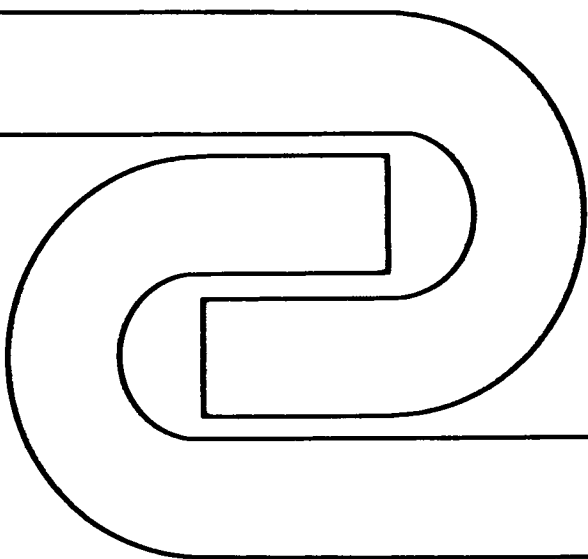


ECONOMIC AND SOCIAL COMMITTEE
OF THE EUROPEAN COMMUNITIES

BULLETIN



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— I —

184th PLENARY SESSION

The 184th Plenary Session of the Economic and Social Committee of the European Communities was held at Committee headquarters, Brussels, on 10 and 11 December 1980 under the Chairmanship of the Committee's Chairman, Mr Roseingrave.

STATEMENT BY THE COMMITTEE ON THE EARTHQUAKE IN ITALY

Following the disaster which recently struck Southern Italy, the Committee decided unanimously to issue the following statement :

« The Committee expresses its deepest sympathy with those who have suffered one of the most serious natural disasters to have struck Europe this century — the earthquake in Southern Italy. An area of more than 25,000 km² with a population of around 7,000,000 has been laid waste, thousands are dead and a further 300,000 homeless and at the mercy of an early winter in isolated regions where underdevelopment has led to wide-scale depopulation.

After the extensive relief drive, which has rallied such commendable enthusiasm in all Member States, a start must now be made on reconstruction and development so as to rehabilitate the devastated regions.

The Committee welcomes the European Council's decision to grant immediate aid and subsidized loans, to be made available without delay. These measures must be implemented with the speed, and on the scale, indicated by the European Council, on the basis of effective Commission proposals and coordinated decisions by the Council of Ministers and the Governments.

The Economic and Social Committee reiterates, in these tragic circumstances, that the rectification of interregional imbalances in the Community must be regarded as an integral component of Community action to be coordinated with all spheres of Community policy and particularly a strengthened regional policy, capable of ensuring harmonious development and a better quality of life throughout the Community. »

Adoption of opinions

At the beginning of the Session the Committee drew up, under the urgency procedure, an Opinion on exceptional community aid for Italian

disaster areas and a Council Regulation (EEC) regarding interest subsidies on certain loans granted in the context of special community aid towards reconstruction of the areas devastated by the earthquake in Italy in November 1980.

The opinion prepared by Mrs Strobel (Germany - Various Interests) was adopted unanimously.

1. HUMAN RIGHTS (own-initiative Opinion)

Community Accession to the European Convention on Human Rights

Gist of the opinion (*)

In its Opinion, adopted by 86 votes to 1 with 21 abstentions, the Committee notes that the EEC Treaties contain no express provisions on the protection of human rights. The Committee therefore feels that the two proposed measures are both complementary and desirable.

Accession to the ECHR is, the Committee feels, the swiftest way of safeguarding basic human rights affected by Community acts.

This Opinion was drawn up in the presence of Viscount Etienne Davignon, Vice-President of the Commission, and Mr Gaetano Adinolfi, Deputy Secretary-General of the Council of Europe.

Mr Adinolfi's speech

Taking the floor, Mr Adinolfi said among other things that Article 230 of the Treaty of Rome provides that « the Community shall establish all appropriate forms of cooperation with the Council of Europe ». He added that the Economic and Social Committee would be the first Community body to deliver an Opinion on the Commission's Memorandum on the Community's accession to the European Convention on Human Rights.

This Memorandum, which describes the Commission's policy of cooperation and complementarity with regard to the Council of Europe, has done much to draw the attention, not only of the respective institutions' competent bodies, but also of interested circles, to the political importance of such accession. It is therefore a major landmark in the already rich history of the protection of human rights in Europe.

(*) Doc. CES 1355/80

The European Convention on Human Rights, which all nine Member States of the Community have ratified, has made a unique contribution to European solidarity in a key field.

In signing the Convention Member States had two aims in mind : first to provide a collective guarantee of human rights so as to prevent a recurrence of situations of the kind our continent experienced under fascist and totalitarian regimes and, secondly, to give the European unification movement a basis of confidence.

These two aims are still valid and should prompt us to reflect, especially at a time when one cannot but notice that certain particularly pernicious forms of intolerance, racism and violence are threatening our democratic parliamentary system.

These aims gave the Convention its two dimensions :

- One dimension is legal since the Convention laid the foundations for the international judicial protection of clearly defined human rights.
- The other dimension is political since the Convention is the common denominator of Europe's democratic countries, which now unites the Member States of the Community and the Council of Europe — including the States which have applied to join the Community — by a common commitment to preserve freedom and respect for the individual and human dignity.

In this commitment lies the very essence of European solidarity and this solidarity would naturally be strengthened if the Community, as an entity, were to accede to the Convention.

The proliferation of systems for protecting human rights is liable to make for less effective protection by giving rise to conflicting definitions or interpretations of the same concepts and indeed a veritable jungle of procedures.

The Community's accession to the European Convention on human rights would obviate such disadvantages and it must therefore be encouraged in the very interests of ordinary citizens.

Mr Davignon's speech

Replying, Viscount Davignon, member of the Commission, stressed the need for close cooperation between the Commission and the Committee on the structural changes facing the Community. The rights of Community citizens would have to be taken into account. In the process of integration, new institutions would have to accept the same obligations and constraints as the Member States. The rights of citizens with respect to the Community institutions would have to be strengthened. There was much to be done here.

There were two main procedural difficulties. The first was the fact that only States had adhered to the Convention so far. The second was whether it would be better to draw up a new list of human rights. As a rewrite could give rise to divergences, Mr Davignon favoured signing the

present version of the Convention, though without ruling out a subsequent insertion of social and economic rights.

Winding up, he welcomed the fact that the ESC, on which the citizens of the Community were represented, had been the first to take the matter up — at a juncture of crucial importance for Community integration, that is to say on the eve of the enlargement of the Community.

Poland

In connection with its discussion on the protection of human rights, the Committee stated that it was following developments in Poland closely and expressed its full support for the declaration issued by the Heads of State of European Communities in Luxembourg on 1 December.

2. TELEMATICS

European Society faced with the Challenge of New Information Technologies - a Community response

Gist of the Commission document

Modern European society is already an « information society », in which scientific and intellectual activity of all kinds, economic transaction and the whole pattern of daily life rely on a network of information.

The new family of electronic technologies is of vital importance to the social development of any modern community, to the efficiency and productivity of its industry and services and to its position and influence in the world.

The keys to this transformation are two technological revolutions. The cost of communicating is being dramatically cut by the introduction into telecommunications of digital electronic techniques (computing methods and technology) and new transmission techniques (satellites, optical fibres). The cost and availability of artificial intelligence (the possibility of automatic processing of data) have been rapidly changed by the evolution in components which enables the power of a large computer to be condensed into a single chip.

These changes mean that virtually every industrial product or production process, from cars to machine tools and toys, and very many services, are open to enhancement or improved efficiency by the application of the new « microelectronic » technology.

The choices before Europe

European society will be obliged to apply these technologies on an immense scale. But whether the process is a painful one, or a positive one that generates new economic growth, new social possibilities and hope, will depend on how the new revolution is handled and on the social, industrial and political choices that are made.

In terms of employment, the new technologies will certainly bring a reduction in jobs of a repetitive nature, whether in the office or in the factory. The question is whether the industries and services of the Community can generate new products and services for the world market on such a scale that the new jobs created outnumber those lost.

In social and political terms the new technologies could offer new tools for individual development and expression, new possibilities for small to medium-sized enterprises, new communication facilities for distant regions and new facilities for the underprivileged, be it the handicapped or the old. It is time to ask how the Community can help to ensure progress along these lines.

Europe and its competitors

The world leadership of the United States industry owes much to the innovative continental market in which it flourishes, to the immense procurement power of the United States Federal Government (over 20 billion u.a. per year) and the massive financial support which defence and space programmes have given to research and development in all branches of electronics.

Japan's remarkable progress in world markets for electronic equipment has also been the fruit of a systematic long-term national strategy supported by large Government funds.

Europe has not succeeded in creating the common market of ideas or the mobility of talent that exists in the United States and Japan; the different national aid programmes have fostered competing national enterprises while leaving key long-term needs unmet. Europe has neither the continental market of America nor the common strategy of Japan, while the great social debate has so far been confined within national boundaries.

Proposed actions

In the Commission document it is proposed that the Community :

a) develop a social policy to prepare the climate for innovation, and in particular :

- pool studies on the impact on employment and other social consequences,
- explore with the social partners measures such as collective agreements, designed to ensure that innovation is introduced in an acceptable way,

- establish a programme in the key fields of education, training, and dissemination of knowledge, designed to reinforce the efforts of Member States, particularly in schools and in industry itself.
- b) Use the normative powers of the Community to create a homogeneous European public market for telematic equipment and services through Council decisions which
 - commit the telecommunications administrations to introduce common harmonized services on the new digital networks from 1983, and to purchase for them only harmonized equipment from 1985,
 - establish the principle of an open Community market for terminals, in which private industry can compete,
 - initiate in 1981 a first phase of action by the telecommunications administrations to enlarge their potential sources of supply at Community level,
 - commit the public administrations of Member States from 1983 to buy informatics equipment and software only when it conforms to common standards.
- c) Promote a European information industry by :
 - facilitating investment by the private sector in data bases and related services,
 - fostering provision of information to small and medium sized enterprises,
 - promoting accessible public data bases, by coordination and rationalization between Member States and Community action where appropriate,
 - stimulating worldwide exports of European information industry products.
- d) Foster industrial and user collaboration by :
 - implementing, as a first step, the provisions for support for applications in the pluriannual programme for informatics,
 - providing a catalytic framework for ad hoc collaboration between industrial companies on a bilateral or trilateral basis, with a view to specialization agreements or joint development of products such as peripherals,
 - promoting the development of key equipment and computer aided design technologies in accordance with the Resolution of the Council of September 11, 1979.
- e) Enhance the value of national and European programmes in the fields of satellite communication and earth resources detection by :
 - bringing together users to establish markets,
 - establishing standard interfaces for earth terminals,
 - encouraging the establishment of effective structures for managing the use of satellites on a European scale,

- establishing legal and policy frameworks which permit the most effective Community and non-Community use of new facilities such as television satellites.
- f) Apply the new technologies to the Community itself by :
 - developing Commission data bases of general interest and making them accessible to the outside world via Euronet,
 - enhancing efficiency by developing a network of new telematics services linking the Community institutions and the member governments.

Gist of the opinion (*)

In a unanimous Opinion, the Committee agrees with the Commission's analysis of the problems posed by new information technologies and with its proposals for solutions. It thinks that urgent support will have to be given to the manufacture and application of the new technologies' components and systems in the Member States if they are to improve their international competitiveness. The new technologies offer tremendous scope for growth, but they also pose dangers for society.

The keen competition from Japan and the USA in this field might strengthen the Member States' political will to overcome intra-Community barriers. This makes it necessary for more to be said about the co-ordination of Member States' own aid programmes, especially as the funds available for the Commission's programme are quite limited.

The Committee also calls on the Commission to take consumer interests into consideration and, above all, to bear in mind the need for product standardization and more extensive consumer information.

With regard to the social policy implications, it would seem that the number of jobs created by the new technologies will not be capable of offsetting job losses elsewhere. The Committee would therefore ask the Commission to propose a list of measures for solving the employment problems that are likely to arise. The Committee thinks further that the new information technologies are making it necessary for vocational training to be re-oriented and intensified, with the aim being to meet the growing demand for highly qualified staff and to enable job-holders to cope with the changing requirements of their work.

The new information technologies will not be able to be put to proper use unless the persons affected by their application are kept completely in the picture and are allowed to air their views. The Committee therefore feels that, as soon as the introduction of new technologies is envisaged, consultations and negotiations should begin between trade unions and employers' associations at the various national company levels.

Almost everybody's private lives will also be affected by the increased application of the new information technologies. In consequence, the Committee urges the Commission to work out measures for (a) preventing the abuse of personal data by public and private institutions, (b) making it possible for these data's application to be effectively monitored and (c) ensuring that people have access to the data about themselves.

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. Nierhaus — Germany - Workers.

3. TOBACCO (8th Directive)

Proposal for a Council Directive amending Directive 72/464/EEC on taxes, other than turnover taxes, which affect the consumption of manufactured tobacco (8th Directive)

Gist of the Commission's proposal

In July of this year, the Council asked the Committee for its Opinion on the above Proposal. This dealt with the proposed third stage of the harmonisation procedure for excise duty on manufactured tobacco products. The second stage of harmonisation is scheduled to run until 31 December 1980.

Since neither the European Parliament nor the Economic and Social Committee have had sufficient time to give their considered Opinions on a Proposal having fairly far-reaching implications, the Commission has been obliged to propose an extension of the second stage up to 30 June 1981.

Gist of the opinion (*)

The Economic and Social Committee unanimously approves this Proposal.

The Opinion was based on material prepared by the Section for Economic and Financial Questions under the chairmanship of Mr. Rollinger — Luxembourg — Various Interest. The Rapporteur was Mr. Miller — UK — Employers.

(*) Doc. CES 1350/80

4. SOCIAL SECURITY FOR EMPLOYED PERSONS

Proposal for a Council Regulation (EEC) amending for the benefit of unemployed workers, Regulation (EEC) 1408/71 on the application of social security schemes to employed persons and their families moving within the Community

Gist of the commission proposal

With regard to unemployment benefits, the rules governing the coordination of unemployment insurance or unemployment assistance schemes of the Member States applying to migrant workers are laid down in Chapter 6 of Title III of Regulation (EEC) N° 1408/71.

That Chapter comprises three types of provisions :

- Article 67 obliges the institution of a Member State in which a worker has become unemployed to take into account, where necessary the periods of insurance or employment completed in another Member State for the acquisition of the right to benefits in the former Member State;
- Articles 69 and 70 give unemployed persons the opportunity to explore the labour market of other countries while retaining their right to unemployment benefits from the competent country for up to three months;
- Article 71 lays down special rules governing workers employed in one Member State while residing in another, i.e. mainly frontier workers. If these workers become wholly unemployed, they receive benefits from the country of residence as if they had worked there at the time when they were last employed.

It is clear from the above that, except for the special case of the workers referred to in Article 71, Article 69 is the only provision permitting the payment of unemployment benefits to unemployed persons who are not staying or living in the territory of the Member State where they were last employed.

The aim of this proposal is to improve the contents of this Chapter by permitting, under certain conditions :

- the retention of the right to unemployment benefits where a worker transfers his place or residence to a country other than the one where he was last employed;
- the export of « pre-retirement benefits » for workers transferring their residence after having become entitled to these benefits, as also the payment of these benefits to frontier workers.

The proposal also contains a number of technical improvements which had proved necessary in the course of implementing the Community Regulation.

Gist of the opinion (*)

The Committee unanimously approved the principle of ensuring that unemployed workers moving to a different country of residence within the Community and registering with the unemployment services there are eligible for the unemployment benefits accorded to unemployed citizens of the new country of residence, provided that certain conditions are satisfied.

However, it considers that the Commission should take another look at the conditions which determine the scope of these provisions and frame them more precisely and in greater detail. Care must be taken to ensure that the Article concerned operates fairly and, wherever possible, to remove any ambiguities and rule out potential abuse.

The Committee approves the proposed provisions on the export of « pre-retirement » benefits for unemployed workers transferring their place of residence to another Member State after becoming entitled to such benefits but wishes the Commission to reconsider the definition given of « early retirement », which it finds unsatisfactory in the present form.

This Opinion was based on material prepared by the Section for Social Questions, under the chairmanship of Mr. Houthuys — Belgium — Workers. The Rapporteur was Mr. Davies — United Kingdom — Various Interests.

5. R & D — CLIMATOLOGY

Proposal for a Council Decision adopting a sectoral research and development programme in the field of the environment (environmental protection and climatology) (indirect and concerted actions) 1981 - 1985

Gist of the proposal

As part of the Community's work in the field of environmental R & D, the Commission proposes that a research programme of indirect and concerted projects be carried out over a period of five years.

The indirect projects will be carried out, in particular on a contract basis, whilst the concerted projects will involve coordinating at Community level the research being carried out under national programmes.

(*) Doc. CES 1358/80

The programme will be reviewed after three years. If necessary, a new five-year programme could then be adopted.

51 million EUA are being made available for the programme.

Gist of the opinion (*)

The Economic and Social Committee unanimously adopted its Opinion approving the research programme. It is gratified that for some years now the Community has been devoting a larger budget to research projects dealing with improving the quality of life.

However, it urges the Commission to take care that the Community's budget results in a genuine increase in research and that it does not merely replace national spending.

Furthermore, it asks whether the research programme which deals both with the environment and climatology might not also expressly cover certain disciplines which come under both heads, such as hydrology — important as regards agriculture, hydro-electric power and drinking-water supplies.

On a general note, the Committee stresses that Community investment in research will not be fully effective unless sufficient effort is devoted to an information campaign directed at interested organizations and public opinion. It also hopes that contacts with all organizations concerned with environment protection will be maintained and developed.

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 — UK — Various Interests. The Rapporteur was Mr. De Grave Belgium — Workers.

6. DANGEROUS SUBSTANCES — BENZENE

Proposal for a Council Directive amending for the sixth time Directive 76/769/EEC on the approximation of the laws, regulations and administrative provisions of the Member States relating to restrictions on the marketing and use of certain dangerous substances and preparations (benzene)

(*) Doc. CES 1345/80

Gist of the proposal

The proposal seeks to ban the use of benzene in products intended as toys.

The Commission considers that, in view of the high toxicity of benzene, its use constitutes a danger to the health of children.

The Commission came to this conclusion after having consulted the Scientific Advisory Committee on the Toxicity and Ecotoxicity of Chemical Compounds (CSTE).

Gist of the opinion (*)

The Committee unanimously approves the Commission's initiative, as it constitutes a concrete step towards eliminating any possible risk from benzene through using toys.

However, at international level (e.g. ILO Recommendation and Convention) and in certain Member States the problem of hazards posed by benzene has been tackled in a more comprehensive manner, either by limiting the use of benzene in a large number of products or by laying down preventive safety standards for factories, the environment and people in situations where the use of benzene is permitted.

The Committee therefore calls upon the Commission to review the whole benzene issue as soon as possible, bearing in mind what it has already done as regards vinyl chloride monomer and asbestos for example.

This Opinion was based on material prepared by the Section for Protection of the Environment, under the chairmanship of Miss Roberts — UK — Various Interests. The Rapporteur was Mr. Beretta — Italy — Workers.

7. AID TO SHIPBUILDING

Proposal for a Council Directive on aid to shipbuilding

Gist of the Commission proposal

Although it follows the general pattern of the current 4th Directive, the 5th Directive puts more emphasis on ensuring that national aid not only keeps shipyards going but also makes structural change possible so

(*) Doc. CES 1346/80

as to increase their efficiency. National shipyards should then be better equipped to compete on international markets. Thus :

- **Production aid** may be given provided it is linked to a programme to restructure the national shipbuilding industry. Since some Member States have already considerably trimmed capacity, the Commission will now start looking to different types of structural change such as modernization and streamlining.
- **Rescue aid** may be considered compatible with the Common Market. The 5th Directive is nevertheless more explicit than its predecessor in specifying that rescue aid should not take the form of production aid. An assortment of production aids would distort the Commission's policy.
- the 5th Directive goes further than its predecessor when it comes to providing aid to shipowners. The Commission states that aid schemes for shipowners are likely to have an effect similar to that of aid to shipbuilding, particularly during slumps. Such aid schemes should not therefore be allowed to jeopardize the overall policy and so impede the progress of the project as a whole.
- The Directive breaks new ground in respect of aid granted as part of Member States' financial measures to help shipbuilders. This aid includes financial measures, loss compensation, contributions to share capital, non-repayable grants, etc. and is less direct and less « transparent » than production aid. It does however tend to distort competition and trade. Under the new Directive, and in an attempt to establish balance, the Commission will examine such aid in the light of criteria specified in the general rules.

Gist of the opinion (*)

Disturbed by the persistent slump in Community shipbuilding, the Economic and Social Committee calls on the Community and the Member States to undertake large-scale action designed to streamline the industry and put it back on a healthy, competitive footing.

In its Opinion, adopted with no dissenting votes and three abstentions, the Committee deplores the critical level of unemployment and the fact that order-books are almost empty. It feels that Community action must be directed to maintaining employment, and preserving production capacity, particularly in view of the fact that there are brighter prospects for the industry in the next two years.

The very survival of shipbuilding is in jeopardy and restructuring must concentrate on promoting modernisation and rationalisation and on safeguarding employment, rather than on pruning/production capacities, as was the case until recently. Aid must take account of the situation on the world market and of the current abnormal trends in competition.

(*) Doc. CES 1356/80

Transparency of national aids for shipbuilding is a « sine-qua non » for coherent, effective action.

Financing measures taken by Member States in respect of State-owned enterprises cannot be considered to constitute aid if they are comparable with the measures taken by a private enterprise or group.

Finally, more attention should be given to the social and regional problems created by the recession.

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

8. INTERNATIONAL REMOVALS

Proposal for a Council decision on Acceptance by the Community of a draft Resolution of the European Conference of Transport Ministers on the introduction of an ECMT licence for international removals

Gist of the commission proposal

The European Conference of Ministers of Transport (ECMT) has drawn up a draft resolution aimed at the introduction of an ECMT multilateral licence for international removals. The ECMT has put back formal adoption of this draft so that it can be accepted with due regard for the procedures and obligations set out in the EEC Treaty.

The subject matter of the draft resolution is within the competence of the Community since it is already covered by Community legislation (First Council Directive of 23 July 1962 (1), as last amended by Directive 80/49/EEC (2) and Directive 65/269/EEC (3) as amended by Directive 73/169/EEC (4).

In the Commission's view, it is up to the Community to accept the draft resolution on behalf of the Member States and to do so before 27 November 1980, which is the date of the ECMT meeting at which this matter is to be discussed.

(1) OJ N° 70 of 6 August 1962, page 2005

(2) OJ N° L/18 of 24 January 1980, page 23

(3) OJ N° 88 of 24 May 1965, page 1469

(4) OJ N° L 181 of 4 July 1973, page 20

Gist of the opinion (*)

In a unanimous Opinion, the Committee considers that EEC approval of the ECMT resolution will not yet lead to a uniform solution in the Europe of Nineteen.

The possibility each of the 19 countries has of freely determining the period of validity of the licence for its own nationals is likely to cast a shadow over the EEC's own international removal regulations and may even cause dislocations therein.

The Committee therefore proposes amendments to the draft resolution and to Annex I thereof. The aim of the ECMT and EEC, namely to ease regulations, should consequently be achieved without disturbances.

This Opinion was based on material prepared by the Section for Transport and Communications under the chairmanship of Mrs. Weber — Germany — Workers. The Rapporteur was Mr. Renaud — France — Employers.

9. NEW ZEALAND BUTTER

Proposal for a Regulation (EEC) of the Council amending Regulation (EEC) N° 1655/76 extending the transitional arrangements for the import of New Zealand butter into the United Kingdom and the Proposal for a Regulation (EEC) of the Council relating to the importation of New Zealand butter into the Community on special terms

Gist of the draft regulations

Under Council Regulation (EEC) N° 1655/76 of 29 June 1976 extending the transitional arrangements for New Zealand butter imports into the United Kingdom (*), the UK was authorized to import New Zealand butter on special terms. The respective annual quotas were :

- in 1978 : 125,000 tonnes
- in 1979 : 120,000 tonnes
- in 1980 : 115,000 tonnes

These special arrangements, which were originally introduced by Protocol N° 18 to the Act of Accession, provide for (a) the application of a cif price, which New Zealand must undertake to observe and (b) a

(*) Doc. CES 1347/80

(*) OJ N° L 185, 9 July 1976, page 1.

special levy, designed to allow imports to be sold at a steady rate on the UK market without disrupting the balance of the Community butter market.

The draft Regulation amending the above-mentioned Regulation applies to 1980. It replaces the cif price and the variable special levy by a levy which will normally remain unchanged. The aim is to eliminate the disadvantages stemming from the fluctuations of the special levy and enable New Zealand to plan its exports more efficiently.

The Commission takes the view that the new Regulation should be accompanied by a gentleman's agreement with New Zealand to cut butter exports to the UK by 20,000 tonnes before the end of the year.

The second draft Regulation concerns arrangements for the imports of New Zealand butter on special terms after 31 December 1980. It provides for (a) extension of New Zealand butter sales to the entire Community from 1 January 1981 onwards, (b) a phased cut in aggregate tonnage, (c) the continuation of the new import arrangements without cif prices, (d) the introduction of a special levy which will normally remain unchanged.

To avoid disrupting Community butter markets and to take account of unforeseeable developments, provision is made for adjusting the tonnage of New Zealand butter imports.

Gist of the opinion (*)

The Committee adopted its Opinion by 52 votes in favour, 20 against and 14 abstentions endorsing the proposed cut of 20,000 tonnes in the UK's 95,000 tonne quota for this year, but rejecting the new import arrangements.

It is opposed to guaranteed access for a fixed quota of New Zealand butter sold by the national marketing organisation. Account must be taken of the potential difficulties on the European market and of certain CAP requirements.

Nevertheless the Committee shares the Commission's desire to maintain good relations with New Zealand and asks the Commission to consider ways of assisting the country to dispose of part of its dairy surplus.

The Opinion, was drafted by Mr Berns — Luxembourg — Various Interests.

10. SCIENTIFIC AND TECHNICAL INFORMATION

Proposal for a Council Decision adopting a third plan of action (1981-1983) in the field of scientific and technical information and documentation (STID).

Gist of the proposal

The second plan of action from 1978-1980 was the subject of a favourable Opinion by the Committee in 1977. The third plan, due to run from 1981-1983, is designed to consolidate and develop EURONET and to create further high quality information services, and to turn EURO-NET into a public network by the end of 1983.

Gist of the opinion (*)

The Economic and Social Committee adopted its Opinion unanimously.

If scientific and technical knowledge is to be used to the full, there must be increasing recourse to data banks. The development of the Community makes it imperative to establish and enlarge the network linking these banks and to ensure that they operate on a Europe-wide basis. The Committee therefore approves the Commission's third plan of action. It feels that the Commission's priorities should include standardization and compatibility of services, marketing and promotion, examination of cost functions and the development of links with non-EEC countries' data banks and new terminals. The Opinion concludes by stressing the importance of safeguarding access to confidential information.

This Opinion was based on material prepared by the Section for Energy and Nuclear Questions under the chairmanship of Mr. Hatry — Belgium — Employers. The Rapporteur was Mr. Zünkler — Germany — Employers.

11. INVESTMENT GUARANTEES (own-initiative Opinion)

Protection of investment in less-developed countries

(*) Doc. CES 1348/80

Gist of the Commission document

The sharp drop in European investments in developing countries over the past few years, particularly in the mining sector, has become a matter of increasing concern to the Commission and other Community institutions. The Community investment figures are in fact alarming, especially when compared with those of Japan and USA. With a base index of 100 for 1970, viewed in terms of 1976 prices and exchange rates, the capital flow trend from the Community (with the exception of Denmark for which 1977 data were not available) stood at 87.9 in 1977 compared with 130.8 for Japan and 205.1 for the USA. An extreme case is European investment in the mining sector in ACP countries which has fallen to zero.

If this development trend is allowed to continue, the consequences will be extremely grave for the Community, European enterprises and not least for the developing countries.

Gist of the opinion (*)

In this Opinion, adopted by 78 votes in favour, 27 votes against and 8 abstentions, the Committee shares the concern of the Commission at the drop in European investments in developing countries. It analyses the reasons for this and concludes that the most important factor in many of the less-developed countries is the political situation which creates an unfavourable investment climate.

Though aware that the political risks facing investors in the less-developed countries can be attributed to the economic plight of the LDCs, their very low living standards and their recent emergence as independent nations, the Committee nevertheless feels that Community action can be taken on two fronts.

First of all the Community has a role to play in the extension of bilateral investment protection agreements concluded by Member States with a number of less-developed countries since the 1960s. These agreements lay down codes of practice for the parties involved in investments carried out in accordance with local law. If such codes of practice were to become widespread, they could pave the way for international legislation, particularly on arbitration.

Secondly, in the event of investment protection agreements being unable to provide guarantees against certain « accidents », the Committee argues for an expansion of investment guarantee schemes. The Committee points out that here too the drawbacks arising out of existing disparities — and indeed the absence of any guarantees in some Member States — are evidently greater (and generally insurmountable) for small

(*) Doc. CES 1354/80

and medium-sized firms than for multinationals, which latter are able to benefit from the most favourable system because they have establishments in many countries.

Investors must respect the principles contained in the Tripartite Declaration of the ILO of 16 December 1977 and in the earlier Opinions issued by the Economic and Social Committee, in particular as regards non-discrimination between workers, trade union freedom and the right of employers and workers to negotiate and conclude joint agreements, safety at the workplace, vocational training, etc.

This Opinion was based on material prepared by the Section for External Relations under the chairmanship of Mr. de Precigout — France — Employers. The Rapporteur was Mr. Breitenstein — Denmark — Employers.

12. 5th ANNUAL ERDF REPORT 1979

(Own-initiative Opinion)

European Regional Development Fund (5th Annual Report, 1979)

Gist of the Commission document

Every year since the Regional Fund was set up, the Commission sends the Council, the European Parliament and the Economic and Social Committee a Report on the implementation of the Fund Regulation during the previous year.

This report is normally submitted before 1 October. The Report sets out the latest trends in regional policy, a balance sheet, an analysis of Fund aid and a record of payments and checks. This year's Report also contains a chapter on publicity.

Gist of the opinion (*)

In this routine Opinion on the 1979 Commission Report on Regional Policy, the Committee notes several improvements but reiterates several criticisms which it made in the past.

- despite a marked improvement, the dossier examination procedure is still too long. While regional policy itself is short on resources, the Commission has not enough staff to implement it;

(*) Doc. CES 1349/80

- expenditure on infrastructure is disproportionate to aid for industrial investment and services;
- publicity for ERDF action is inadequate, incomplete and unclear;
- the Member States have different approaches to « additionality » about which there is still considerable confusion.

Finally, the Committee deplores the fact that non-quota measures mooted in 1978 and adopted in 1979 have still not been implemented in 1980.

The Committee hopes that next year's Report will contain positive information on steps to implement integrated operations and achieve closer convergence between the various national policies, the CAP and Community regional policy.

This Opinion was based on material prepared by the Section for Regional Development under the chairmanship of Mr. Milne — United Kingdom — Workers. The Rapporteur was Mr. Curlis — Ireland — Workers.

13. RECOMBINANT DNA RESEARCH

Draft Council Recommendation concerning the registration of recombinant DNA (deoxyribonucleic Acid) work

Gist of the Commission's draft recommendation

The present draft replaces the proposal for a Directive which the Commission submitted to the Council on 4 December 1978.

The Commission feels that from what is known so far the safety problem posed by DNA is not great and that detailed legislation is not necessary to solve it.

In the Commission's view it is sufficient to lay down a common definition of work involving DNA and to see that no laboratory can undertake such work without having first notified the appropriate or regional authorities.

Gist of the opinion (*)

The Committee adopted its Opinion by 67 votes in favour, 12 against and 5 abstentions. It approved the Commission's initiative but thought that, instead of making it compulsory to give notification of all

(*) Doc. CES 1351/80

work, it would be more rational to lay down criteria specifying when notification would be necessary and make certain work containing a particularly high degree of risk subject to a procedure of prior authorization.

As regards the legal instrument used, the Committee thought that in the present state of knowledge a directive was preferable. However, its final stand would depend on the outcome of a planned hearing of experts from the health sector, the science sector, agriculture, industry, unions and local and national authorities.

At the moment, the Committee prefers a directive because :

- A recommendation is not an effective enough legal instrument for bringing about a genuine harmonization of national laws;
- Although no short-time dangers have been detected in recombinant DNA work, serious consequences may still be discovered in the longer term;
- As scientific knowledge stands at present, the conjectural risks associated with recombinant DNA work are low, but dangers may still occur, especially when using pathogens as a vector or host.

This Opinion was based on material prepared by the Section for Protection of the Environment, Public Health and Consumer Affairs chaired by Miss Roberts — United Kingdom — Various Interests. The Rapporteur was Mrs. Heuser — Germany — Various Interests.

14. STUDY ON GENETIC ENGINEERING WORK

Gist of the Committee Study

The Economic and Social Committee has just finished some important work on genetic engineering and the safety measures associated with it.

In a Study adopted on 10 December 1980, the Committee has tried for the first time to give a clear and comprehensive picture of this field of scientific research which is difficult to define and yet promises much for the future and explain its relationship to man and his environment.

The Study is mainly concerned with the whole process of producing recombined molecules of deoxyribonucleic acid (DNA), inserting them in a host and getting them to multiply, including all work with host organisms containing recombinant DNA. It particularly examines the risks involved in genetic engineering, which could range from possible dangers to those carrying out experiments and other persons directly concerned to a life-threatening change in the environment, and the safety measures needed to remove such risks when these are considered to

be probable. It should be pointed out that only about 10 % of the work carried out so far contains such a high degree of risk.

In view of the numerous complex questions which have so far remained unanswered, the Committee feels that between now and next March there should be a comprehensive series of hearings of experts from the world of science, health protection, agriculture, industry, the trade unions and representatives of the public interest so that the Council can take a final decision in keeping with what has so far been discovered. These hearings would be organized in collaboration with the Commission and the European Parliament.

The Study was presented by Mrs Heuser — Germany — Various Interests.

— II —

— EXTERNAL RELATIONS —

Chairman's meetings

In the period between the 183rd and 184th Plenary Sessions, the Committee Chairman, Mr Tomas Roseingrave, met the following people :

- The Permanent Representative of the United Kingdom, *Ambassador Sir Michael Butler*, and the Permanent Representative of Italy, *Ambassador Renato Ruggiero*, as part of the contacts designed to strengthen relations between the Committee and COREPER;
- *Mr Wim Kok*, President of the European Trade Union Confederation, to whom Mr Roseingrave stressed the importance that the Committee attaches to working more closely with European social-professional organizations;
- *Mr Drakatos, Mr Danilatos and Mr Christopoulides* (representatives of the Greek Traders Association), *Mr Anastasakis* (President of the Greek Smaller Businesses Association) and *2Mr Georgiou* (Secretary-General of the Greek Economic and Social Council), with whom Mr Roseingrave spoke about the economic and social situation in Greece and the need to ensure that the country made a proper entry into the Community.

Official Visit to Luxembourg

Mr Roseingrave and the Vice-Chairmen, Mr Laval and Mr Miller, accompanied by the Secretary-General, Mr Louet, paid an official visit to the Grand Duchy of Luxembourg on 3 and 4 december.

During the visit, the Committee delegation was able to have fruitful talks with representatives of socio-professional organizations — at a meeting organized by the Luxembourg Economic and Social Council — and with the following members of the Government : Mr Werner (Prime Minister), Mrs Flesch (Minister for Foreign Affairs) and Mr Santer (Minister of Labour).

The Committee delegation also met several eminent figures from the institutions of the European Community, including the President of the Court of Justice, Mr Hans Kutscher, the President of the Court of Auditors, Mr Michael Murphy, and the President of the EIB Mr Yves Le Portz.

The Committee Chairman was granted an audience by HRH the Grand Duke of Luxembourg.

ESC Study Group visits West Indies

As part of the work being carried out by the Committee's Section for Agriculture, chaired by Mr. Umberto Emo Capodilista, a Study Group chaired by Mr. Jean-Claude Clavel paid a visit to three of the French overseas departments (French Guyana, Martinique and Guadeloupe) from 28 November to 8 December 1980.

This fact-finding trip, which was undertaken at the invitation of French farming organisations, made it possible to identify the main issues to be analysed in a report on the prospects for agricultural development in the French overseas departments visited, which the Committee will be submitting to the Community authorities in Brussels before next March.

— III —

NEW CONSULTATIONS

Since the last Plenary Session the Council has consulted the Committee on the following points :

Proposal for a Council Regulation (EEC) for a Common Measure to Stimulate the Improvement of Public Facilities in Certain Less Favoured Areas of the Federal Republic of Germany.

Proposal for a Regulation (EEC) of the Council on the Common Organization of the Market in Fishery Products.

Communication to the Council on the Social Aspects of Sea-fishing in the European Communities.

Proposal for a first Directive to approximate the laws of the Member States relating to trade marks and the proposal for a Regulation on Community trade marks.

Proposal for a Council Directive on the Limitation of Noise Emitted by Hydraulic and Rope-Operated Excavators.

— IV

PROVISIONAL FUTURE WORK PROGRAMME**Plenary Session of January 1981****Opinions requested by the Institutions**

- Non-VAT taxes on manufactured tobacco
- Plan to combat oil pollution of the sea
- International trade in endangered flora and fauna
- Civil liability insurance for motor vehicles
- Technical standards and regulations
- International standards on shipping and prevention of pollution
- Development of transport infrastructures
- Transport of goods by road between Member States
- Saint-Geours Report (long-term energy consumption)
- Machine translation
- Less-favoured farming areas in West Germany
- International Convention for Safe Containers

Information Report

- Common Agricultural Policy

Plenary Session of February 1981**Opinions requested by the Institutions**

- Health protection against microwaves
- Amendment to Regulation on social security schemes for migrant workers
- Environmental impact of public and private works
- Flavourings
- Microelectronic technologies and telecommunications
- Origin of textile and clothing products
- Financial support for energy-related projects
- Hormonal and thyrostatic substances
- Organization of markets for fishery products

Own-initiative Opinions

- Revision of the Regulation setting up the European Regional Development Fund
- Building industry

Plenary Session of April 1981**Opinions requested by the Institutions**

- Medium-term economic policy
- Protection of workers against asbestos
- Safety of toys

Study

- Integrated operations (regional policy)

Subsequent Plenary Sessions**Opinions requested by the Institutions**

- Loans to promote investments in the Community
- Information for and consultation of workers in multinationals
- Social aspects in the sea fishing sector
- Customs territory
- First Directive on trade marks
- Priorities and timetable for Council decisions in the transport sector
- Second Convention of Lomé (2nd part)

Own-initiative Opinions

- Co-ordination of employment policy instruments
- Problem of the disabled
- Competition policy
- Role of smaller firms in the Community
- European Development Fund Annual Report
- Food aid

Studies

- Textiles/clothing
- Agricultural aspects of the negotiations with Spain
- Consistency of external policies
- Turkey

MEMBERS' NEWS

Appointment

The Council of Ministers of the European Communities has appointed Mr. Joseph Daul (France) a member of the Economic and Social Committee to replace Mr. Pierre Boulnois.

Mr. Daul is Vice-President of the National Young Farmers' Council (CNJA).

**PUBLICATIONS OBTAINABLE FROM THE ECONOMIC
AND SOCIAL COMMITTEE**

Periodical

- Bulletin (monthly publication)

General Documentation

- The Economic and Social Committee (leaflet) (January 1975)
- The Economic and Social Committee (April 1979) (A descriptive brochure) 16 p.
- Annual Report (1979) 112 p.
- Directory (January 1980) (List of Members)
- 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

- Conference on the Enlargement of the European Community — 26 and 27 June 1980 (Extracts) ± 150 p., September 1980
- The Organisation and Management of Community R & D (February 1980) (Study) 168 p.
- Agricultural Structures Policy (November 1979) (Opinion) 90 p.
- Enlargement of the European Community Greece-Spain-Portugal (September 1979) (Study) 75 p.
- The Community's Relations with Spain (June 1979) (Study) 112 p.
- Community Shipping Policy Flags of Convenience (April 1979) (Opinion) 170 p.
- Employee Participation and Company Structure (September 1978) (Opinion) 116 p.
- Youth Unemployment — 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 (Study) (June 1978) 135 p.
- Monetary Disorder (Opinion) (June 1978) 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 - Unemployment and Inflation (June 1977) (Opinion) 130 p.
- 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)
(Obtainable from GOWER Publishing Company Limited, 1 Westmead Farnborough, Hampshire, GU 147RU)

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