



*European Communities
Commission
The Week in Europe*

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A Weekly Summary of Past and Future Events

Next Council Meetings

Brussels	December 19	Finance
	December 19 + 20	Foreign Affairs
	December 20 + 21	Transport

Other Events

President Carter will visit the Commission, Brussels, on January 6, 1978.

Provisional Dates Further Ahead

Finance Council	January 16, February 20, March 20
Fisheries Council	January 16 - 19
Foreign Affairs Council	January 17, February 7, March 7
Agriculture Council	January 23 + 24, February 13 + 14, March 6 + 7
ACP/EEC Council	March 13 + 14
European Parliament	January 16 - 20 (Luxembourg) February 13 - 17 (Strasbourg)

FLASHBACK

DIRECT ELECTIONS: The House of Commons voted by a majority of 97 against a system of proportional representation for direct elections to the European Parliament. Most observers, including members of the British Government, reckoned this decision will not allow direct elections to take place in May or June. The result means that voting will take place on the Westminster system of "first past the post" with single-member constituencies for which boundaries have to be established.

AGRICULTURE

Prices: The Council of Ministers gave their first reactions to the Commission's proposals for the 1978/79 price review, which suggest an increase across the board of about two per cent. Most reactions were reasonably sympathetic, given that the proposals are for the lowest price increases ever. The exceptions were the views of Belgium and the Netherlands which complained that the proposals set prices too low. Both countries have been suffering from inflation and do not use "green" currencies.

The Council agreed to the devaluation of the "green" franc by 2.5 % without prejudice to further moves at the time of the price review. In fact, France has indicated that she will seek another equal devaluation at that time.

Mediterranean Agriculture: Commission Vice-President Finn Olav Gundelach emphasised that measures proposed here, in the context of future enlargement of the Community - and which concerned regional policy, structural improvements and better marketing machinery - were aimed at making Mediterranean agriculture more competitive both inside and outside the Community. Ministers then stressed the need to move briskly ahead on the basis of the Commission's proposals.

ENERGY

Heat Saving: The Council of Ministers agreed on a Directive on the performance, maintenance and regulation of heat generators and of the distribution system in new buildings. The Directive will apply to all heat generators made by mass production after January 1, 1981. This is the first decision taken by the Council which will have a strong effect on energy saving. The Directive stipulates that such generators pass inspection by Governments before installation. It is estimated that 15 million tonnes of oil equivalent can be saved between now and 1985 if the Directive is applied correctly. On the insistence of Mr Tony Benn, Britain's Secretary of State for Energy, the Council excluded large custom built generators on the grounds that it was impossible to include them, and further discussions will take place on this issue.

New Targets: The Energy Council also agreed on three other elements of the Commission's proposals for energy objectives for 1985 - the reduction of Community dependence on imported fuel to 50 per cent; to reduce the oil share of imports; and to reduce the growth rate of energy consumption in relation to overall economic growth, with a correlation of energy consumption growth to GDP growth of 0.8. But Ministers could not agree on a target figure of 500 million tonnes of oil imports by 1985. Nor did they agree on coal stocks and aids for the coal firing of power stations. These problems will remain on the agenda.

ENVIRONMENT

Red Sludge: The Council of Ministers of the Environment agreed in principle to a Directive aimed at reducing and ultimately eliminating pollution from the titanium dioxide industry which produces what is commonly known as "red sludge". The immediate result is that Member States must now draw up national plans by July 1, 1980, for the reduction of pollution, with the eventual aim of harmonization of such programmes by decision of the Council on a proposal of the Commission. Prior authorisation must be obtained from Governments for new industries.

Toxic Wastes: The Council also set up a scientific and technical committee to draw up a list of dangerous and toxic wastes as part of the progress towards a Directive in this field. After technical and legal editing the Directive will be adopted. When political or economic issues arise over poisonous wastes, the Commission will be able to inform the Council, but no Member State will have a veto over Commission initiatives in this field.

Wild Birds: The Council also reached broad agreement on the main features of a proposed Directive on the conservation of wild birds by reducing the species and numbers which may be sold or hunted. The proposals also list prohibited methods of hunting and special conservation zones. Further work will continue at official level but final adoption of the Directive should be achieved soon.

HEALTH: The first meeting of a Council of Ministers of Health was held in Brussels, largely as an exploratory exercise. They discussed economic aspects of health, health education policies concerning smoking, drug-taking in sports and nutrition and vaccination. The Commission was asked to draw up a report on the various national measures operating in the battle against smoking and drug abuse in sports.

TEXTILES: All participants in the Multi-Fibre Agreement agreed a text which will prolong the agreement for another four years. The text will form the basis on which Government can sign the appropriate protocol. The Commission paid special tribute to the cooperation shown by her trading partners in the recent bilateral and multilateral textile negotiations which took place in Brussels.

POSTS: Ministers in charge of postal services met in Brussels where they discussed moving towards common internal tariffs on postage, such as exist between the six original Member States, Britain and Ireland, and Denmark and other Scandinavian countries. They also discussed abandoning duties on small packages and packets. They further discussed harmonising other postal policies such as coding addresses.

EDUCATION: The Commission announced a new programme of finance for the exchange of teachers and administrators. One aim is to help break down cultural barriers. Another is to help make it easier for young people to find jobs. Full details of this programme, including a handbook for students, will be available from this office in the New Year.

NEW CREDIT: The European Investment Bank and the British Department of Industry, together with the Scottish, Northern Ireland and Welsh Offices, announced the opening of a new line of credit from the Bank worth £20 million for investment in small and medium-sized industrial ventures. The loans will be between £30,000 and £2.5 million, and may contribute up to 50% of the value of the fixed asset costs. Although the loans will be made in foreign currencies the Government will provide exchange risk cover at a cost of only 1% to the borrower. The EIB's loans in the United Kingdom since British entry now total £790 million.

DUMPING: The Commission announced that it had opened two more investigations, into kraft liner from the United States, and wrought unalloyed titanium from Japan.

JAPAN: Meanwhile Mr Nobuhiko Ushiba, Japan's Minister for External Foreign Relations, was meeting the President of the Commission, Mr Roy Jenkins, today, after flying directly to Brussels from his talks in Washington.

Japan has announced new trade liberalisation measures which the Americans say are insufficient. There is concern in the Community that an American-Japanese arrangement could put further pressure on European markets. Mr Jenkins will urge that Japan take further measures to open up Japanese markets to European exports.

FOREIGN PRESS ASSOCIATION: The FPA announced that it is installing a Robophone answering service which will provide round-the clock information on press conferences, pre-views, briefings and similar engagements.

NOTE:

This office will be closed from December 23 at noon until Monday, January 2, except for a skeleton staff on duty between Christmas and New Year, December 28, 29 and 30. The office will reopen on Tuesday, January 3.