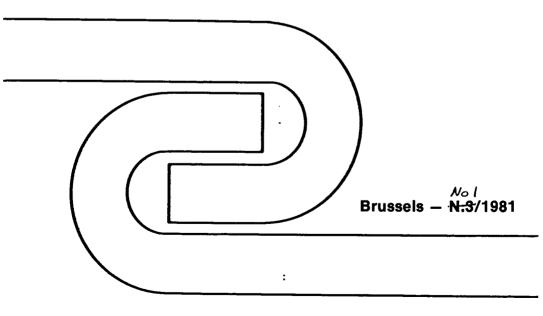
ECONOMIC AND SOCIAL COMMITTEE OF THE EUROPEAN COMMUNITIES



# BULLETIN



# NOTE TO BUILETIN SUBSCRIBERS

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Due to an error at the printers, a few copies of Bulletin no 1/2 1981 went out with the cover of Bulletin No. 3 1981. The confusion caused by this mistake is regretted.

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# — I — 186th PLENARY SESSION

The 186th Plenary Session of the Economic and Social Committee of the European Communities was held at the Committee's headquarters in Brusels on 25 and 26 March 1981. At the start of this Session, the Committee's Chairman, Mr Tomàs Roseingrave, welcomed the 12 new Greek members at a formal ceremony attended, among others, by Mr Dimas, Greek Minister for Coordination, Mr Contogeorgis, Member of the EC Commission, and Mr Economides, Greek Permanent Representative to the European Communities.

#### Installation in office of Greek members

Welcoming the new Greek members, Mr Roseingrave said among other things:

«I find it significant that they should come today when Greece celebrates the 160th anniversary of her struggle for independence, the day on which the Greek patriots asserted once more their country's constant concern for human liberty. Today in Europe, faced as we are with many problems of different natures and dimensions, we too have a struggle -a struggle to achieve the goal of European unity. Of course it is not set within the dramatic or glorious terms of Greece's struggle for national independence. But like the citizens of Greece in 1821, the citizens of Europe in the 1980's must also struggle to reverse the present economic trends with their bitter social impact that are now forming formidable barriers to the progress of European unity. The Community, I am convinced, has the ability to overcome the present obstacles. Someone said that Europe is condemned to solve its problems. That I believe is true for only within the framework of Europe can our individual States solve their common problems. Greece joins the European Community at a difficult phase of economic and social dislocation. But, despite all the dark clouds on the economic and social horizons, we have a right and a duty in our present circumstances to be optimistic. The second enlargement is, in fact, a sign of vitality within the European Community. It is, in itself, positive proof that it remains a pole of attraction for other countries, a Community of countries whose individual components have difficulties but within which they collectively offer solidarity to one another.

Speaking on behalf of the Commission, Mr Contogeorgis discussed the twenty-year period when Greece was an associate member of the EEC before finally joining. He then greeted the new Greek members and underlined the importance of the role of the Economic and Social Committee — a body which helped ensure balance between the Community Institutions and served European rather than sectoral interests.

Speaking as a representative of the President-in-Office of the Council, Mr Vijferberg began by talking of the hopes the Community placed in Greece. Greece's accession, he said, coincided with a period of economic difficulties. It would not be easy to find a solution to these difficulties and the closest possible cooperation with all the countries of the Community was needed. Mr Vijferberg then discussed the role of the Committee in this context and expressed the hope that the Committee would continue to make its presence felt.

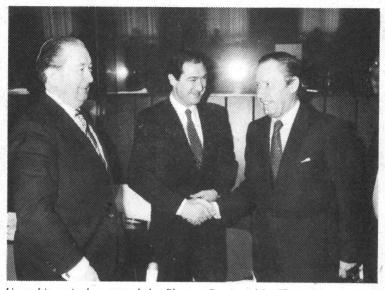
On behalf of the Greek Government, Mr Dimas, Minister for Coordination, began by thanking the Committee for the welcome it had extended to the Greek members. He then talked of past contacts between the ESC and representatives of socio-economic interest groups in Greece which had indirectly led to the setting up of Greece's Economic and Social Council. Mr Dimas went on to say that he hoped the presence of Greek members in the ESC would give other members a clearer idea of Greek realities. Turning to the question of the present economic difficulties, Mr Dimas' underlined the need for Community solutions and a European consensus to further the cause of democracy, social justice and freedom.

Conveying the thanks of all new Greek members for the warm welcome the ESC had given them, Mr Kolymbas, the Nestor of the new delegation, dwelt on the need to unite the destinies of individual European countries. He then discussed the appeal which the Community had for Greece and the applicant countries in Southern Europe. He added that although these countries had ancient civilizations, their economies were in some respects backward and a great effort would have to be made to bring about changes and create conditions favourable for growth. Greece, however, was not without strong points, with political stability, no industrial unrest, a hard-working people, unexploited mineral wealth and a big merchant fleet. It also occupied a very important geo-political position at the crossroads of three continents. Mr Kolymbas went on to say he was sure that European unity would be strengthened as a result of Greece's accession. What was needed was for everyone to pull together to achieve the Community's goals of peace, democracy and progress for all.

#### Declaration by the Commission President and Debate

At a later stage Mr Gaston Thorn, Commission President, who also attended the session, stressed the importance of the close working relations which had been built up between the two institutions. He welcomed

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Upon his arrival to attend the Plenary Session, Mr. Thorn, President of the Commission (right) is greeted by ESC Chairman, Mr. Roseingrave (left) and his Chef de Cabinet, Mr. Querenghi.

the Committee's contribution to the debate which had got under way in connection with the instructions given to the Commission by the European Council. In this respect the Committee provided a major Community forum, and had the clearest view of the current situation.

Mr Thorn went on to outline the Commission's programme for 1981. The programme was geared to the current situation — worsening unemployment, continuing inflation, low growth and a deterioration in the competitivity of traditionally wealth-producing major industrial sectors in the face of the emergence of major new economic powers with much lower social costs. He also referred to the chronic economic imbalance generated by the increase in the cost of energy.

The Commission's action programme reflected the need to have a clear view of the facts — i.e. the many problems and needs associated with Community policy and their interrelation — and to achieve targets in full knowledge of the fact that resources are limited and certain forms of action do not require a budgetary intervention.

A scale of priorities had been identified in order to improve the administration of existing Community policies and to chart the course for further progress. The main priority aims were:

- Coordination of economic and monetary policies;
- Implementation of an energy policy;
- Social policy;

- An industrial policy giving priority to high technology.

After dealing with these various points, Mr Thorn, concluded :

« My analysis is based on a cool evaluation of the chain of events which have led the Community through crises with bold measures and striking achievements till it has come to be regarded on the international scene as a leading political and economic unit. I have concluded that once the real needs of the Community and its members have been clearly identified, it is only necessary to show political will in order to achieve progress.

Consequently, we must devote ourselves to identifying these needs. If you can endorse this, as I think you will, then it only remains for me to hope that together we will be able to bring about the political will needed to ensure the development of the Community and re-establish its institutional machinery ».

In his reply to Mr Thorn's address, Mr Roseingrave said :

« We very much agree with your diagnosis that what Europe needs is a new formula for integration. We also agree with your statement that this is not only a question of economics. Certain things have been repeated over and over again, but, because of this, they do not lose their sense. Indeed, the Community needs strengthening, completion and enlargement by the countries which have applied for membership. The meaning of the latter aspect is the greater, as we have, since yesterday for the first time, our Greek colleagues among us. In order to achieve this aim, an institutional consolidation is necessary. No institution, including the Council, can gain from trying to overpower the others. But all can benefit, in the interest of the Community and its citizens, from working together. In this respect, the Economic and Social Committee has followed with great attention the mandate given to you by the European Council of May 1980, which implies a thorough overall examination and review of all Community policies in order to ensure a balanced development of common policies without undermining the foundations of the existing ones. In this context, it is vital for the socio-economic interests which are represented in this Committee - which is their forum - to voice their anxieties and take the stand on the development prospects of the Community by stating which economic and social policies they believe should be given priority. This is in line with a tradition which has been followed before, when the Committee in 1974 and 1975 issued opinions on the Tindemans report and the European Union.

What is needed, I believe, is a clear and precise identification of the key issues on which the Community can act, so as to set in motion new common policies : for example, industry, energy, social affairs and the regions. This is to raise only a few issues, which are currently being dealt with by our Sub-Committee, which I mentioned during my introduction. We are confident to have our Opinion ready for the plenary meeting in May, so as to enable the Commission to take our suggestions into account.

This, Mr President, brings me back to the starting point, because the vital pre-condition of all these aims must be an institutional framework able to cope with these challenges and to work effectively together. I would be happy if the dialogue you are having with us this morning, as well as the close relationship which has existed for a long time between the Commission and the Economic and Social Committee, could contribute to make a step in this direction.»

Mr Staratzke, speaking on behalf of the Employers' Group in his capacity as Group Chairman, congratulated Mr Thorn for having had the courage in his speech to indicate the Commission's priorities. The Employers' Group would like to see these priorities respected.

Mr Staratzke emphasized four main points. He stated that international competition was undoubtedly becoming fiercer for reasons cited by Mr Thorn, such as the constant rises in energy prices. This problem would be exacerbated by countries trying to offset their current account deficits. Mr Staratzke pointed out, however, that almost all countries of the Community were high-cost countries and that the slowdown in productivity, which had been going on for a number of years, was an alarming sign. In order to survive in international competition it was absolutely vital to increase productivity. Or was the European Community going to let Japan, the United States and many others take over the EEC markets and the markets in third countries by themselves? If progress was to be made, it was necessary to invest in new sectors in order to provide new sources of energy and apply new technologies. However, these were all high-risk investments. For this reason it was necessary to give firms enough scope for capital formation. Revenue was needed, however, if firms were to build up their own capital. This was much more important than firms constantly begging for subsidies from national governments or the European Community, which would only succeed in distorting the markets.

Mr Staratzke emphasized that fighting unemployment was the concern of both workers and employers and that growth was still the best and most natural way of doing this. He considered Mr Thorn's speech to be an indication of the Commission's very positive approach, which would provide the right framework for adapting the fabric of European industry to the vigorous campaign on the part of the Commission to abolish all barriers to trade, to complete the establishment of a single Community market, to lift the obstacles standing in the way of investors and to combat dumping from outside the Community.

Speaking for the Workers' Group, its Chairman, Mr Georges Debunne, warned about the dangers od deindexing wages in order to combat inflation. Such a step would erode workers' purschasing power, and thus add to deflationary pressures on the economy. Everybody in the Committee agreed that unemployment was evil, and that it could even undermine the whole base of our democracies. Economic growth, which had dropped to zero, clearly had to be increased. But growth depended on an economic upturn, and such an upturn was impossible if purchasing power fell. Some felt that inflation could only be overcome by investment, by increasing productivity and cutting costs. And when they talked about cutting costs, they were thinking exclusively of wages. In reality, the main attack should be on interest rates and energy costs. Mr Debunne deplored the increasing disparities — and competition between nations and regions. Finally, he said how important it was that the Community shoud take prompt, energetic action to find work for the unemployed. In that respect, the European Council meeting in Maastricht had been a disappointment.

Mr De Bruyn, speaking on behalf of the Various Interests Group, said that this Group was also conscious of the dangerous upward trend in unemployment in the Community and of inflation. The fact that the rates vary from country to country makes the search for an effective alignment of the Member States' economic policies still more difficult. The Committee's discussions on the outlook for the 1980's should reflect the need to develop a more dynamic Community industrial policy; this will have to be achieved against the background of the other Community policies and especially social policy.

The small and medium-sized undertakings are willing to play an important part in this reorganization.

In his reply, Mr Thorn alluded to the difficulties of reaching a consensus on energy problems. Nevertheless present circumstances meant that sacrifices had to be shared in all fields. Turning to agriculture he stressed the need for a realistic approach to the principles of the CAP. In the present situation, action to defend the CAP had to take account of all aspects of the problems besetting the Community; the age of miracles was past.

European Councils could not relieve the Community of its responsibilities. If employment was to be maintained, there was a pressing need to put the economy on its feet and tighten up discipline within the Community.

#### Adoption of Opinions

#### 1. FARM PRICES 1981/1982

« Commission Proposal on the fixing of prices for certain agricultural products and certain related measures »

#### Gist of the Commision's proposal

The Commission's farm price proposals for the 1981/82 marketing year are accompanied by a package of new measures designed to

improve control of expenditure and to restore market unity by extensive dismantling of monetary compensatory amounts. The main features of these proposals are as follows:

# A necessary price increase

The increase in support prices and aid to producers required to halt the decline in farmers' incomes ranges from 4% to 12% according to the product. The Commission also had to take into account the market situation and budgetary constraints.

# Financial responsibility of the producers

The price rises proposed by the Commision are linked to the extension of the new principle of co-responsibility, that is to say the producers' participation in the financial costs arising from increased production, making it impossible to maintain a system of unlimited guarantees. Measures involving an element of financial responsibility on the part of producers are proposed in the following sectors : cereals, oilseeds, olive oil, milk; beef and veal, processed fruit and vegetables and tobacco (proposals concerning sugar already involve this kind of approach).

## Significant reduction in monetary compensatory amounts

Positive monetary compensatory amounts will be reduced by five points in the Federal Republic and in the United Kingdom where they are set at 8.5 and 18.2 points respectively.

The Commission also proposes the abolition of positive MCAs for the Benelux countries, currently at 1.7. The Commission considers that this move to bring green rates into closer alignment with actual exchange rates will not only enable further progress to be made towards the re-establishment of market unity but will also play an important role in curbing excessive increases in the production of certain goods and hence budgetary expenditure.

#### No increase in budget appropriations in 1981

No increase in budget appropriations for agricultural market support expenditure in 1981 will be necessary, as additional expenditure will have to be financed by savings made in the management side by the Commission and the favourable trends on world markets for a number of products.

As far as the budget outlook for 1982 is concerned, it is felt that the rate of increase in expenditure of the Guarantee Section of the EAGGF ought to remain below the rate of increase of own resources provided that the proposed measures on producer participation in financing the disposal of increased production of certain goods are adopted. The Commission points out in this connection that it would have to review the general level of price increases if the link with the extension of the responsibility principle were called into question.

# Limited impact on consumer prices

The impact of the proposed price rises on consumer food prices can be estimated at approximately 2.5%; or considerably less than the expected rate of inflation for 1981, which is 9.8%.

## Gist of the Committee Opinion (\*)

The Economic and Social Committee adopted this Opinion by 48 votes in favour, 27 against and 11 abstentions.

In 1980 agricultural incomes fell on average by about 9% in real terms in all Member States. What is more, this had been preceded by a smaller fall in 1979 and three years of moderate price increases despite considerable cost inflation. Consequently, the Committee considers that the 1981/82 common prices must be high enough to check the slump in farm incomes, which has reached an intolerable point.

The effect on income levels of the Commission's proposals is considerably weakened by the fact that the Commission is proposing lower increases for intervention prices than for guide or target prices.

The Committee shares the Commission's concern to re-establish as soon as possible the unity of the agricultural markets, which has suffered over recent years from the divergent economic and financial policies of the Member States.

The phasing-out of positive MCAs will therefore have to be carried out without harming the procedures concerned.

In view of the above considerations, the Committee believes that an increase in prices greater than that proposed by the Commission is compatible with the justifiable restraints imposed by the budget.

In fact, a substantial reduction in EAGGF expenditure can be expected on account of the probable trend of the agricultural markets as analyzed by the Commission and the expected streamlining of expenditure, especially in the sugar and dairy products sectors.

It is fully realised that the problem of EAGGF funding must be taken seriously but it would be wrong to consider EAGGF expenditure in isolation. Pruning of EAGGF aid may well substantially increase the strain on national budgets. For instance, the cost of unemployment benefit will spiral if more and more farmers are forced by price and incomes structures to give up farming or to shed labour.

For a long time and on many occasions the Committee has argued that producers should share in the cost of reducing surpluses so as to establish a balance between supply and demand.

The Committee is therefore prepared to examine any proposal by the Commission along these lines, although lack of time prevents it from doing so now. This is why it is not able to give its views on the different forms of co-responsibility envisaged by the Commission for various agricultural products.

This Opinion was based on material prepared by the Section for Argiculture under the chairmanship of Mr Emo Capodilista — Italy — Various Interests. The rapporteur was Mr Schnieders — Federal Republic of Germany — Employers.

# 2. SHIPPING SAFETY STANDARDS/ COMMUNITY PORTS

« Proposal for a Council Directive concerning the enforcement, in respect of shipping using Community ports, of international standards for shipping safety and pollution prevention. »

#### Gist of the Commission's proposal

The main provisions are as follows:

# General aims and scope

The Directive would introduce uniform provisions enabling Member States to make optimum use of powers which countries have under the international IMCO and ILO conventions on shipping safety and pollution prevention. It would enable them to ensure that ships entering their ports meet the technical standards laid down in the convention on such matters as construction, safety and navigation equipment, overloading and provisions to prevent pollution. At present, Member States are not bound to make full use of powers provided by the Conventions. The Directive would for the first time require the Member States to make full use of these powers.

The proposed Directive covers ships to which one or more of the principal shipping safety and pollution prevention Conventions applies and which are registered in a state other than the Member State whose port they are entering. Each Member State would therefore enforce the provisions of the Conventions in respect of ships of all flags but its own. (Each Member State is of course also responsible, as a flag state, for ensuring that its own ships are up to standard, but flag state enforcement falls outside the scope of this particular Directive).

#### Procedures and sanctions

Ships entering a Community port would be required to fill in a declaration for the Member State authorities about the official ship's and

crew's certificates and other documents carried. The authorities would be able to examine these papers themselves in the interests of shipping safety and pollution prevention. In addition, incoming ships would themselves be required to inform the authorities of any deficiencies or incidents likely to affect safety; and a pilot learning of any such deficiencies would be required to report them.

Whenever a Member State found that a certificate was invalid or had clear grounds for believing that the condition of the ship or its crewing arrangements did not meet the requirements of one of the Conventions, it would carry out an inspection. «Clear grounds » might be, for example, a report or complaint, or an apparent deficiency noticed by the inspector while he was on board checking certificates.

If, in turn, the inspection confirmed or revealed a deficiency in relation to the requirements of a Convention, this would have to be rectified and the ship detained meanwhile if necessary.

### Information system and classification

The Draft Directive also provides for the Council to introduce a shipping information system designed to give Member States useful upto-date information about ships approaching their ports. The information might be held centrally on a computer and might comprise basic information about each ship together with a record of any previous inspections carried out in a Member State port.

Under the Directive, the Member States would examine at intervals whether they were making the best possible use of classification societies established in the Community and members of the European Association of Classification Societies in order to maximize the skilled resources available for port state enforcement.

#### Possible agreements with non-EEC countries

Finally, the Directive would provide for the Commission to negotiate similar enforcement procedures with other European countries, such as Norway and Sweden, in order to extend as widely as possible the area of Europe in which port-state enforcement of shipping safety and pollution prevention rules was stepped up.

## Gist of the Committee Opinion (\*)

The Committee draws attention to its own-initiative Opinion of April 1979 on flags of convenience, in which it called for the introduction of a Community technical inspection system to supervise the safety of ships and sea traffic.

It expresses the hope that the Directive will be applied in a sufficiently systematic and coordinated manner to prevent « ports of convenience », where technical standards would be less strictly enforced, springing up in the Community, in addition to the flags of convenience which it criticized in its earlier Opinion.

The Committee wants to see all Member States and the applicant countries ratify the set of international standards to which the Directive refers. Further, it urges that inspections also be carried out in the near future on vessels of under 500 t and calls upon the Commission to take the requisite steps.

The Committee expresses reservations about the Commission's proposal that the national administrations should make use of the classification societies for technical inspections and considers that this is a direct political responsibility of the Community and Member States.

This Opinion, adopted by 68 votes in favour, 1 against and 30 abstentions, was based on material prepared by the Section for Transport and Communications under the chairmanship of Mrs Weber — Federal Republic of Germany — Workers. The rapporteur was Mr Bonety — France — Workers.

#### 3. OIL POLLUTION OF THE SEA

« Commission Communication to the Council concerning a plan to combat oil pollution of the sea »

#### Gist of the communication

As a follow-up to the Community action programme on the control and reduction of pollution caused by hydrocarbons discharged at sea, adopted by the Council on 26 June 1978, the Commission proposes setting up a Community information system involving:

- , a permanent inventory of the resources (manpower, equipment and products) for combating oil pollution of the sea and a compendium of national and regional contingency plans;
- a compendium of the properties of hydrocarbons and similar products liable to pollute the waters of the Member States;
- a file on tankers (with their characteristics and any infringements committed) with a view to preventing and combating oil pollution of the sea.

The Commission is to be responsible for processing the information, will notify the Member States on the processing details and will report to the Council and the European Parliament on the operation of the system.

The Member States will forward to the Commission the data they have at their disposal, for incorporation in the system. It is necessary to coordinate the measures taken or planned at national, international and Community level, and to this end the Commission proposes setting up an advisory committee of government experts and Commission representatives. This Committee should be a forum where experts meet to exchange experience, thus facilitating coordination of the measures within the jurisdiction of the various authorities responsible for combating oil pollution of the sea.

# Gist of the Committee Opinion (\*)

In an Opinion, adopted unanimously, the Committee takes the view that the information system can, and must, be considered as an important instrument making it possible to prevent tankers with known records of infringement from entering the ports or even approaching the coast of Member States until it has been ensured that they are in a satisfactory condition.

It suggests that the information system be extended to cover undersea pipelines and drilling platforms. It puts forward a number of proposals for making the system more effective and asks that information concerning tanker insurance be added.

This Opinion was based on material prepared by the Section for Protection of the Environment, Public Health and Consumer Affairs under the chairmanship of Miss Roberts — United Kingdom — Various Interests. The rapporteur was Mr Doble — United Kingdom — Various Interests.

# 4. TECHNICAL STANDARDS AND REGULATIONS

« Proposal for a Council Decision laying down a procedure for the provision of information in the field of technical standards and regulations »

## Gist of the Commission proposal

The present proposal aims at improving procedures for preventing and removing technical barriers to trade. It is prompted by the latest jurisprudence of the Court of Justice (« Cassis de Dijon », etc.), the Economic and Social Committee's own-initiative Opinion on Trade Barriers (CES 1360/79, 21 November 1979, Rapporteur: Mr Evain) and recent discussion in the European Parliament. It also, of course, takes into account practical difficulties encountered in the efforts to remove technical barriers.

<sup>(\*)</sup> CES 414/81

As the Committee itself has pointed out, progress on removing technical barriers, although considerable, has been totally insufficient, since new barriers are created as fast as old ones are removed. The Court of Justice has ruled that technical barriers to the sale of goods in another Member State are only permissible if they uphold essential requirements of public interest (e.g. health and safety). But although this is a major breakthrough, the Commission considers that this jurisprudence needs to be supplemented by more broadly-based measures if the creation and maintenance of technical barriers is to be avoided in practice.

The proposed measures come under two headings:

#### Information on Standards

National standard institutes should communicate annual work programmes to the Commission and Member States; CEN and CENELEC could collate information thus provided for comparative analysis; national institutes are to inform the Commission quarterly of draft national standards. As a result of such information, agreement can be reached between national institutes on drawing up joint standards, or with the Community authorities and CEN/CENELEC on drawing up a European standard. A standing committee with members nominated by Member States would monitor developments.

#### National Technical Regulations

Strengthening and widening the scope of the 1969 Agreement on standstill and notification of new national regulations.

# Gist of the Committee Opinion (\*)

This Opinion was adopted unanimously with 1 abstention.

As the proposed arrangements are designed to limit the number of harmonization Directives to be issued by the Commission, thus cutting down red tape, the Committee can only endorse the principle of the Commission proposal. It observes that a recent Court of Justice ruling is cited and trusts that the Member States — in liaison with the Commission — will review rules and practices within their territories in the light of the criteria laid down by the Court.

It is also considered that the administrative workload should be lightened by applying the Decision only to technical specifications and standards which may prevent the import or marketing in one Member State of products normally sold in another.

The Committee trusts that the Commission will as far as possible rely on the backing of standardization bodies in carrying out this task.

(\*) CES 415/81

This Opinion was based on material prepared by the Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr. van Campen — Netherlands — Employers. The Rapporteur was Mr. Evain — France — Employers.

# 5. HEALTH PROTECTION AGAINST THE DANGERS OF MICROWAVE RADIATION

« Proposal for a Council Directive laying down basic standards for the health protection of workers and the general public against the dangers of microwave radiation »

# Gist of the Commission's proposal .

The attention of the Commission has been drawn to the particular dangers attached to certain non-ionizing radiations, especially those emitted by microwave appliances. Taking into account the increasing number of these appliances on the one hand and their even wider utilization and application on the other, the Commission thinks that not only workers but also individual members of the public are liable to be exposed to the risk of damage to health resulting from the use of such appliances.

Certain Member States have already laid down standards for the protection of persons exposed to the effects of microwave radiation, but the limits adopted vary considerably between these Member States. Such disparities are tending to increase with the development of scientific knowledge. Furthermore, there is an absence of legislation in several Member States

The proposal for a Directive draws on the experience that the Community has acquired in the comparable field of protection against the dangers of ionizing radiation, in particular on the Directive laying down basic safety standards for the protection of the health of workers and the general public against the dangers arising from ionizing radiation.

The proposal for a Directive on microwave radiation is based on Article 100 of the Treaty. It seeks to require the Member States to ensure the same level of protection for all exposed workers and for the population at large. It includes the following provisions:

 the exposure of individuals to microwave radiation shall be as low as reasonably possible and shall at all events be kept below the prescribed limits (Article 3);

- under certain exceptional conditions, the radiation incident on the individual shall be reduced by the obligation to wear protective clothing, which must be tested periodically (Article 5);
- areas in which, in normal operating conditions, the energy fluence rates may exceed the prescribed limits shall be designated as controlled areas. Access to such areas shall be restricted to workers subject to control procedures and shall not be granted to members of the public. Appropriate warning signs shall be displayed at the boundaries of these areas (Articles 6 and 7);
- workers whose occupational activity involves exposure to microwave radiation shall undergo the medical surveillance normally provided for in the context of occupational medicine. A competent medical service shall be available to workers exposed to levels exceeding the prescribed limits (Article 8);
- any worker liable to be occupationally exposed to microwave radiation shall be provided with adequate information on microwave radiation hazards and given appropriate training in the measures to be taken with a view to preventing or limiting the hazards (Article 9);
- the manufacturer or distributor shall provide adequate information to allow safe installation, maintenance and operation of the equipment (Article 11);
- an appropriate monitoring service shall be available, to the extent necessary, to undertakings manufacturing, importing, distributing or using microwave appliances (Article 12).

## Gist of the Opinion (\*)

The Committee welcomes the proposal and notes that in submitting this Draft Directive on the dangers of microwave radiation the Commission has acted on the various suggestions and requests made among others, by the Economic and Social Committee and followed up its rules and standards for protection against ionizing radiation with proposals for non-ionizing radiation.

The use of microwaves, i.e. electromagnetic waves at specific frequencies, has become very important in many spheres and is constantly increasing. The known and generally acknowledged harmful effect of microwaves on human beings stems from a possible rise in body temperature if the microwaves heat the body to such an extent that own temperature regulation system can no longer maintain a constant temperature. For example, damage to the lens of the eye is possible.

There is as yet no scientific proof of other harmful effects induced by substantially smaller doses of radiation and not deriving from the effect of heat. These non-thermal effects are, however, disputed.

(\*) CES 408/81

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The Committee distinguishes three types of use:

- closed systems,
- open systems and -
- medical applications

In the open systems microwaves are used, as with radar equipment, for communication, range-finding, targeting, etc. The microwaves are therefore emitted outwards from the system. As fairly large areas are affected by this, the problem is to protect the general public as well as the operating personnel.

The Committee points out that many of the terms of the Draft Directive in its various language versions need rechecking by experts and it further considers that the Directive should also deal with the exposure of patients.

There should be an adequately funded research programme to encourage national and Community research projects in this field. In order to provide such a research programme with an information base, the Committee proposes that this Directive include an obligation to supply information on the effects of any substantial exposure to microwave radiation which has damaged health.

The Commission is also asked to examine whether every room in a doctor's surgery containing microwave therapy apparatus would not have to be declared a controlled area and what the consequences of this would be for doctors and patients.

The non-professional who uses a microwave system (e.g. a microwave oven) should also be protected. The most effective way of achieving this would be to ensure, by means of appropriate design or type approval tests, that emission values are low enough for the equipment to be used by the non-professional.

This Opinion which was adopted unanimously, was based on material prepared by the Section for Social Questions under the chairmanship of Mr Houthuys — Belgium — Workers. The Rapporteur was Mr von der Decken — Federal Republic of Germany — Various Interests.

#### 6. TAX RELIEFS

« Proposal for a Council Directive amending Directives Nos. 69/169/EEC and 78/.1035/EEC – Tax-free Allowances applied in international travel and to imports of goods in small consignments of a noncommercial character : third countries; and

Proposal for a third Council Directive amending Directive No. 74/651/EEC on the tax reliefs to be allowed on the importation of goods in small consignments of a non-commercial character within the Community. »

## Summary of the Commission Proposal

To offset the effect of last year's currency fluctuations the Commission is proposing an increase in the tax free allowances granted in respect of third countries under Directives 78/1032/EEC, 78/1034/EEC and 78/1035/EEC. Tax-free allowances for travellers are to be raised from 40 EUA to 45 ECU and the allowance for small non-commercial consignments is to go up from 30 EUA to 35 ECU.

#### Gist of the Committee Opinion (\*)

The Committee welcomes the proposed Directives and notes that they affect neither the spirit nor the letter of the existing Community provisions. However, it observes that the increase envisaged in no way corresponds to the depreciation of purchasing power in the Member States.

This Opinion, which was adopted unanimously, was based on material prepared by the Section for Industry, Commerce, Crafts and Services under the chairmanship of Mr van Campen — Netherlands — Employers. The Rapporteur was Mr Marvier — France — Various Interests.

# 7. FISHERY PRODUCTS --COMMON ORGANIZATION OF THE MARKET

« Proposal for a Regulation (EEC) of the Council on the common organization of the market in fishery products. »

#### Gist of the Commission proposal

The main aim of the proposal is to amend the provisions governing the common organization of the market in fishery products as they affect the producers' organization, the prices and intervention system and the system of trade with non-Member countries. At the same time some corrections have been made to other provisions to eliminate defects which application of the present rules has brought to light.

(\*) CES 409/81

#### The producers' organizations

The Regulation now proposed provides for the Member States to grant aid at a higher rate than is available at present to producers' organizations formed within five years from the entry into force of the Regulation.

It is also proposed that the marketing discipline may be extended without first granting exclusive recognition to a producers' organization for an entire economic area, limiting it instead to one or more products in one or more ports of landing within the area where the producers' organization in question operates. No decision will be taken to extend marketing discipline to all products marketed unless the producers' organization applies Community withdrawal prices. At the same time provision is made for the Commission to exercise a measure of surveillance of the decisions taken by the Member States on this matter.

# B. The prices and intervention system

#### a) Guide price

Under current rules guide prices are fixed on the basis of the average market prices recorded during the previous three years. It is proposed that in future account should be taken not only of the mathematical criterion applied in the past but also criteria such as production and demand prospects, and the need to support producers' incomes, while taking into consideration consumer interests.

#### b) Withdrawal prices

The proposed rules will allow producers' organizations to adjust their withdrawal prices in line with market developments within a 10% bracket without losing entitlement to financial compensation for withdrawal.

The current provisions provide that the withdrawal price shall be fixed at a level of between 60 % and 90 % of the guide price. In practice no withdrawal price has been fixed below 70 % of the guide price and it therefore seems desirable in future to use this figure as a lower limit.

## c) Varying rates of financial compensation

The current rules provide for the granting of uniform financial compensation irrespective of the quantity withdrawn from the market. What is needed is an intervention system which can be adapted to the requirements of conservation and management of resources and which encourages fishermen to adapt their production more closely to the quantitative and qualitative demands of the market. This objective can be achieved by providing for degressive financial compensation related to the quantities withdrawn from the market and by abolishing it in cases of abnormally high withdrawals.

#### d) Premium for processing or storage

In view of the specific nature of the fishery products market, it is impossible, despite the efforts by the producers' organizations, to ensure regular supplies to the market, to avoid withdrawals in all circumstances, even for high quality products. The granting of a processing or storage premium will help to prevent the undesirable destruction of fish withdrawn from the market but which could be marketed at a later date for human consumption. These premiums will replace the financial compensation for withdrawal and will be applicable to a quantity not exceeding 15% of the production of the producers' organizations.

#### e) Public buying-in of sardines and anchovies

In view of the amendments made to the prices and intervention systems, the new Regulation now proposed no longer provides for the public buying-in of sardines and anchovies.

## C. Trade with non-member countries

The general introduction of 200-mile fishing zones has fundamentally changed the supply situation in the Community.

The proposed amendments to the system of trade aim both to ensure regular market supplies and to guarantee adequate protection against imports at abnormally low prices which are likely to disturb Community markets.

#### a) Reference prices

It is proposed:

- to fix a reference price for all the products listed in Annex I of the proposal for a Regulation, irrespective of their presentation on import (fresh or frozen) and to extend the reference price system, firstly to certain species (listed in Annex V) which are not produced in the Comunity but which are in direct competition with Community products, and secondly to salmon and lobster;
- to fix an individual reference price for each presentation of a species marketed on a large scale which will enable any protective measures to be applied selectively;
- to apply protective measures progressively, then use the reference price system for all commercial operations and, if these measures still prove insufficient to remedy disturbance on the Community market, suspend imports by applying provisions pursuant to the safeguard clause.

## b) Arrangements governing imports of preparations and

## preserves of certain sensitive products

The proposed Regulation provides for the abolition of the remaining quantitative restrictions on prepared and preserved sardines and tunny and for the introduction of a system for monitoring imports and, where necessary, for import licences.

#### Budgetary aspects

All the envisaged amendments to the common organization of the market will not involve any considerable increase in expenditure.

The forecasts show that an increase in expenditure of about 7% is to be expected, compared with the expenditure estimated on the assumption of the price and intervention system being left unchanged.

#### Gist of the Committee Opinion (\*)

The Committee welcomes the submission of this proposal for changes in the organization of the market in fishery products, but wonders whether the proposed corrective measures will be adequate to meet the present situation and future developments.

It welcomes in principle the Commission proposal that the producers' organizations, which are the mainstay of the entire fisheries regime, should be strengthened.

To solve the problem of outsiders, i.e. non-members of producers' organizations, the position of the members of such organizations must be strengthened while ensuring that at all events non-members are not better off than members of producers' organizations.

As regards the proposed price system, the Committee welcomes the fact that, in determining the guide price, which forms the basis for all other price fixing and compensatory payments under the fisheries market regime, new criteria such as the need to stabilize prices, safeguard producers' income and consider the interests of the consumer, are to be applied in addition to the existing yardstick (prices in the three previous fishing years).

It expresses reservations concerning the method of calculating the withdrawal price, but welcomes the fact that, in contrast to the present rigid adherence to the official withdrawal price, it is now planned to allow the producers' organizations to make a reduction of up to 10% on the official withdrawal price without losing their right to reimbursement. It feels, however, that in the interests of better adjustment to the market, it would be preferable to permit the producers' organizations to deviate from the official withdrawal price by up 10% in both an upward and a downward direction.

The Committee supports the principle of graduated compensatory payments. It feels, however, that the implementation of these provisions will present considerable difficulties in some sectors of the industry. The free-at-frontier price is no protection for producers and could therefore mean that producers would be forced even more to make use of intervention. A minimum import price below which fish would not be allowed to enter the Community would, in the Committee's view, be more effective and, above all, significantly clearer.

According to the Draft Proposal, the measures provided for in Articles 8, 13, 14, 16 and 17 are only to be financed out of the EAGGF where the fishing quota for the particular group of stocks in the Member State in question has not been used up. This would hit the producers' organizations hard. They have, however, no means of influencing non-members as regards the exhausting of the fishing quota. Moreover, the proposed arrangement could result in the market regime not being applied to the desired extent.

This Opinion, which was adopted unanimously, was based on material prepared by the Section for Agriculture under the chairmanship of Mr Emo Capodilista — Italy — Various Interests. The Rapporteur was Mr Wick — Federal Republic of Germany — Employers.

# 8. TREES, PLANTS, ETC.

« Proposal for a Council Regulation (EEC) amending regulation (EEC) No. 234/68 on the establishment of a common organization of the market in live trees and other plants, bulbs, roots and the like, cut flowers and ornamental foliage »

#### Gist of the Commission document

There exists in certain regions of the Community, at trade level, an intervention system for certain types of flower bulbs. This system makes it possible to withdraw from the market those quantities which do not find a buyer at a certain price level, but which meet the current common quality standards.

The economic development of this sector has shown that intervention in respect of flower bulbs smaller than those meeting the minimum size requirements is more effective and less costly because, in times of surplus, it obviates the need to withdraw bulbs intended for marketing. However, a ruling by the Court of Justice lays down that national intervention in respect of flower bulbs is compatible with the provisions of Regulation (EEC) No. 234/68 only where such bulbs comply with the common quality standards.

Consequently, a provision must be added to Regulation (EEC) No. 234/68 to allow intervention in respect of flower bulbs meeting the quality standards but having a minimum size smaller than that prescribed in the standards.

# Gist of the Committee Opinion (\*)

In its unanimously adopted Opinion, the Committee approves the Commission proposal but feels that the provisions regarding flowering bulbs, corms and tubers (Reg. 315/68 et seq.) should be amended to introduce a strict ban on:

- a) the sale even in wholesale trade of products that do not comply with quality standards, with the sole exception of those intended for reproduction purposes;
- b) distortion of competition between the Member States, in any form.

This Opinion was based on material prepared by the Section for Agriculture under the chairmanship of Mr Emo Capodilista — Italy — Various Interests. The Rapporteur was Mr De Tavernier — Belgium — Various Interests.

### 9. FARM ACCOUNTANCY

### **DATA NETWORK (FADN)**

« Proposal for a Council Regulation amending Regulation No. 79/65/EEC setting up a network for the collection of accountancy data on the income and business operation of agricultural holdings in the European Economic Community »

#### Gist of the Commission document\_

With the results of the 1975 structures survey classified on the basis of the new Community typology for agricultural holdings, the Community now has an appropriate data base for demarcating the FADN field of survey.

This base has led to the discovery of an artificial criterion: the « economic size of the holding » which, expressed in terms of ESU (one European Size Unit = 1,000 EUA of standard gross margin) suffices on its own to serve the purposes of the criteria set out in Regulation No. 79/65/EEC.

Most of the holdings that can be observed on the basis of their accounts and of interest for the purpose of the CAP fall within a field of survey demarcated as follows: holdings :

4 ESU all Member States

except

2 ESU Ireland and Northern Ireland

1 ESU Italy and Greece.

In the light of the foregoing, the Commission recommends that, for demarcating the FADN field of survey:

1) a single criterion be adopted: the economic size (ESU)

2) the minimum values indicated above be applied.

# Gist of the Committee Opinion (\*)

In its unanimous Opinion, the Committee approves the proposed reform of the network for the collection of farm accountancy data though it regrets that:

- the calculating methods actually used in each Member State in connection with Community Directives are not explained in a document dealing with methodology;
- the form of the farm return does not make it possible to differentiate between changes in the values of the different items brought about by fluctuations in volumes and those brought about by price factors. This information is valuable for economic analysis.

The Committee lays particular stress on the need to ensure that information on interest paid out is actually collected in all Member States.

This Opinion was based on material prepared by the Section for Agriculture under the chairmanship of Mr Emo Capodilista — Italy — Various Interests. The Rapporteur was Mr de Caffarelli — France — Various Interests.

(\*) CES 412,81

# - II -EXTERNAL RELATIONS

Since the Committee's 185th Plenary Session, its Chairman, Mr Roseingrave, has met the following dignitaries:

- the Permanent Representatives at a working lunch given in his honour by the Chairman of the Committee of Permanent Representatives (COREPER), Ambassador Rutten (Netherlands) on 5 March in Brussels;
- the Italian Minister of Education, Mr Bodrato, and the Chairman of the Italian Council of Economic Affairs and Labour, Mr Storti, at a vocational guidance seminar in which the Committee Chairman and Mr Davies, Member of the Committee, took part, on 10 Match in Rome;
- the Permanent Representative of the Federal Republic of Germany, Ambassador Poensgen, on 18 March in Brussels;
- Dr. Hillery, President of Ireland, on 23 March in Dublin.

# - III -NEW CONSULTATIONS

During the month of March the Council consulted the Committee on the following points:

- « Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 2895/77 concerning Operations Qualifying for a Higher Rate of Intervention by the European Social Fund. (COM (80) 742 final)»
- « Proposal for a Council Directive concerning the Limit Values for Discharges of Cadmium into the Aquatic Environment and Quality Objectives for Cadmium in the Aquatic Environment (COM (80) 56 final)»
- « The Economic and Social Situation in the Community : a Communication from the Commission to the Council in accordance with Article 2 of the Convergence Decision of 18 February 1974 »
- « Proposal for a Council Directive amending Directive 79/695/EEC on the Harmonization of Procedures for the Release of Goods for Free Circulation (COM (81) 74 final)»

# - IV -PROVISIONAL FUTURE WORK PROGRAMME

# April 1981 Plenary Session

## **Opinions requested by the Institutions**

- Recognition of dentists' and veterinary surgeons' diplomas, etc.
- --- Environmental impact of public and private works
- Safety of toys
- Origin of textile products
- Customs territory
- Earth-moving machinery noise
- Relations and agreements with third countries in the field of transport
- European Social Fund higher rate of intervention
- Economic Situation

#### **Own-initiative Opinion**

- Competition policy
- Amendment of the Rules of Procedure

# May 1981 Plenary Session

#### **Opinions requested by the Institutions**

- Securities
- Protection of workers against asbestos
- Social aspects in the sea fisheries sector
- Titanium doixide
- Tractor equipment
- Release of goods for free circulation
- Right of appeal in customs matters
- 3rd amendment / Community transit
- Cosmetic products
- System for observing transport markets

# **Own-initiative** Opinions

- Problem of the disabled
- Construction

### June-July 1981 Plenary Session

- Social situation 1980
- Cellulose film
- Cadmium waste
- Community trade marks
- Right of establishment in the field of pharmacy
- Recognition of doctors' diplomas
- Interregional air Transport
- Development of combined transport
- Public service concept in transport
- Financial balance of railways

#### Subsequent Plenary Sessions

#### **Opinions requested by the institutions**

- Information for and consultation of workers in multinationals
- Medium-term economic policy
- Measuring instruments
- Proprietary medicinal products
- Tourist insurance
- Priorities and timetable for Council decisions in the transport sector (additional Opinion)
- 2nd Lomé Convention (Part 2)
- Economic and social situation in the Community

#### **Own-initiative Opinions**

- Coordination of employment policy instruments
- Memorandum on future of regional policy
- Role of small firms in the Community
- Car industry
- European Development Fund Annual Report
- Food Aid
- Japan

#### Studies

- Regional policy integrated operations
- Textiles/clothing
- Agricultural aspects of the negotiations with Spain

Consistency of external policies
Turkey

# Information Report

- Agricultural situation in French Antilles.

The Economic and Social Committee is to hold a public conference on the economic, social and ethical implications of research into genetic engineering (recombinant DNA). It will take place in Brussels on 14 and 15 May 1981 and will bring together eminent scientists and leading representatives of the world of industry, medicine, trade unions, consumers, agriculture, environmentalists, youth and women's groups.

# - V -APPOINTMENT OF GREEK MEMBERS

The Council of Ministers has now appointed the twelve new Greek members of the Economic and Social Committee of the European Communities, thereby bringing its membership up to 156.

The new members are as follows: Mr Andreas BLAMOUTSIS Member of the Administrative Council of the Athens Traders Association Miss Anne BREDIMA Special Adviser to the Greek Shipowner's Association Mr Ilias CHRONOPOULOS President of the National Agricultural Co-operatives Confederation Mr Nicolaos COLYMVAS General Secretary of the Administrative Council of the National Agricultural Co-operatives Confederation Mr Georges DASSIS Adviser to the Greek General Confederation of Labour Mr Ioannis DOUROS President of the General Council of the Civil Servants' Federation (ADEDY) Mr Theodossios GEORGIOU Lawyer, Secretary-General of the Council for Social and Economic Policy (SKOP) General Secretary of the Greek General Mr Christos KARAKITSOS Confederation of Labour Vice-President of the Federation of Mr Filotas KAZAZIS Greek Industries Mr Pavlos PAPADOPOULOSVice-President of the Athens Chamber of Crafts Mr Rizos RIZOS President of the Athens Crafts and Trades Federation Mr Emanuel SAITIS General Secretary of the National Seamen's Federation

# New French member

Mr André Dunet, Consultant, Confederal Executive Board, General Confederation of Labour (C.G.T.), was appointed a member of the Economic and Social Committee in place of Mr Croese for the remainder of the latter's term of office, which runs until 18 September 1982. 

# PUBLICATIONS OBTAINABLE FROM THE ECONOMIC AND SOCIAL COMMITTEE

#### Periodical

- Bulletin (monthly publication)

#### General Documentation

- The Economic and Social Committee (leaflet) (January 1980)
- The Economic and Social Committee (April 1981) (A descriptive brochure) 16 p.
- Annual Report (1979) 112 p. (EX-30-80)
- Directory List of Members (January 1981) (CES-81-001)
- The Right of initiative of the Economic and Social Committee (October 1977) 124 p.
- 20th Anniversary of the Economic and Social Committee (May 1978) 19 p.

#### **Opinions and Studies**

- Working Conditions (September 1980) (Opinion) 61 p. (CES 80-012)
- Conference on the Enlargement of the European Community 26 and 27 June 1980 (September 1980) (Extracts)± 150 p. (CES 80-009)
- The Organisation and Management of Community R & D (February 1980) (Study) 168 p. (CES 80-001)
- Agricultural Structures Policy (November 1979) (Opinion) 90 p. (CES 79-003)
- Enlargement of the European Community Greece-Spain-Portugal (September 1979) (Study) 75 p. (CES 79-002)
- The Community's Relations with Spain (June 1979) (Study) 112 p. (CES 79-001)
- Community Shipping Policy Flags of Convenience (April 1979) (Opinion) 170 p.
- Employee Participation and Company Structure (September 1978) (Opinion) 116 p.
- Youth Unemployement Education and Training (November 1978) (5 Opinions) 97 p.
- The Stage reached in aligning labour legislation in the European Community (June 1978) (Documentation) 60 p.
- Employment in Agriculture (June 1978) (Study) 135 p.
- Monetary Disorder (June 1978) (Opinion) 98 p.
- Small and Medium-sized Enterprises in the Community Context (April 1978) (Opinion) 29 p.
- Industrial Change and Employment (November 1977) (Opinion) 98 p.
- EEC's Transport Problems with East European Countries (December 1977) (Opinion) 164 p.
- Community Nuclear Safety Code (July 1977) (Study) 50 p.
- Regional Development Unemployement and Inflation (June 1977) (Opinion) 130 p. (EX-22-77-435)
- Research and Development (November 1976) (Study) 35 p.
- Systems of education and vocational training (August 1976) (Study) 114 p.
- Regional Policy (March 1976) (Opinion) 11 p.
- European Union (July 1975) (Opinion) 33 p.
- Progress Report on the Common Agricultural Policy (February 1975) (Study) 52 p.
- The Situation of Small and Medium-sized Undertakings in the European Community (March 1975) (Study) 69 p.

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- Community Advisory Committee for the Representation of Socio-Economic Interests (8.50)
- European Interest Groups and their relationship to the Economic and Social Committee (25)

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