well as common development co-operation criteria.

8. EMPLOYMENT AND SOCIAL SITUATION IN THE APPLICANT STATES

Information report of the Economic and Social Committee on the *Stocktaking of the employment situation and the social situation in the applicant states in the context of the application of the existing body of EU law covering the internal market*

(CES 490/99 final)

Rapporteur: Eva BELABED (Austria -Workers)

Reasons

The purpose of the information report is both to take stock of the current situation and to pave the way for the next meeting with partner organisations in the applicant states, which the ESC is to stage jointly with TAIEX in September 1999.

In its composite paper on the progress made by each applicant states towards accession, the Com-

mission observes that progress in transposing Community legislation differs widely from country to country (with Hungary at the top of the list) and from sector to sector.

Since the EU now gives greater priority to employment and the labour market, it can be expected that these priorities - previously regarded as medium-term goals in the partnerships for accession - will also become immediate goals, as the ESC has advocated in its opinions.

Here the ESC should highlight the importance it attaches to consultative structures and social dialogue as an integral part of the market economy.

The information report will include a description of the state of play in the social and employment spheres, the practical application of key Community policies and rules in these areas and internal market legislation and its implementation. It will focus particularly on the development of the consultative role and promotion of social dialogue, as well as on the part the socio-occupational organisations will play in the harmonisation and implementation of legislation.

Gist of the information report

The Committee welcomes the Commission's observations that the social dimension will be incorporated to an increasing degree in the pre-accession strategy; it now expects this to produce concrete action.

The goals of integration and transformation will be jeopardized if welfare safeguards and adequate political measures to tackle unemployment fail to materialize. If social harmony is to be guaranteed it is absolutely vital to bring the applicant states into line with the "European social model", which consists of the sum total of the individual social systems of the different EU Member States - based on differing traditions - which have as a common denominator an operational social dialogue based on partnership and comprehensive social protection systems.

The key aspects to be considered when describing the social situation in the CEEC are as follows: the labour market and employment, the social dialogue, an active labour market policy, training, health and safety at work, social security, gender equality, labour law, public health systems and the position of minorities.

Despite the progress made in establishing market economies and consolidating democracy, much has still to be done to give the enlargement process a socially acceptable form.

In view of the consequences it may have for the labour market, freedom of movement of workers should be regulated in such a way as to avoid the occurrence of serious social problems which could otherwise jeopardise integration.

Whether the process of transformation continues to make successful progress will depend upon whether or not its economic and social consequences can be mastered.

Both agriculture and industry are likely to undergo profound structural change which may put many jobs in jeopardy. Appropriate macro-economic measures and measures in the fields of regional and structural policy should therefore be taken to generate new job opportunities and to counteract the threat of increased unemployment with all its attendant consequences.

Finally, greater attention also must be paid in the pre-accession process to the issue of social service systems.

The existing body of EU social law should be adopted by applicant states as soon as possible and the Committee wonders whether the Commission should not follow the example of its environment strategy in respect of these states and draw up a "social strategy" along similar lines.

Further steps must be taken to support and promote the development of credible, reliable and representative social partners and social partnership machinery. Economic and Social Committees are one of the role models here.

The Committee highlights the importance of education in establishing a culture of social dialogue.

The Committee decided to forward this information report to the other EU institutions

9. ENVIRONMENTAL DIMENSION / DEVELOPING COUNTRIES

Opinion of the Economic and Social Committee on the proposal for a Council Regulation (EC) on measures to promote the full integration of the

environmental dimension in the development process of developing countries
(COM(1999) 36 final - 99/0020 SYN)

(CES 702/99 - 99/0020 SYN)

Rapporteur: A.A. JAARSMA (Netherlands - Employers)

Gist of the Commission proposal

The present proposal for a regulation takes account of the experience acquired during the implementation of Regulation No. 722/97 of 22 April 1997 on environmental measures in developing countries in the context of sustainable development, which expires on 31 December 1999. It is based on two facts: (i) the depletion of natural resources and environmental degradation have direct effects on economic development and thus counteract efforts to alleviate poverty in the developing countries; (ii) current patterns of production and consumption have undeniable transboundary and global consequences which the Community and its Member States have committed themselves to combat under multilateral environment agreements (Convention on Biological Diversity, Framework Convention on Climate Change and Convention to Combat Desertification).

The proposed regulation sets the framework for the management of budget line B7-6201 and lays down detailed rules for the form of action, the eligibility of projects for Community financing, the recipients of the aid and the decision-making procedure.

The activities to be carried out under this regulation serve the purpose of elaborating and promoting policies, strategies, tools and technologies for the pursuit of sustainable development.

The following are eligible for Community financing: a) pilot projects in the field; b) the elaboration of policies, plans and strategies for sustainable development; c) the formulation of guidelines and operational manuals; d) support to the development and application of environment assessment; e) inventory, accounting and statistical work, in order to improve environmental data and environmental indicators; f) raising awareness of local populations and key actors in the development process.

Community financing may cover: 1) studies, technical assistance, education, training or other services, supplies and works, small grant funds as well as appraisals, audits and evaluation and monitoring missions; 2) investment linked to a specific programme or project (with the exception of the purchase of buildings); 3) administrative, maintenance and operating expenditure.

Aid recipients may be states and regions, but also regional bodies, public agencies, traditional and local communities, private operators and industries, including cooperatives and NGOs and associations representing local people. The beneficiaries will have to make their own contribution to each cooperation operation according to their means.

Opportunities may be sought for cofinancing with other donors.

The effectiveness of the projects and the proper implementation of the regulation will be evaluated systematically and periodically: after each budget year, the Commission will submit an annual report to the European Parliament and the Council containing in particular information about the nature and quantity of the projects financed.

Gist of the opinion

The Committee regards the proposed regulation as very important if the environmental dimension is to be properly incorporated into the development process of developing countries. It is pleased to note that Regulation 722/97 is to be replaced by a regulation of unlimited duration, as the integration

of the environmental dimension into the development process requires a long-range approach.

However, in the Committee's view the financial resources available for the implementation of this regulation are not commensurate with the Community's obligations under international treaties. The Committee calls attention to the discrepancy between the scant resources and the large number of applications received every year.

In view of (i) the limited resources available; (ii) the possibility of also funding the elaboration of guidelines and instruments with EDF-ALA-MED funds; (iii) the difficulty for relatively small, innovative and locally-oriented pilot schemes - especially those of NGOs - to secure access to these major funds, the Committee would recommend that at least equal emphasis be placed on financing pilot schemes under this regulation.

A further recommendation is that contract partners and especially NGOs with which the Commission has worked successfully for a number of years be offered a programme contract to carry out a package of various small-scale projects covered by this regulation.

In view of the Commission's duty to be accountable, transparent and reliable, and the need to pass on useful experience, all documents drawn up under this regulation should be made widely available. The Committee would like to receive copies of the annual reports and information on the periodic list of priorities. As the regulation is to be a permanent instrument, the Committee may review the aims and effectiveness thereof when the report is issued.

Section for Employment, Social Affairs and Citizenship
Wolfgang Jungk, Head of Division - ☎ (32-2) 546 9227

10. INFORMING AND CONSULTING EMPLOYEES

Opinion of the Economic and Social Committee
on the *Proposal for a Council Directive establishing a general framework for informing and consulting employees in the European Community*
(COM(1998) 612 final - 98/0315 SYN)

(CES 704/99 - 98/0315 SYN)

Rapporteur: Ursula ENGELN-KEFER (Germany - Workers)

Gist of the Commission document

The European Commission has adopted a proposal for a Council Directive establishing a general

framework for informing and consulting employees in the European Union (EU). According to the Commission, this initiative is an essential step in completing the EU's social dimension and in achieving the creation of an adaptable, high-skilled and motivated workforce, because of the role of information and consultation in developing adaptability and contributing to increases in productivity. The proposal applies to enterprises with at least 50 employees, and requires them to inform and consult their employees in good time about issues directly affecting work organization and their employment contracts. It seeks to complement and support the existing provisions at national and EU level, and to fill the gaps and inadequacies that have been identified in the long process of consultation before the adoption of this proposal.

The proposal

The employer will be required to inform employees on:

- a) the recent as well as the foreseeable development of the undertaking's activities and its economic and financial situation;
- b) the situation, structure and reasonably foreseeable development of employment within the undertaking;
- c) decisions likely to lead to substantial changes concerning work organization and contractual relations.

Consultation between employer and employee is based on a dialogue and exchange of views including, in relation to part c) above, an attempt to seek prior agreement on the decision concerned.

The effectiveness of these procedures will be ensured by introducing specific penalties for those who seriously violate their obligations in this field.

Procedural background

Several Community texts have put the principles of information and consultation into practice. Giving priority to negotiation between the social partners has been a constant concern of the Commission. Already, on 14 November 1995, the "Communication on worker information and consultation" encouraged the social partners to identify the arrangements for a general framework for the information and consultation of employees in the European Community.

This communication gave rise to initial responses from the social partners, and the Commission subsequently initiated the procedures provided for in the Protocol on Social Policy.

In launching the second stage consultation on 5 November 1997, the Commission stated its conviction that a Community initiative to establish binding rules on information and consultation was necessary. In accordance with its well-established practice, the Commission favoured the social partners establishing these rules themselves.

The social partners had this possibility, during the second consultation phase. However, while some of them indicated their willingness to enter into Community-level negotiations on the subject, others declined to do so. That is why the Commission is presenting, following this exercise, the current proposal for a directive to establish a general framework for employee information and consultation in the European Community, to take its place in a Community and national legal process which has been consolidated over the past few decades.

Gist of the opinion

Opinions vary among Committee members as to the appropriateness of the European Commission's Proposal for a Council Directive establishing a general framework for informing and consulting employees in the European Community:

Some ESC members take the view that the proposal is incompatible with the subsidiarity principle and that it also infringes the principle of proportionality by interfering excessively with national provisions. Other members take the view that - though improvements are needed, particularly a reduction in the minimum number of employees and the inclusion of the public sector - the proposal would rectify shortcomings in the laws of the individual Member States by establishing a coherent legal framework at EU level, thereby counteracting the problem of incomplete EU legislation on informing and consulting employees and meeting one of the prerequisites for successfully implementing the processes of change.

Notwithstanding these differences of opinion, the Committee makes the observations set out below:

Under the European Social Charter and the 1989 Community Charter of Fundamental Social Rights of Workers, employees and their representatives have a basic social right to be informed and consulted on decisions which might have important consequences for them, as a fundamental provision of the European social model; account must, however, be taken of the various practices prevailing in the EU Member States.

The act of recognizing and promoting the social rights of employees and their representatives makes a decisive contribution towards strengthening the social dimension and also helps to prevent excessive distortion of competition as a result of differences in the practices adopted by the individual Member States. This social dimension serves to ensure a more effective operation of the internal market.

It is vital for enterprises to pursue a real, effective and far-sighted employment policy if the issue of economic restructuring is to be tackled with a view to ensuring competitiveness. Far-sighted employment policy can however only be developed in collaboration with employees and their representatives - it cannot be achieved in the absence of this collaboration. The process of informing and consulting employees is making a key contribution towards securing a readiness by employees and their representatives to successfully implement the process of change. This process is the way to un-

lock the innovative capacity of employees and strengthen the competitiveness of enterprises.

If the social dialogue and other forms of consultation are to be strengthened, it is essential that employees and their representatives are both regarded as and treated as partners.

Comprehensive information should be provided in good time and on a regular basis by the appropriate level of management.

If information and consultation are to be effective, it is essential that employee representatives make known their views before final decisions are taken by management, thereby enabling these views to be taken into account when the desired course of action is being determined.

With a view to achieving an approach based on partnership and consent, the information to be provided must also cover the further development of the activities of enterprises and their economic and financial situations.

An approach based on partnership is also a vital means of ensuring that decisions may be implemented with the minimum possible conflict. It is only by acting in this way and by securing the compliance of the workforce that appropriate priority can be given to the highly important field of vocational training.

II. FUTURE WORK

FOR INFORMATION

- XXVIIIth Report on Competition Policy (1998) (INT-DEC)
SEC(1999) 743 final
- Transport of dangerous goods by rail (TEN-SEPT)
COM(1999) 157 final - 99/0087 COD
- Transport of dangerous goods by road (TEN-SEPT)
COM(1999) 158 final - 99/0083 COD
- Permits for heavy goods vehicles travelling in Switzerland (TEN-SEPT)
COM(1999) 35 final - 99/0022 COD

IN ANTICIPATION

- Medicines for human use (INT-OCT)
COM(1999) 315 final

- Type-approval of two- or three-wheeled motor vehicles (INT-DEC)
COM(1999) 276 final - 99/0117 COD
- Energy efficiency requirements for ballasts for fluorescent lighting (TEN-DEC)
COM(1999) 296 final - 99/0127 COD
- Community reserves of foot-and-mouth disease vaccines (NAT-SEPT)
COM(1999) 290 final - 99/0121 CNS
- Application of Community law provisions to the Canary Islands
(ECO-to be determined)
COM(1999) 226 final - 99/0111 CNS
- Employment Policy Guidelines (SOC-OCT)

OWN-INITIATIVE OPINION

- Application of the competition rules in the insurance sector (INT-OCT)

SUBCOMMITTEE

- European employment pact

ADDITIONAL OPINION

- EU action plan to combat drugs (SOC - to be determined)
(COM(99) 239 final)

III. PRESENCE AND INFLUENCE OF THE ECONOMIC AND SOCIAL COMMITTEE

Activities of the ESC presidency

On 28 May Mrs Rangoni Machiavelli, ESC president, took part in the 6th European session of the Fourth World People's Universities. In her speech to participants at the event, Mrs Rangoni Machiavelli called for the establishment - with the help of the ESC - of a civil dialogue based on civil and social rights. She deplored the language of economics - which often seemed to be the only one that decision-makers understood - and highlighted the social as well as the economic costs of poverty. (For more on this conference, see **Other News**, below.)

On 25 June Mrs Rangoni Machiavelli met the President of the Irish Republic, Mrs Mary McAleese, following a meeting of the Council of the European Women's Foundation in Dublin.

On 29 June, meanwhile, the ESC president travelled to Helsinki to attend the 9th congress of the ETUC. In her statement she explained the concept of civil society. She also pointed out that the subject of employment was at the top of the Committee's agenda, and made reference to the way in which the ESC had prepared its opinions on the European employment guidelines.

Activities of sections and members

Mr Glatz attended a conference in Bonn on 10-11 June on the subject of risk and opportunity in the electronic marketplace.

On 14-15 June Mr von Schwerin presented the ESC's work in the area of pan-European transport policy at the first congress of the Federation of European Transport Workers.

Mrs Sigmund, Mr Sklavounos and Mr Walker attended a conference on child and family-friendly cities in Würzburg, Germany, on 23-25 June. The purpose of the conference - supported by the German Federal Ministry for family affairs, senior citizens, women and young people - was to establish a network of child and family-friendly cities. ESC participation in this event was part of the follow-up to the Committee's own-initiative opinion on the subject (rapporteur: Mr Sklavounos).

Mr Bernabei was a keynote speaker at a seminar on EU aid for technology projects, organized by the Instituto Tecnológico de Canarias in Las Palmas de Gran Canaria on 5 July.

Other News

ESC hosts the 6th European session of the Fourth World People's Universities

On 28 May over 250 people attended this event, opened by Mr Jean Tonglet, Executive Secretary of the ATD Fourth World International movement. One hundred Fourth World delegates - and a similar number of European decision-makers - were able to compare and discuss their experience of human rights observance.

The aim of the conference was to see to it that efforts to eradicate poverty and social exclusion were recognized as a priority by the new European Commission and the new European Parliament. Ten workshops provided the opportunity to work on specific ways of ensuring access to rights such as family life, education, qualifications and citizenship.

ESC fact-finding visit to Moscow, 14 June

In response to the EU Finnish Presidency's intention of holding a Ministerial Conference on the Northern Dimension on 11-12 November 1999, the ESC is planning an own-initiative opinion focusing on the development of a Northern Dimension and the EU's relations with Russia and the Baltic States. For this reason an ESC delegation travelled to Moscow to meet representatives of Russian economic and social interest groups.

The ESC feels that the role of socio-economic organizations should be strengthened throughout the Baltic States and Russia, and considers that it should contribute its expertise and experience to this challenge.

News from the ESC's Single Market Observatory

On 22 and 23 June the Single Market Observatory (SMO) held a meeting in Berlin. Its work programme provides for two visits a year - one in each of the capitals of the Member State holding the EU presidency.

The Berlin meeting was attended by a number of public and private organizations. The main topic of discussion was the functioning of the Single Market Contact Points, which were set up in the autumn of 1997. In this way the meeting brought together the public bodies responsible for solving single market problems, and the private enterprises that have to actually deal with the problems. The session helped to facilitate communication between the different players involved, and - more importantly - assisted in the creation of a catalogue of best practice, to be used in other Member States and regions as well.

– *Meeting of civil society representatives from the EU, Latin America and the Caribbean - Rio de Janeiro, Brazil - 23-25 June*

The ESC, in cooperation with Mercosur's Economic and Social Consultative Forum, organized a meeting of representatives of European, Latin American and Caribbean civil society on 23-25 June in Rio de Janeiro. The main purpose of the meeting, which was attended by some 140 participants, was to draft a declaration for submission to the first Summit of Heads of State and Government of the EU, Latin America and the Caribbean. The Summit was also held in Rio de Janeiro (on 28-29 June).

Twelve Committee members participated in the event, including Mr Briesch (Group II president), Mr Cavaleiro Brandão (Group I president) and Mr Zufiur Narvaiza, rapporteur for the ESC opinion on EU-Latin American relations, which was adopted at the plenary session of April this year.

The main topics discussed were relations between Europe, Latin America and the Caribbean, and the role of civil society organizations in economic and social development. All participants also had the opportunity to hold discussions in parallel meetings that mirrored the structure of the European ESC (employers, trade unionists, and various interests).

Among those attending the final plenary session on 25 June was Mr Manuel Marín, vice-president of the European Commission, whose portfolio includes external relations with the countries of Latin America. He spoke about the prospects of freer trade between Europe, Latin America and the Caribbean, and the Commission's responsibility for negotiating trade and cooperation agreements with outside countries or groups of countries on behalf of the Union. The declaration adopted by conference participants, meanwhile, underscored the need for the legitimate representatives of civil society to take a more active part in future in the development of links between the EU, Latin America and the Caribbean.

IV. INFORMATION VISITS

The following groups, among others, visited the ESC during the period in question:

Verwaltungsfachhochschule Wiesbaden - Germany
Association of Finnish Agriculture and Cooperatives - Finland
Université d'Aix-Marselles III - France
DIAKOSI - Germany
European Professionnal Associations - mixed
Confartigianato Lombardia - Italy
Mission d'appui aux programmes communautaires - France
Virginia Polytecnic Institute and State University - United States
Università di Bari - Italy
Delegation of Lithuanian interpreters
BISOWE des DBB - Germany
Delegation of African businesswomen - various African countries
Assemblée permanente des Chambres d'Agriculture - France
Landeszentrale für politische Bildung - Germany
Asociación Gallega de Estudios - Spain
Università Cattolica del Sacro Cuore - Italy
Camera di Commercio, Industria, Artigianato e Agricoltura di Napoli - Italy
Cathus Hogeschool - Netherlands
Delegation of Hungarian journalists
Comune di Catania - Italy
Chambre de Commerce et d'Industrie de Paris - France
Instituto tecnológico de Méjico - Mexico
Ecole supérieure de Commerce de Nantes Atlantique - France

University of Reading - UK
Conférence Olivaint de Belgique - Belgium
Johan Gottfried Herber Gymnasium - Germany
Ecole Nationale de Santé Publique - France
UIL nazionale - Italy

EN

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