

ECONOMIC AND SOCIAL CONSULTATIVE ASSEMBLY

BULLETIN

LIBRARY

EUROPEAN COMMUNITIES
ECONOMIC AND SOCIAL COMMITTEE

Brussels - No 9/1987

The Bulletin reports every month (10 issues yearly) on the activities of the Economic and Social Committee, a Community consultative body. It is edited by the Secretariat-General of the Economic and Social Committee of the European Communities (2 rue Ravenstein, B-1000 Brussels) in the official Community languages.

ECONOMIC AND SOCIAL COMMITTEE
Press, Information and Publications Division

Rue Ravenstein 2
B-1000 Bruxelles

Tel. 519 90 11

Telegrams: ECOSEUR
Telex: 25 983 CESEUR

Catalogue number: ESC 87-018-EN

Luxembourg: Office for Official Publications of the European Communities, 1987

Catalogue number: EX-AA-87-009-EN-C

Reproduction is authorized, except for commercial purposes, provided the source is acknowledged.

Printed in Belgium

Contents

	<i>Page</i>
248th PLENARY SESSION	3
The Danish Minister for Labour spoke on the programme of the Danish Presidency	3
Adoption of Opinions	4
1. The social aspects of the internal market (Information Report)	4
2. Worker protection	8
3. Environment/employment	9
4. Cosmetic products	11
5. Pricing of medicinal products	12
6. Agricultural income	15
7. Indirect taxes on transactions in securities	20
8. Business and innovation centres	21
9. Disclosure requirements of branches	22
10. Publication of accounting documents	24
11. Public works contracts	25
12. Compulsory winding-up of insurance undertakings	28
13. Insurance companies' annual accounts	30
14. Weights and dimensions/refrigerated vehicles	32
15. GSP 1988	33
16. Hydrocarbons at sea	35
17. Protection from radiation/consultation of two sides of industry	36
18. Technical standards and regulations	37
19. Lawnmowers	39
20. Agricultural tractors	41
21. Fishery	42
EXTERNAL RELATIONS	47
Chairman's activities	47
Other activities	47

— Press conference in The Hague	47
— ESC Delegation investigates Portuguese fishing industry..	47
— Press conference in Paris	48
NEW CONSULTATIONS	49
PROGRAMME OF FUTURE WORK	53
MEMBERS' NEWS	55

248th Plenary Session

The 248th Plenary Session of the Economic and Social Committee was held at its headquarters in Brussels, on 23 and 24 September 1987. Mr Fons Margot, Committee Chairman, presided.

This Session was attended by Mr Henning Dyremose, the Danish Minister for Labour and President-in-Office of the Council.

The Danish Minister for Labour spoke on the programme of the Danish Presidency

Mr Dyremose outlined the Danish Presidency's programme with particular reference to completion of the single market and employment problems. He stressed that the Community's main task during the years ahead was to bring about a Community-wide internal market. Despite tangible progress, the Community institutions, especially the Council, were failing to keep up with the schedule originally set.

The Danish Presidency felt that the time had now come to make use of the new voting procedure. That did not mean that attempts to achieve consensus would in future be abandoned. The Council must pursue their discussions in depth and only then, if it became clear that there was no possibility of securing agreement, should recourse be had to decision-making by a qualified majority. Article 100A of the Single Act contained the key provisions governing the internal market.

Needless to say, for purposes of creating this internal market, the exemption clause set out in Art. 100A (4), allowing a Member State to retain more stringent rules on environmental, health and similar grounds, should be invoked as seldom as possible.

On the labour market, Mr Dyremose pointed out that the Single Act also contained a provision (Art. 118A) concerning Community cooperation on the working environment. This new clause permitted the adoption by a qualified majority of minimum regulations aimed at harmonizing conditions in respect of the safety and health of workers while maintaining the improvements made. This new instrument gave the Community scope to step up cooperation on the working environment at a faster pace.

The Presidency must ensure that the aims inherent in Art. 118A are achieved as fully as possible.

In particular, he endorsed the Commission's view that the concept of 'working environment', as defined in Art. 118A, should not be confined to workers' safety and health in the narrow sense but also encompass ergonomic measures.

Turning to the adoption of future Directives under Article 118A, Mr Dyremose said that Commission proposals for Directives must focus on levels of protection as such and refrain from issuing detailed rules on specific situations.

Other Commission proposals which he wished to move ahead during the Danish Presidency included the draft Second programme of action to assist the disabled. Furthermore, the Commission planned to frame a draft Directive supplementing the two earlier Directives from 1978 and 1986 — on equal social security treatment of men and women. During its period of office, the Danish Presidency was very keen to see that the Community made further progress in this field.

ADOPTION OF OPINIONS

1. THE SOCIAL ASPECTS OF THE INTERNAL MARKET (Information Report)

Gist of the Information Report¹

In its recommendations the Report states that the differing interpretations of the Single Act and the confusion over its use that continues to reign in some Member States and Community circles could be resolved by making it clear that a framework Directive determining fundamental social rights, while binding on Member States, would not (pursuant to Article 189 of the Treaty) infringe their prerogatives as regards implementation.

For a number of years, the idea of creating a large 'internal market' hand-in-hand with a 'European social area', based around acceptably harmonized working conditions and social guarantees has been favourably commented upon by the Council, the Commission, the European Parliament, the Economic and Social Committee and by the 'social partners'. The White Paper on completing the internal market, however, has not been accompanied by any specific or

¹ CES 225/87 fin.



ESC President Mr Margot on the left. Beside him is Mr Henning Dyremose, the Danish Minister for Labour who addressed the Plenary Session.

meaningful social policy initiatives of a similar scale or nature. There is considerable disparity here between official political comment and real action towards establishing a genuine European social policy, drawing on the advantages of a Community scale market and a more effective use of the structural funds, and enhancing the 'multiplier effects' of an EC-wide economic growth and employment strategy. Indeed, the 1980s have been hallmarked by the Council's use of the right of veto, which has led to many major Community social policy legislation proposals being shelved.

It therefore seems inconsistent, not to say incomprehensible, that the Commission, unlike the Parliament, has omitted to propose a change in the legal basis (from Article 100 of the Treaty to Article 118A of the Single Act providing for qualified majority voting in Council) of a number of draft proposals in the social sector which are still frozen because of failure to reach unanimity.

Accordingly, a comprehensive approach is obviously needed in order to inject fresh momentum and meaning into Community social policy and hence facilitate the adoption of existing Commission proposals which take account of European Parliament and ESC Opinions.

Framed in these flexible terms, Community policy on fundamental social rights could help adjust national regulations to the new economic and social dimension which is to be generated by the reshaped Community-wide single market.

Once fundamental social rights have been secured, the anxiety and suspicion surrounding the need for greater industrial flexibility should be alleviated, the Report states.

In order to allow a constructive social dialogue, it is essential for the Community to adopt legislation stipulating the fundamental social rights to be respected regardless of the pressures of competition and the drive to sharpen competitiveness. This definition of fundamental social rights offers all parties a sound starting-point for negotiations on all aspects of the flexibility advocated in the development strategy, which cannot be left solely to social deregulation. It also needs to be made clear that a framework Directive determining fundamental social rights, while binding on Member States, would not infringe their prerogatives as regards implementation.

The industrial relations package would therefore guarantee:

- (i) the right of all workers, irrespective of contractual status, and thus including part-time and fixed-contract workers, (a) to be covered by collective bargaining agreements or trade agreements,

- and by health and safety measures at the workplace, and (b) to contribute to and benefit from social security schemes;
- (ii) a ban on repeated renewal of fixed-term contracts;
 - (iii) the right of workers to be informed and consulted in company decision-making — both national and international — on technological innovation and changes which affect business structures, the organization of production, and employment.

Although industrial relations account for a large proportion of the social aspects, they do not embrace all the guarantees needed to maintain the Community's social fabric. The following measures are also needed:

- (i) steps to underpin support for the most vulnerable and disadvantaged groups outside the labour market, involving renewed commitment to joint social responsibility;
- (ii) support measures to help safeguard family unity and family values which can be beneficial to society as a whole;
- (iii) measures to protect the rights of ethnic minorities;
- (iv) confirmation of the consumers' right to help define product safety standards and their potential effects on health and the environment;
- (v) renewed confirmation of equal opportunities for women in education, training and employment;
- (vi) definition of provisions to guarantee free movement of Community citizens, with particular reference to migrant workers and to the recognition of educational and vocational qualifications obtained in another Member State.

Reforms should also take account of:

- (i) the need for maximum convergence of social security schemes, with a view to the completion of the internal market;
- (ii) demographic trends, which call for enhanced solidarity between the generations, if social security systems are to continue their role both of providing protection and of supporting production.

The Committee decided by 84 votes to 31, with 14 abstentions, to submit the Report to the Council and the Commission. It also decided to draw up an Opinion on the same subject. In this way the content of the Report could be discussed in detail.

This Opinion was drawn up in light of the paper produced by the Section for Social, Family, Educational and Cultural Affairs, chaired by Mr Carroll (Ireland — Workers). The rapporteur was Mr Beretta (Italy — Workers).

2. WORKER PROTECTION

'Proposal for a Council Directive amending Directive 80/1107/EEC on the protection of workers from the risks related to exposure to chemical, physical and biological agents at work'
(COM(86) 296 final)

Gist of the proposed Directive

The Council Resolution of 27 February 1984 on a second programme of action of the European Communities on safety and health at work identifies as a priority action 'the harmonization of exposure limits for a certain number of substances, taking into account existing exposure limits' (OJ C 67 of 8 March 1984, page 2).

To this end, the present proposal amends for the first time the Council Directive of 27 November 1980 on the protection of workers from the risks related to exposure to chemical, physical and biological agents at work (OJ L 327 of 3 December 1980, page 8).

An examination of Member States' lists of occupational exposure limits shows that fewer than 1 000 agents are involved. It is significant that in many cases Member States have established the same or similar occupational exposure limits. In such cases it is inappropriate for the Commission to consider repeating the evaluations necessary to establish the limit values. In other cases the limit values differ widely between Member States and, since there may be many reasons to account for these differences, re-evaluations will be required.

Since the Commission wishes to make rapid progress in the establishment of Community occupational exposure limits, an initial list of 100 occupational exposure limit values has been drawn up.

These agents have been selected because the limit values for an eight-hour reference period are similar in the lists maintained by those Member States which have carried out their own evaluations (even though the significance of these values may vary between Member States) and because they are frequently encountered at the workplace.

Gist of the Committee Opinion¹

In its Opinion, adopted by 125 votes for and eight abstentions, the Committee noted that where a majority of the Member States had not agreed on a limit value, the Commission generally opted for the

¹ C.I.S 100/87.

least favourable value in terms of worker protection. This choice was strange, to say the least, if worker protection really was the Commission's top priority.

The Committee referred to its previous Opinions which had always emphasized priority for worker protection, with the least possible damage to economic interests. The Opinion stressed that employers and workers should participate in planning and applying the proposed measures.

The Committee commented specifically on the following points which are discussed:

- (i) definition of main terms used;
- (ii) restrictive nature of the proposed value limits;
- (iii) assessment of risks and the Directive's scope;
- (iv) reference method;
- (v) exposure level;
- (vi) exceeding of limit value;
- (vii) checks to determine whether limit values were being exceeded;
- (viii) workers' rights.

The Committee welcomed the proposed harmonization of exposure limit values for chemical, physical and biological agents. However, the resultant Community-wide list of limit values and restrictions must be based on definitions of the most important terms. In particular the term 'limit value' should be clearly defined on a generally acceptable basis throughout the Community.

This Opinion was drawn up in the light of the paper produced by the Section for Social, Family, Cultural and Educational Affairs, chaired by Mr Carroll (Ireland — Workers). The rapporteur was Mr Ety (The Netherlands — Workers).

3. ENVIRONMENT/EMPLOYMENT

'Proposal for a Council Decision establishing a five-year Community-wide programme of projects illustrating how actions in the environmental field can also contribute to employment creation'

'Communication from the Commission on the job-creation potential of environmental measures'

Gist of the Commission's proposal

The objectives of the five-year environment/employment action programme are:

- (a) to assist certain environmental protection measures;
- (b) to demonstrate the job-creating potential of environment protection measures by supporting the carrying-out of demonstration projects in all Member States;
- (c) to evaluate the projects carried out, disseminate the results and the conclusions reached, and promote any necessary Community measures which would aid the future development of the environment sector within an integrated development framework.

Gist of the Committee's Opinion¹

The Economic and Social Committee adopted its Opinion unanimously.

It envisages the creation of long-term jobs to provide the motivation needed for training measures for employees to be successful (a skilled workforce being a prerequisite for the development of environmental technologies).

The ESC believes the development and production of environmental technologies will have a positive impact on employment. The ESC therefore calls for support for demonstration projects in so far as they are supplementary, innovatory and exploited at Community level and suggests giving priority to those projects involving concrete cooperation between national and regional authorities, private industry, trade unions and established consumer associations or if they are likely to benefit cross-frontier initiatives. The Committee also insists on checks being made to ensure that encouraging demonstration projects does not lead to the infringement of the 'polluter pays' principle.

In the Committee's opinion, demonstration projects in the environmental field should have a catalytic function and thus contribute to reducing the now unacceptable level of unemployment. To this end, the following principles would have to be respected:

- (i) the projects should be relevant to regions where the environment has suffered severely, unemployment is high and pollution is a vital issue;
- (ii) 'clean technologies' should be implemented as they have the advantage of precluding the production of toxic substances from the outset;
- (iii) 'rehabilitation technologies' should be developed, in particular as regards the restoration of contaminated soil (industry, agri-

¹ CES 787/87.

culture), soil erosion, the purification of wastes and effluents and of combustion fumes, noise abatement and city centre redevelopment.

The demonstration projects can thus play a concrete role in improving the environment while also creating additional scope for economic growth in the regions concerned, i.e. basically where industry is old, agriculture is intensive and also in tourist regions.

This Opinion was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Jaschick (Germany — Various Interests). The rapporteur was Mr Schmitz (Germany — Workers).

4. COSMETIC PRODUCTS

'Proposal for a Council Directive amending for the fourth time Directive 76/768/EEC on the approximation of the laws of the Member States relating to cosmetic products'
(COM(87) 74 final)

Gist of the Commission's document

The aim of the proposal is:

- (a) to update Directive 76/768/EEC by amending Articles 4 and 5 in the light of the adaptation to technical progress of Annexes II to VI; and
- (b) to amend Articles 6 and 12 in the light of experience acquired (clarification of Article 6 as regards mandatory labelling, and amendment of the deadline laid down for consulting the Member States).

The list of colouring agents is to become an exhaustive Community list (list of permitted substances); colouring agents intended solely to colour hair are excluded from it, as they are to have a list of their own.

Gist of the Committee's Opinion¹

In its Opinion, adopted unanimously, the Committee welcomes the proposal and calls for rapid progress towards total harmonization. In this connection it urges the abolition of Annex V (list of substances falling outside the Directive) and asks the Commission to make every effort to achieve this by 1 January 1992.

¹ CES 788/87.

The Committee is concerned about the failure to provide for special precautions in the case of cosmetic products for professional use and urges the Commission to consider the possibility of preventive measures in respect of the staff of hairdressing salons.

It considers that indication of the minimum durability of the product must continue to be mandatory and that common methods must be worked out for determining this durability.

This Opinion was drawn up in the light of the paper produced by the Section for Protection of the Environment, Public Health and Consumer Affairs, chaired by Mr Jaschick (Germany — Various Interests). The rapporteur was Mr Proumens (Belgium — Employers).

5. PRICING OF MEDICINAL PRODUCTS

'Proposal for a Council Directive relating to the transparency of measures regulating the pricing of medicinal products for human use and their inclusion within the scope of the national health insurance system'
(COM(86) 765 final)

Gist of the Commission's document

The basic objective of the proposal for a Directive is to enable all concerned to verify that the requirements of Community law in the pharmaceuticals sphere are being respected, by laying down a series of directly effective rules relating to time-limits, the reasoning and publication of decisions, etc.; so that those concerned can defend their interests before the national courts. In addition, the proposal provides for cooperation at Community level.

The proposal deals specifically with the following problems:

(a) Price controls on individual medicinal products

In countries where the marketing of a new medicinal product is permitted only after the competent national authorities have approved the price for that product, the following rules would apply. The manufacturer would be obliged to notify the authorities of his intention to market a medicinal product, indicating the price at which he proposed the product be sold and providing appropriate information in support of his proposal. The competent authorities would be required to reach a decision on this notification within 90 days of its receipt. Should the authorities reject the price proposed by the firm, they would be obliged to give a detailed statement of reasons. There would be a right of appeal.

(b) Price freezes

The Commission proposes that in event of a general freeze on pharmaceutical prices, the Member State concerned should be required to review and if necessary adjust the overall level of pharmaceutical prices at least once a year or whenever the national resale price index has increased by 10% since the last review.

(c) Profit controls

When a Member State resorts to a system of controls on the profitability of pharmaceutical firms, it will have to publish certain information each year so that each company can verify that it is being fairly treated. This information should include the average target profit for the industry as a whole for the year in question and the minimum and maximum rates, as well as the criteria used in deciding on the target rate for each firm.

(d) Social security reimbursement

In certain Member States a medicinal product will not be available under the national health insurance system unless it has been included in a positive list, while in other Member States negative lists of products excluded from the scope of the national health insurance system are used.

Where a system of positive lists is used, the Member States should ensure that decisions are reached on applications within 90 days. Reasons will have to be given for national decisions, which must be notified to the firms concerned with an indication of the means of redress open against such decisions and the time-limits within which appeals must be made. Analogous provisions are laid down for a system of negative lists.

(e) Classification of products eligible for reimbursement

Within the framework of reimbursement, classification is particularly important because it affects the choice of the reference products which are used to decide whether or not a new product represents value for money. The proposal therefore envisages delegating to the Commission the power to issue a directive to harmonize the classification of medicinal products for social security purposes within the Community.

(f) Transfer prices

Trade in intermediate products is of considerable economic significance and much of it consists of transfers within the same group of

companies rather than 'arms-length' transactions. The Commission is proposing that those Member States which attempt to verify transfer prices should be required to notify the criteria used to the Commission.

Gist of the Committee's Opinion¹

The Economic and Social Committee, in its Opinion adopted by 122 votes for, 11 votes against and 13 abstentions, calls for the establishment, by the proposed deadline of 1992, of a genuine common market in medicinal products.

The ESC argues that all citizens should have access to a pharmaceutical service commensurate with their health needs and that patients should be able to benefit from the most recent research and from the best possible health service. To this end, priority should be given to the following:

- (i) provision of medico-scientific information;
- (ii) development of innovative research;
- (iii) provision of systematic information on medicinal product prices to doctors on a comparative basis;
- (iv) distribution of pharmaceutical products, taking account of the overriding requirements of public health;
- (v) marketing of medicinal products at optimum prices;
- (vi) rules to ensure that the advertising and use of medicinal products meet the highest possible ethical standards.

In its Opinion, the Committee argues for 'transparency' in price control arrangements and requests for reimbursement.

As regards price control, the ESC considers that it is not desirable in current circumstances simply to extend the system of completely free competition. In the past most Member States have adopted measures of varying force on medicinal-product prices, ranging from monitoring systems to strict controls. The Committee feels that a distinction should be made between a blanket freeze, an exception measure applying to all products and a prolonged freeze confined to medicinal products designed to contain social security costs. The latter does not seem justifiable.

With regard to measures to ensure 'transparency' of procedures for determining eligibility for refund, the Committee calls for (a) time limits for the updating of lists, and (b) clearly defined conditions for

¹ C.I.S. 801/87.

access to the medicinal products available under the social security systems. In the interests of both manufacturers and consumers it would be desirable to harmonize the system of lists.

The Committee regards innovative research as the driving force of the pharmaceutical sector and therefore feels that the requisite human and financial resources must be harnessed, in the interests of consumers, manufacturers and the State, to the development of research aimed at discovering products to treat hitherto incurable diseases and enhancing the therapeutic effects or reducing the toxicity of existing products.

Finally, the Committee notes that in most Member States there is a large disparity in the matter of appeals. The ESC feels that it is essential that applicants should be informed of all the means of appeal available and of the time-limits for lodging such appeals.

This Opinion was drawn up in the light of the papers produced by the Section for Industry, Commerce, Crafts and Services (main responsibility), and the Section for Social, Family, Cultural and Educational Affairs, (subsiding). Respective Chairmen Mr Kazazis (Greece — Employers) and Mr Carroll (Ireland — Workers). The rapporteur was Mr Frandi (Italy — Workers).

6. AGRICULTURAL INCOME

'Proposal for a Council Regulation (EEC) establishing a Community system of aids to agricultural income',

'Proposal for a Council Regulation (EEC) establishing a framework system for national aids to agricultural income', and

'Proposal for a Council Regulation (EEC) establishing a Community scheme to encourage the cessation of farming'

Gist of the Commission's proposal

The situation on the agricultural markets has forced the authorities to pursue a more restrictive prices policy, reduce guarantees and intervention machinery and increase farmers' share of responsibilities. However, the impact of these adjustments on economically and structurally weak farms cannot be ignored. Furthermore, there is a need to speed up the adaptation of agricultural production structures and encourage rural development, and the operation of the structural funds must be strengthened with a view to promoting cohesion and more harmonious development in the Community.

However, a policy of this kind can produce real results only in the medium and long term.

Thus, in order to ensure in the immediate future that the market reorganization measures have a more balanced impact, direct compensation has already been approved; for example, the buying back of milk quotas and premiums for beef and veal.

At the same time the Commission considers that Community action would be more effective if there were also instruments allowing direct and selective income support for farmers.

Such machinery would enable the Community to assist poorer farmers who are more vulnerable to current market adjustments, without boosting productions as a whole in a given sector or a given region.

Compensatory allowances are already available in upland and other less-favoured areas, and the Commission thinks that access to these allowances must now be accorded to all farmers meeting certain economic or structural criteria.

It therefore proposes the adoption of a Community approach to the question of income support — an approach which would be under three separate, but complementary, headings.

Community farm income aid

(1) Beneficiaries

The aim of this scheme is to tide over potentially viable farms where farming is the farmer's main activity and which have been hit by the adjustments now being made to the markets. Once balance has been restored to the Community markets, these farms would be in a position to operate profitably.

The proposed scheme is mainly aimed at farmers who earn less than 125% of the average farm income in the region or, if the Member State so wishes, 100% of the average national farm income.

(2) Aid to be limited in time

The aid, which would taper off over a maximum period of five years, would be contingent on submission of evidence that the farm might be viable after five years.

Any Member State wishing to implement the proposed scheme must submit in advance a programme indicating how it is to be applied and stating on what socio-economic grounds it is justified.

(3) *Financing*

The scheme will be co-financed by the Community budget. However Community aid will vary depending on the scale of the problems and the Member States' ability to pay.

The proposed rates of finance are to be 70%, 45%, 20% and 10%, depending on the region.

It is estimated that the total number of farms qualifying for the scheme will be just over 500 000 over a period of five years.

The cost to the Community's EAGGF Guarantee Section is likely to be 1 800 million ECU for the 1988-97 period.

Framework system for national farm income aid

(1) *Beneficiaries*

The purpose of this framework system is to obtain a clearer picture of the situation.

The proposed regulation defines the scope for action available to the Member States by way of derogation from the requirements of Articles 91 to 94 of the Treaty.

Farmers and members of their families will be eligible if the overall family income per work unit is less than the average regional farm income, or, the Member State so wishes, 80% of the average national farm income.

(2) *Commission endorsement*

Member States planning to provide national aid under the proposed scheme must submit to the Commission a programme indicating how this aid is to be granted and stating on what socio-economic grounds it is justified. The scheme cannot be implemented until the Commission has given its approval.

(3) *Financing*

The aid will come solely from national resources.

(4) *Procedures*

Because the situations vary so widely in the Community, the Member States will determine the procedures they are planning to apply. These must be compatible with existing machinery.

Community scheme to encourage the cessation of farming

(1) Background

By the time the Council adopted the proposals on agricultural structures designed to facilitate adaptation of agriculture to the new situation of the markets and the protection of the countryside (COM(86) 199 final, 21 April 1986), the Commission had withdrawn from the package its proposal on a 'pre-pension' scheme. However, it stated at the time that it would reconsider its position in connection with its income support proposals then in the pipeline.

(2) Objectives of the new proposal

There are two separate but related objectives for farmers of 55 years of age and over, namely,

either (Alternative I):

a social objective in the form of income support for the most vulnerable who are less well-equipped to react and adapt to changes on the market;

plus,

a contribution to the reorganization of the market where the 'pre-pension' is combined with set-aside of land;

or (Alternative II):

a contribution to the modernization of farming where the land released by a farmer opting for the 'pre-pension' scheme is assigned to become a profitable concern.

If the Member State opts for this scheme, it can either choose itself between the two alternatives or establish a system providing both alternatives and leaving the choice to the beneficiary.

(3) Financing

EAGGF co-financing is to be provided at a single 50% rate throughout the Community where the 'pre-pension' scheme is combined with set-aside (Alternative I). On the other hand, where the 'pre-pension' scheme is combined with restructuring (Alternative II), co-financing will be related to regional development levels and the proportion of farmers and farm workers in the region. The rates of Community aid will be 50%, 25% and 0%.

It is estimated that 40 000 farmers and 4 000 farm workers will opt for Alternative I and that 480 000ha will be set aside as a result between 1988 and 1992.

This option — involving both extra costs and cuts in expenditure — would cost the EAGGF Guidance Section an extra 294 million ECU on balance between 1988 and 1992.

The aid towards reafforestation would cost an estimated 49 million ECU.

It is estimated that Alternative II will be selected by 65 000 farmers and will necessitate budgetary expenditure of 170 million ECU for the 1989-93 period.

Gist of the Committee's Opinion¹

By a large majority and 10 abstentions the Economic and Social Committee adopted its Opinion on this matter. It cannot subscribe to measures which benefit some regions more than others and prevent the achievement of full economic and social cohesion by 1992.

In its comments on the first scheme concerning 'a Community system of aids to agricultural income', the Committee endorses the objective of supporting a maximum number of holdings in temporary difficulties and helping them to recover. Since income support is limited, it may need to be extended if it is to be fully effective.

Turning to the second proposal — 'the framework system for national aids to agricultural income' — the Committee highlights the danger of price and market policy inconsistencies, as well as the danger of regional imbalances if aid is provided only in prosperous Member States while price restrictions are fully enforced elsewhere. The Committee calls for steps to ensure that national aid is not used to top up aid granted by the Community.

Regarding the third measure — 'a Community scheme to encourage the cessation of farming' — the ESC approves the 'pre-pension' scheme and its two objectives: (a) to provide social assistance for elderly members of the farming community, and paid workers and family helpers over the age of 55 who have been particularly hard hit by the crisis and are finding it difficult to adjust to the new market situation; (b) to contribute to the reorganization of the market by reassigning land or to assist in the restructuring of farms. This calls for a regional approach given the adverse consequences of haphazard abandonment of agricultural production.

This Opinion was drawn up in the light of the paper produced by the Section for Agriculture, chaired by Mr Lopez de la Puerta (Spain — Various Interests). The rapporteur was Mr Laur (France — Various Interests).

¹ C I S 798/87.

7. INDIRECT TAXES ON TRANSACTIONS IN SECURITIES

**'Proposal for a Council Directive relating to indirect
taxes on transactions in securities'**
(COM(87) 139 final)

Gist of the Commission's proposal

On 2 April 1976, the Commission presented to the Council a draft Directive indicating the desirability of abolishing indirect taxes on transactions in securities.¹

The Committee issued an Opinion at the time stating that the best solution would be to abolish such taxes, in the interests of bringing about a real European capital market.²

After the Council's adoption of the Directive on the liberalization of capital movements,³ the Commission is asking with the present amended proposal that the Member States abolish indirect taxes on transactions in securities.

At the same time, the Commission's proposal seeks to prevent the effects of abolishing such taxes being annulled by the introduction of other taxes having the same purpose as those currently in force.

Gist of the Committee's Opinion⁴

By a large majority, two votes against and two abstentions, the Committee approves the Commission's proposal and asks the Council to adopt this Directive as soon as possible.

The Committee also considers that the adoption of this Directive will further the integration of the securities market, promote the unification of the Community's capital markets and encourage business investment, with all the consequent benefits for, *inter alia*, the competitiveness of the European economy and job creation. It urges the Commission to continue its work for the achievement of these objectives and to devote particular attention to the elimination of obstacles, especially those of a fiscal nature, that still exist.

The Opinion was drawn up in the light of the paper produced by the Section for Economic and Financial Questions, chaired by Mr Goris

¹ OJ C 133 of 14 June 1976.

² CES 1062/76 of 27 October 1976.

³ OJ L 332 of 26 November 1986.

⁴ CES 807/87.

(The Netherlands — Various Interests). The rapporteur was Mr Pardon (Belgium — Employers).

8. BUSINESS AND INNOVATION CENTRES

'Proposal for a Council Decision concerning a Community programme to create and develop business and innovation centres and their network'
(COM(86) 785 final)

Gist of the Commission's document

Business and innovation centres are an instrument for the implementation of the programme of action for SMEs. They play an essential part in the training of entrepreneurs and considerably facilitate SMEs' access to Community programmes such as Esprit, Brite, etc., as well as programmes designed to exploit endogenous development potential within the framework of the European Regional Development Fund (ERDF), the integrated Mediterranean programme (IMP) and the European Social Fund (ESF).

In 1984 a number of existing centres joined in a voluntary European network in the form of an international non-profit association: the European Business and Innovation Centre Network (EBN) which provides services to its members and encourages them to participate in joint projects.

The draft programme proposes (Article 1.1) that support be provided through EBN, whose foundation was backed financially by the Commission.

The establishment of business centres will be promoted in areas covered by regional policy, IMP development areas and ECSC industrial redevelopment areas.

During the initial four-year period (1987-90), 17.5 million ECU will be allocated from the Community budget for:

- (i) the establishment of approximately 70 centres;
- (ii) the development of the methods necessary for their efficient operation;
- (iii) the promotion of centres in specific areas.

The Community contribution will cover 50% of the cost of these projects and it is anticipated that this will result in the creation of some 15 SMEs (averaging 10 employees each) per annum per centre.

Gist of the Committee's Opinion¹

By a large majority and four abstentions the Committee endorses the Draft Decision largely because it will help to stimulate technological innovation and disseminate it broadly through a Community-wide network. The Committee is more reticent about the current plethora of European and national centres all broadly concerned with economic development and business management. While these bodies are inherently useful they are confusing to the public at large.

The Committee also makes a number of recommendations on the structure and funding arrangements for the centres and their scope. It feels that they should cater for not only small manufacturing industries but also services, including tourism, and that they should be actively concerned with vocational training.

This Opinion was drawn up in the light of the paper produced by the Section for Regional Development and Town and Country Planning chaired by Mr Dassis (Greece — Workers). The rapporteur was Mr Vassilaras (Greece — Various Interests).

9. DISCLOSURE REQUIREMENTS OF BRANCHES

'Proposal for an 11th Council Directive based on Article 54(3)(g) of the Treaty concerning disclosure requirements in respect of branches opened in a Member State by certain types of companies governed by the law of another State'
(COM(86) 397 final)

Gist of the Commission's proposal

This proposal forms part of a package for coordinating the safeguards which companies are required to provide in order to protect the interests of members and others. Its aim is to facilitate the right of establishment through the creation of branches.

There are appreciable differences between branches and subsidiaries when it comes to the coordination of company law. Harmonization has hitherto been concentrated on limited liability companies and subsidiaries created by companies from other Member States. The setting-up of branches has not yet been coordinated and there are thus no Community rules governing disclosure in respect of branches of companies from other Member States. The Member State in which

¹ CFS 802/87.

a branch is set up has a particular interest in such disclosure. In practice a branch is a permanent establishment from which business is transacted regularly. This explains why almost all Member States have introduced special rules relating to disclosure in respect of such branches; however, these rules differ sharply. The legislation is very liberal in some Member States but very strict in others. These differences impede the freedom of establishment.

The aim of the proposal is to protect persons who deal with companies by way of a branch. To achieve this, measures will have to be adopted to ensure disclosure in the Member State of the branch. Such disclosure may be effected without great administrative cost by using the system already established for limited liability companies in the Community.

In addition it is essential to be able to identify the company owning the branch and the register where it is recorded. This register contains all the information on the company as a whole. In principle, it is unnecessary for these documents to be published in the register recording the branch. However, an exception should be made to this rule for the names of persons who are legally empowered to act as representatives.

Special provisions are laid down for accountancy and for branches of companies based outside the Community.

Gist of the Committee's Opinion¹

The Committee unanimously feels that more effective right of establishment calls for a reduction in administrative formalities and a solution to the problems of branch taxation, and urges the Commission to achieve these goals.

The Committee approves the fact that translation of the annual accounts and the annual report is not to be compulsory, and that Member States are to be free to decide on this in the light of their own socio-economic circumstances.

To prevent formalities being duplicated when several branches are opened in a single Member State, or, if the Member State prefers, in the same administrative district, these branches should be considered as a single group, on the understanding that this would not prevent the publication, at the level chosen, of the information required on each branch.

Finally, the Committee stresses that the socio-economic influence of a branch may be comparable to that of a subsidiary company. To

¹ CES 804/87.

take account of the socio-economic characteristics of the various Member States, the Commission should, pending further coordination, allow Member States to require disclosure of the accounts of branches or groups of branches which have considerable economic and social influence. The Directive would have to set objective criteria for this. The same requirement should apply to branches which are as important as companies whose head office is in the Member State concerned.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Pardon (Belgium — Employers).

10. PUBLICATION OF ACCOUNTING DOCUMENTS

'Proposal for a Council Directive on the obligations of branches established in a Member State by credit institutions and financial institutions having their head offices outside that Member State regarding the publication of annual accounting documents'
(COM(86) 396 final)

Gist of the proposed Directive

Under the draft Council Directive on the annual accounts of banks and other financial institutions,¹ these annual accounts must in future be drawn up and published according to uniform principles in the Member States and must be comparable with one another.

However, the draft Directive does not deal with the question of the publication requirements of branches. Nor does it cover branches of credit institutions and financial institutions which have their head offices in non-Member countries.

The proposal for an 11th Council Directive concerning disclosure requirements in respect of branches, on which the Committee is also being consulted, provides that specific measures should be laid down for credit and other financial institutions.

To this end, the present proposal states that:

- (i) all branches must publish the annual accounts, annual report and opinion of the auditor and the consolidated accounts, annual report and opinion of the auditor of the credit institution or financial institution;

¹ ESC Opinion published in OJ C 112 of 3 May 1982.

- (ii) the branches of institutions having their head offices in other Member States do not have to publish any branch accounts;
- (iii) the branches of institutions having their head offices in non-member countries may be required to publish branch accounts only if the documents to be produced are not equivalent.

Gist of the Committee's Opinion¹

In its unanimous Opinion the Committee calls for the rapid establishment of all the conditions for a genuine internal market in the Community.

In the area of credit and financial institutions, the achievement of a genuine internal market requires greater economic cohesion through the free movement of capital, tighter coordination of Member States' exchange rate parities and more generally, through the coordination of economic policies. The Commission must therefore continue to concentrate on these areas.

Because of the specific nature of the establishments under discussion, and the fact that they are already required to submit accounting documents to the relevant authorities in the host country in that country's language, the Committee is not against the proposal to require publication of documents in the language of the host country.

In order to take account of the socio-economic peculiarities of each Member State, the Commission should, pending further coordination, allow those Member States which so desire to demand that branches or groups of branches with considerable economic and social influence publish their accounts. Objective criteria regulating this matter should be laid down in the Directive. The same demand should also be imposed on firms the same size as credit institutions and financial institutions whose head office is located in the particular Member State concerned.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Pardon (Belgium — Employers).

11. PUBLIC WORKS CONTRACTS

'Proposal for a Council Directive amending Directive 71/305/EEC concerning the coordination of procedures for the award of public works contracts'
(COM(86) 679 final)

¹ CFS 805/87.

Gist of the Commission's document

The aim of the current proposal is to strengthen the rules ensuring free intra-Community competition for public works contracts, and extend these rules to new fields. This initiative falls within the context of the progressive creation of the unified economic area. Last June, the Commission presented a similar proposal for public supply contracts, which the Council accepted in principle on 22 December 1986 and which the ESC approved on 16 December 1986.

The Commission estimates that public purchasing contracts (including regional and local authority contracts) account for approximately 9% of Community GDP. They are of vital importance to a large number of firms and play a decisive role in certain industrial sectors.

The Commission considers that the current situation is not satisfactory despite the existence of Community Directives which have theoretically introduced the liberalization of public contracts, in reality, these contracts generally remain partitioned, in the sense that the contracts are nearly always awarded to national companies. The Commission is not yet proposing to extend the liberalization to the four main sectors which are currently excluded — energy, transport, water distribution, telecommunications — but it proposes a thorough revision of the 1971 Directive (completed in 1977), which paved the way for the application of the fundamental principles of the EEC Treaty to public works.

The amendments proposed have four objectives:

- (1) Extension of the scope of the Directive. The amended Directive will cover, in addition to the traditional types of public works contracts, new types of contracts that have developed over the past decade and which involve, apart from construction work proper, certain services such as financial promotion, the design and management of the works.
- (2) Strengthening the guarantees which afford equal opportunities for tenders from other Member States and in particular to small and medium-sized undertakings. The amended Directive will define more strictly and narrowly the cases in which the 'single tendering' procedure can be used. It will provide for two new forms of negotiated procedure, one with and the other without a prior call for competition. The number of tenders may not be less than three, and the conditions governing non-discrimination and proper representation of the nationals of other Member States will be made clearer.

The technical specifications which the contracting authorities are likely to adopt under pre-selected tendering constitute one of the

main barriers to the effective de-partitioning of public procurement. The amended Directive will rectify this state of affairs by requiring the contracting authorities to refer to European standards where such standards exist.

The time-limits for tendering are extended to allow firms from other Member States sufficient time to prepare bids and to encourage sub-contracting, in particular from small and medium-sized undertakings.

The 1972 Directive applied only to contracts of a value of 1 million ECU or more. In future the threshold at which the improved guarantees are enforced will be lowered to 700 000 ECU, once again benefiting small and medium-sized firms.

- (3) More transparency of public contracts. The amended Directive will require the contracting authorities to justify the rejection of a bid, to inform firms that they have been turned down, to record the contractors they have selected and the grounds for this selection in a written report and to forward this report to the Commission at its request.

Publication of public contracts with the new extended time-limits will be preceded by an advance notice detailing the main characteristics of the projects, to be published not more than one year and not less than six months before the date on which the contract is to be put up for competition. Where no advance notice is published, the time-limits for publication of the notice of tender proper are doubled.

- (4) A measure of deregulation and simplification both for the contracting authorities and for the tendering firms. In order to lessen the administrative work load of the contracting authorities, and the Official Publications Office, only calls for tenders in respect of contracts worth 7 000 000 ECU or more will be required to be published in the *Official Journal of the European Communities*. Below that threshold it makes little economic sense for contractors to consider contracts in other Member States, unless they are in a neighbouring area; in such cases regional advertising should be sufficient.

Gist of the Committee's Opinion¹

In its Opinion, adopted by a large majority, seven votes against and two abstentions, the Economic and Social Committee states that the opening-up of public works contracts should go further than proposed by the Commission.

¹ CES 803/87.

It agrees with the Commission's main objective of transparent and open competition, but believes that the Commission proposal, which is intended to achieve that objective, is based on two debatable assumptions.

The first is that major contractors are only interested in securing contracts above 7 million ECU in value, thus justifying a publication threshold at that level.

The second is that the lower application threshold of 700 000 ECU will protect SMEs located close to frontiers. Here the Committee, although it is in favour of any measures which serve to encourage greater SME participation in public contracts, cannot agree with the Commission's proposal for a double threshold with a lower level at 700 000 ECU in favour of certain contracts for SMEs. A two-threshold situation to protect not all firms but just those based near borders flies in the face of the basic objective of the proposal which is to put firms (and SMEs) everywhere on an equal competitive footing in bidding for public contracts throughout the Community.

The Committee therefore proposes that a single threshold limit of 3.5 million ECU be set.

One limit would also do away with confusion and possible misinterpretations of the Directive's threshold of application.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Speirs (United Kingdom — Various Interests).

12. COMPULSORY WINDING-UP OF INSURANCE UNDERTAKINGS

'Proposal for a Council Directive on the coordination of laws, regulations and administrative provisions relating to the compulsory winding-up of direct insurance undertakings'

(COM(86) 768 final)

Gist of the Commission's document

The coordination of the provisions relating to the compulsory winding-up of insurance undertakings can be seen as complementary

to the two First-Coordination Directives concerning the business of direct insurance.¹

The proposal is concerned with the compulsory winding-up, i.e. imposed by an administrative authority or a court, of the undertaking to which the two First Coordination Directives referred to above apply. The proposal distinguishes between two procedures, depending on whether the winding-up is imposed because of the insolvency of the undertakings (special compulsory winding-up) or not (normal compulsory winding-up).

The proposal contains rules relating to the role to be played by the various supervisory authorities which monitor the activity of the undertaking, provisions governing the treatment of insurance contracts and, lastly, in the case of special compulsory winding-up, specific rules for the distribution of the assets. Such a system presupposes the keeping of an up-to-date register of those assets, under the supervision of the supervisory authorities.

An effort has been made in the proposal to reconcile the need to guarantee the rights of policyholders, whose premiums supply the funds of insurance undertakings, with the legitimate interests of other creditors, in particular the employees.

Gist of the Committee's Opinion²

The principal aim of the Commission's proposal is to provide special protection for policyholders when authorization is withdrawn (normal compulsory winding-up) or when the undertaking is in a state of proven or probable insolvency (special compulsory winding-up).

The Committee unanimously endorses this aim as the proposal will help create the confidence needed for an internal market in insurance. Specific protection is in fact warranted by the particular nature of the insurance business in that the undertaking uses policyholders' premiums to form reserves and assets corresponding to these reserves, which are used to meet subsequent, fluctuating liabilities.

At the same time the Committee suggests that it would be in the interests of policyholders to have a stronger preventive policy, including improved cooperation between the supervisory authorities, in accordance with the basic Directives on the taking-up and pursuit of the business of insurance. As part of this, restructuring measures,

¹ First Council Directive 73/239/FEC of 24 July 1973 concerning direct insurance other than life insurance (OJ L 228, 16.8.1973, p. 3).

First Council Directive 79/267/EEC of 5 March 1979 concerning direct life insurance (OJ L 63, 13.3.1979, p. 1).

² CFS 790/87.

such as the transfer of portfolios and internal reorganization, would have to be taken in good time wherever possible so that compulsory winding-up could be avoided.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Cortois (Belgium — Employers).

13. INSURANCE COMPANIES' ANNUAL ACCOUNTS

**'Proposal for a Council Directive on the annual accounts
of insurance undertakings'**
(COM(86) 764 final)

Gist of the Commission's document

The Fourth Council Directive of 25 July 1978 on the annual accounts of certain types of companies (78/660/EEC) lays down in Article 1 (2) that 'pending subsequent coordination, the Member States need not apply the provisions of this Directive to banks and other financial institutions or to insurance companies'. A proposal for a Council Directive concerning the annual accounts of banks and other financial institutions was submitted by the Commission to the Council in March 1981.

The present proposal only deals with matters where the nature of insurance makes it necessary to diverge from the Fourth Directive, the provisions of which will apply except where otherwise expressly stated. It covers all insurance undertakings, regardless of their legal form, which are within the scope of the two First Insurance Coordination Directives.

There is furthermore a social aspect to the accounts of insurance undertakings given that insurance may also, through life insurance, be a provision for old age. But individuals pay premiums well before the possible benefits materialize and must be able to have confidence in the insurer. This has led not only to the establishment of supervisory systems, but also to a form of control, in that insurance undertakings in almost all Member States are required to make a considerable amount of financial information available to the public in a standard form.

In framing rules for the standard contents and presentation of insurance accounts, the Commission has taken account of the fact that there already exists a considerable convergence of practice in the conduct of non-life insurance. In life insurance, however, national practices and legislations in such matters as the mortality tables and

interest rates to be used, the participation of policyholders in profits, the surrender values of policies and the taxation treatment of various aspects of the business have produced divergent situations which it is largely beyond the scope of this Directive to eliminate.

Finally, as regards the valuation of investments, the present proposal does not seek to choose between the rival merits of the 'historical cost' and 'current value' methods; it lays down instead that both methods shall be used, the results of one appearing in the balance sheet while the figures provided by the other must be given in the notes on the accounts.

Gist of the Committee's Opinion¹

In its Opinion, adopted unanimously, the Committee notes, first of all that the special features of insurance companies which led to them being excluded from the scope of the Fourth and Seventh Directives remain. It thinks they would justify the drafting of a complete set of rules embracing all the decisions adopted with respect to the insurance sector.

It would also prefer to see branches of foreign companies covered by the Directive, so as to ensure that equal conditions apply to them and to companies based in the Community.

The Committee considers that the present proposed Directive must make it easier to compare published accounts, so that competition between insurance companies can develop. For that, the solutions adopted for the various documents published (balance sheet, profit and loss account and notes on the accounts) should as far as possible, be consistent, so as to make them easier to read.

The present proposal is a compromise between different approaches to difficult technical problems. This is the case of the treatment of reinsurance, yields from investments and operating costs. Accounting rules should have some flexibility, so that the methods of managing insurance business remain different, thus encouraging competition between the different markets. Member States must therefore be allowed a choice to enable the adjustments necessary in the light of market features to be made. But the long-term interests of customers must also be protected, and every step must be taken to strengthen the solvency of insurance companies, which is the policyholder's real guarantee.

Finally, the Committee points out that the decisions taken concerning accounting practices can affect a firm's tax situation.

¹ C.F.S. 791/87.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Pelletier (France — Employers).

14. WEIGHTS AND DIMENSIONS/ REFRIGERATED VEHICLES

'Proposal for a Council Directive amending Directive 85/3/EEC on the weights, dimensions and certain technical characteristics of certain road vehicles'

Gist of the Commission's proposal

The Commission's document, amending Directive 85/3/EEC,¹ proposes that the maximum permitted width of vehicles with a regulated temperature be fixed at 2.60m, i.e. 10cm more than for other vehicles.

The reason for this derogation is that vehicles with a regulated temperature have insulated walls which are thicker than 45mm. Given that:

- (i) international standardized pallets have a width of 1 200mm,
- (ii) efficient use of the load space of a vehicle involves the transport of two pallets next to each other,
- (iii) a total inside width of around 2 480mm (i.e. $2 \times 1\,200\text{mm} + \text{tolerances}$) is needed,

it is clearly impossible for the external width of 2 500mm, prescribed by Directive 85/3/EEC, to be respected in the case of refrigerated vehicles.

One solution would be to construct refrigerated vehicles with thin walls, but with a more powerful refrigerating unit. However, the Commission considers this solution unwise for economic, public health, environmental and road safety reasons.

The Commission's proposal covers a small number of vehicles. Refrigerated vehicles account for 1% at the most of the vehicles covered by Directive 85/3/EEC.

¹ OJ L 2 of 3 January 1985, page 14.

Gist of the Committee's Opinion¹

The Committee approves unanimously the Commission's proposal for a 10cm increase in the maximum authorized width of refrigerated vehicles but has some reservations concerning technicalities, economics, road safety and environmental conservation. It wishes, however, to make some general comments in relation to Directive 85/3/EEC and its application to date.

The Committee notes with regret that there are still considerable discrepancies between the weights, dimensions and other technical characteristics of certain road vehicles in the various Member States and the standards laid down in Directive 85/3/EEC. The fact that the Commission is now proposing a further derogation (for refrigerated vehicles) suggests that this Directive will, in the final analysis, become a dead letter.

The Committee consequently wonders if the overall question of the weights, dimensions and certain other technical specifications of vehicles and their implications should not be re-addressed with the aim of establishing standards to be applied throughout the Community. Standardized values would have to be laid down by 1992 at the latest (completion of the internal market). To this end, the Commission would have to draw up a detailed timetable of steps to be taken. The Committee furthermore believes that the ultimate aim should be a regulation rather than a Directive.

This Opinion was drawn up in the light of the paper produced by the Section for Transport and Communications chaired by Mr Smith (United Kingdom — Workers). The rapporteur was Mr Bleser (Luxembourg — Workers).

15. GSP 1988

'Proposal for a Council Regulation (EEC) applying generalized tariff preferences for 1988 in respect of certain industrial products originating in developing countries;

Proposal for a Council Regulation (EEC) applying generalized tariff preferences for 1988 to textile products originating in developing countries;

Proposal for a Council Regulation (EEC) applying generalized tariff preferences for 1988 in respect of

¹ CES 795/87.

certain agricultural products originating in developing countries;

Draft Decision of the Representatives of the Governments of the Member States of the European Coal and Steel Community, meeting within the Council applying for 1988 the generalized tariff preferences for certain steel products originating in developing countries;'

**(submitted by the Commission to the Council)
(COM(87) 227 final).**

Gist of the Commission's proposals

Each year the Community adjusts the generalized tariff preferences which it applies to imports from certain developing countries. The Commission proposals are based on Article 113 of the Treaty of Rome. The Council can thus take a decision by a qualified majority.

The Commission proposes increasing preferential imports of industrial products by an average of 5% *vis-à-vis* 1987. For industrial products other than textiles, the Commission is seeking to allow developing countries in real need to benefit more from the GSP by means of selective product/country exclusions. These are to operate when the imports of a sensitive product (i.e. a product subject to a tariff quota) from a country reach 20% of total imports of this product into the Community or 10 times the value of the GSP quota.

The Commission proposes to simplify the scheme for textile products by bringing it more closely into line with the differentiation system used for industrial products. The proposed criterion for assessing a supplier country's competitiveness is whether it supplies more than 10% of the Community's imports of a particular MFA category over a three-year period (1983-85).

The Commission proposes to reduce the GSP rates of duty on certain agricultural products in order to restore the preferential margin enjoyed by GSP countries before the 1987 decision to raise duty rates. This decision had been taken in the wake of the dispute between the European Community and the United States after Spain and Portugal had joined the Community.

As regards the administration of the GSP scheme, the Commission proposes abolition of the sharing-out of the import quotas for sensitive products (including textiles) between Member States and relaxing the conditions for reimposing duties when imports of a product into the Community reach the level of the tariff ceiling laid down in the GSP.

Gist of the Committee's Opinion¹

The Committee's Opinion adopted unanimously, follows on from the earlier Committee Opinion on the subject. Attention is drawn to the need to take a stricter line on extremely competitive exports from a number of newly industrialized countries and to the social context of international trade.

This Opinion was drawn up in the light of the paper produced by the Section for External Relations, chaired by Mr Kenna (Ireland — Employers). The rapporteur was Mr Cavazzuti (Italy — Workers).

16. HYDROCARBONS AT SEA

'Proposal for a Council Decision amending Decision 86/85/EEC establishing a Community information system for the control and reduction of pollution caused by the spillage of hydrocarbons and other harmful substances at sea'
(COM(87) 120 final)

Gist of the Commission's proposal

- (i) The massive pollution of the Rhine caused by the fire on 1 November 1986 confirmed the need for Community action to prevent and limit the consequences of accidents which could cause pollution;
- (ii) this proposal seeks to bring inland waterways within the scope of Decision 86/85/EEC, which established Community measures to avoid pollution caused by spillage of hydrocarbons at sea;
- (iii) the Community information system is to be extended to include information on existing plans for combating pollution of inland waterways and an inventory of resources for intervention in the event of a spillage in inland waterways;
- (iv) Article 1 of the previous Council Decision has been amended and a fourth Annex added.

Gist of the Committee's Opinion²

In its unanimous Opinion, the Committee observes that:

¹ C I S 797/87.

² C I S 789/87.

- (1) The attention of the Commission is drawn to the following matters:
 - financial responsibility for damage;
 - dumping by vessels using flags of convenience;
 - juridical problems where third countries are concerned;
 - availability of relevant documents to the general public or local authorities;
 - advising the general public of measures being taken;
 - possible establishment of an overall coordinating authority;
 - possibility of prohibiting vessels from leaving port in storm conditions to avoid risk of accident.
- (2) The Section has some specific comments to make on the proposed information system and on the inventory of available resources (Annex IV), notably:
 - that the information should be available 24 hours out of 24;
 - that information on restrictions on the availability of specialized staff should be included;
 - that oil spills from sources other than ships should be taken into consideration;
 - that derogations should be strictly limited.

This Opinion was drawn up in the light of the paper produced by the Section of the Environment, Public Health and Consumer Affairs, chaired by Mr Jaschick (Germany — Various Interests). The rapporteur was Mr Proumens (Belgium — Employers).

17. PROTECTION FROM RADIATION/ CONSULTATION OF TWO SIDES OF INDUSTRY

'Draft Council Decision amending Decision 74/325/EEC to extend the responsibilities of the Advisory Committee on Safety, Hygiene and Health Protection at Work to include health protection against the dangers arising from ionizing radiation'
(COM(87) 121 final)

Background and gist of the draft Decision

Council Decision 74/325/EEC of 27 June 1974 (OJ L 185 of 9 July 1974) set up an Advisory Committee on Safety, Hygiene and Health Protection at Work.

The task of this Committee is to assist the Commission in the preparation and implementation of activities in the abovementioned fields, with the specific exception of health protection against the dangers arising from ionizing radiation.

In its Communication of 20 August 1986 on 'the development of Community measures for the application of Chapter III of the Euratom Treaty — health and safety' (COM(86) 434 final) the Commission notes that this Treaty makes no provision for consultation of the two sides of industry in the preparation of Community measures and proposals to the Council in the field of radiation protection.

Hence the Commission stated its intention of including radiation protection within the terms of reference of the Advisory Committee.

The present draft Decision fulfils that commitment.

Gist of the Committee's Opinion¹

In its unanimous Opinion the Committee approves the draft Decision submitted by the Commission. It is consistent with the commitment made by the Commission following the Chernobyl accident and is particularly timely on account of the increasing use of ionizing radiation in industry and services.

In view of its own responsibilities in this field, however, as laid down in the provisions of the Euratom Treaty, the Committee urges that provision be made in the draft Decision for the ESC to be forwarded copies of the Advisory Committee's opinions on all matters in the field of ionizing radiation.

This Opinion was drawn up in the light of the paper produced by the Section for Energy, Nuclear Questions and Research, chaired by Mr Romoli (Italy — Workers). The rapporteur was Mr Preben Nielsen (Denmark — Workers).

18. TECHNICAL STANDARDS AND REGULATIONS

'Proposal for a Council Directive amending Directive 83/189/EEC laying down a procedure for the provision of information in the field of technical standards and regulations'

¹ CES 796/87.

and

'Proposal for a Council Directive laying down a procedure for the provision of information in the field of technical standards and regulations applying to agricultural products'

Gist of the Commission's document

The main purpose of Directive 83/189/EEC of 28 March 1983, laying down a procedure for the provision of information in the field of technical standards and regulations, is to prevent Member States from introducing standards that could create trade barriers. Article 1(7) of this Directive specifies that the provisions are not applicable to agricultural products, products for human or animal consumption, or medicinal or cosmetic products.

The exclusion of these products, which had not been envisaged in the Commission's original proposal, arose out of a desire to make the system easier and more efficient to operate in the initial phase.

However, this initial phase of the procedure must now be regarded as completed and these exemptions have often been found to be a significant source of barriers to trade. The need for information referred to in Directive 83/189/EEC therefore also applies to these areas.

Lastly, back in June 1985, the Commission stressed, in its White Paper on completing the internal market, the importance of extending the scope of this Directive.

Consequently it is proposing that the Directive be broadened to encompass all products which might be traded within the Community. For this purpose, it proposes the deletion of the exclusion set out in Article 1(7), which is done by the first proposal concerning products for human or animal consumption, medicinal products and cosmetic products, and which is the object of a similar but separate proposal for agricultural products within the meaning of Article 38 and Annex II to the EEC Treaty.

The extension of the Directive's scope to include agricultural products, for human or animal consumption, and medicinal and cosmetic products would mean that all draft technical regulations envisaged by Member States would henceforth be covered by its provisions.

Examination of the operation of the procedures laid down in the Directive has prompted the Commission to supplement the provisions

in Article 9 concerning the Member States' obligation to postpone the adoption of a technical regulation (standstill arrangement) by inserting a new Clause 2(a), obliging Member States to postpone adoption of a draft technical regulation for 12 months where the Commission has submitted a proposal for a Directive to the Council.

Lastly, the Commission, in close conjunction with the Standing Committee, also intends to add to the list of instances in which that Committee must be consulted in connection with the requests made to the European standards institutions.

Gist of the Committee's Opinion¹

The Committee adopted the Opinion unanimously, less 10 absentions.

It endorses both proposals which will extend Directive 83/189/EEC to cover all goods circulating within the Community with only a single point of notification within the Commission.

It notes with satisfaction that the current Directive 83/189/EEC appears to be fulfilling the purpose for which it was designed; that is, the prevention of the creation of new obstacles to an internal market. It provides a necessary transparency to Member States' national initiatives to introduce binding regulations and to Member States' national standards bodies at the stage of project proposal and the subsequent draft standard.

The Section finally notes that the wording proposed in the new Standstill Clause could result in a standstill of up to 15 months, and suggests that the text be amended to avoid such a possibility.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Kazakis (Greece — Workers). The rapporteur was Mr de Normann (United Kingdom — Workers).

19. LAWNMOWERS

'Proposal for a Council Directive amending Directive 84/538/EEC on the approximation of the laws of the Member States relating to the permissible sound power level of lawnmowers'

¹ C.I.S 792/87.

Gist of the Commission's document

Directive 84/538/EEC on the permissible sound power level of lawnmowers excluded motorized cylinder mowers from its scope. The present proposal extends the application of the Directive to cylinder lawnmowers and in particular modifies Article 1, paragraph 3 (Scope of the basic Directive) and Annex 1, which lays down additional technical procedures for measuring noise emitted by cylinder mowers.

The limits set by Directive 84/538/EEC are not changed by the inclusion of cylinder mowers.

Gist of the Committee's Opinion¹

The Committee adopted its Opinion unanimously, less one abstention. It accepts that an amendment to Directive 84/538/EEC to include motorized cylinder lawnmowers is necessary because of barriers to trade due to varying regulations in the Member States and it further agrees that the maximum permitted levels in that Directive remain unchanged. It doubts, however, whether the proposed amending Directive, as drafted, will bring about the results which it is intended to achieve.

Furthermore, the Section would like to clarify the impression given in the Commission's Explanatory Memorandum that this proposal is accepted by virtually all parties involved. The Commission omits to point out that the advice of the 'parties concerned' in the manufacture of cylinder mowers was not accepted and that the delegates who were not in agreement were from the Member State most vitally concerned. Therefore the Section considers it necessary that a third alternative setting for the cutting mechanism prior to sound measurement be introduced into the Directive. This proposal could remove the difficulties without causing those Member States who already have existing legislation to make any change in their method of sound level measurement.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Pearson (Ireland — Employers).

¹ CES 793/87.

20. AGRICULTURAL TRACTORS

'Proposal for a Council Directive on the approximation of the laws of the Member States relating to certain components and characteristics of wheeled agricultural or forestry tractors'
(COM(87) 194 final)

Gist of the Commission's document

This proposal for a Directive consists of a main body and five technical annexes.

The main body sets out the scope of the Directive, the conditions under which a type of tractor meeting the technical requirements set out in the annexes may receive EEC type-approval or national approval and may be registered, sold, placed in service and used throughout the Community, and also the procedure for adapting to technical progress the requirements set out in the annexes.

The five annexes to the main body of the proposal contain technical requirements which must be met if a type of tractor is to receive EEC type-approval, or if component type-approval is to be granted (to safety glass) in respect of:

- (i) dimensions and masses;
- (ii) speed governors (if original equipment), the protection of drive systems, projections and wheels;
- (iii) windscreens and other glazing;
- (iv) mechanical linkages;
- (v) the affixing and method of attachment of statutory plates and inscriptions.

In putting forward this proposal, which is a major milestone to mark the activities begun in the 1960s and which have so far led to the adoption of 22 directives and six amendments of certain of these, the Commission is rounding off the current Community regulations, thus providing manufacturers with scope for obtaining full EEC type-approval for a type of tractor.

The Commission has departed from its normal procedure, which is to be assisted by Member State experts meeting within the Working Party on the 'Removal of technical barriers to trade — Agricultural and forestry tractors', by drawing up this latest proposal itself while, however, calling for the technical opinions of private experts. This procedure has been prompted by the short deadline imposed by the work programme and the timescale put forward by the Commission in June 1985 in its White Paper.

Gist of the Committee's Opinion¹

In its Opinion, adopted unanimously, the Committee welcomes the Commission's proposals and is particularly pleased that this Directive will complete the total orbit concerning the safety on the roads and the safety at work of agricultural and forestry tractors.

It draws attention to the omission of any proposal for caterpillar tractors and suggests that the Commission look at this aspect.

Finally, the Committee also notes that a new procedure has been used to draw up the draft Directive. It recognizes the need for speed and efficiency in the decision-making process but, nevertheless, finds it necessary to ensure that the relevant organizations (industry, employers, farmers, small businesses, consumers and workers' representatives) are consulted on all matters affecting safety and health.

In its technical comments the Committee also suggest that there be an 18-month deadline from the date of implementation of the Directive.

This Opinion was drawn up in the light of the paper produced by the Section for Industry, Commerce, Crafts and Services, chaired by Mr Kazazis (Greece — Employers). The rapporteur was Mr Pearson (Ireland — Employers).

21. FISHERY

'Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 3796/81 on the common organization of the market in fishery products and amending Regulation (EEC) No 950/68 on the Common Customs Tariff'

Gist of the Commission's proposal

Under the Commission's proposal, the Community will again amend the basic rules so as to incorporate in a coherent package new market factors arising from the restructuring of Community production.

The amendments include the application of the intervention scheme to new species of fish and the improvement of market management, aid for private storage and a Community intervention scheme for tuna.

¹ CES 794/87.

I. Intervention scheme for new species

Certain species must be included in a Community price support scheme to help secure the more balanced attainment of the aims of the market organization in the enlarged Community and unify the market in fish in the broad sense.¹

The differences in average prices for each of these species as between the main landing centres rule out their inclusion at the moment in the withdrawal price scheme organized for the Community as a whole. The best course at the moment would be to introduce a scheme for a withdrawal price fixed independently by each producers' organization at a level which is in keeping with current trading practices in the region.

The Commission's proposal, therefore, is the grant of a flat-rate aid to producers' organizations which introduce market intervention measures provided they fix and operate throughout the fish marketing year a withdrawal price that does not exceed a certain percentage of the average price recorded on the markets of the Member State concerned over the previous three years. Since each organization will set its own price, the Commission takes the view that in order to encourage producers' organizations to adjust supply to market requirements, a degree of co-responsibility on their part must be imposed in an appropriate way. In addition, there will be a restriction on the quantities which are eligible for the aid and the amount will not be allowed to exceed a certain percentage of the withdrawal price actually applied.

The Commission is proposing also that, in order to help rationalize the use of available resources and to increase the organizations' market management responsibilities, they should be allowed to store products withdrawn. Experience suggests that if this proposal is adopted the flat-rate granted should be modest. The Commission is proposing, lastly that common marketing standards be adopted for the products covered by the new scheme.

II. Overhaul of the private storage aid scheme

The Commission considers it advisable, therefore, to bring the scheme into line with the general principles of the other intervention schemes introduced since that date. The main adjustment proposed is to involve the producers' organizations in the administration of the Community intervention arrangements.

¹ These species are: (1) Pollack; (2) Pout; (3) Blue whiting; (4) Bogue; (5) Picarel; (6) Conger; (7) Gunnard; (8) Dab; (9) Lemon sole; (10) Horse mackerel; (11) Mullet; (12) Skate.

Provision is also made, as under the other intervention schemes, for a restriction on the total quantities for which private storage aid may be granted (20%).

III. Reform of the Community aid scheme for tuna

Since 1970 tuna producers have been eligible under the market organization arrangements for a compensatory allowance to offset the disadvantage caused to them by the total autonomous suspension of import duties on products for the canning industry. This allowance was granted for the first time in 1986 to French and Spanish producers.

Since the scheme was set up, the structure of the production of and trade in tuna worldwide and in the Community has changed to such an extent that while the principles established in 1970 are not threatened, the terms on which the allowance may be granted must be reviewed.

The first major alteration is to confine the compensatory allowance to producers' organizations (PO). Under the basic regulations, these are then required to play an active part in managing the market, notably with a view to stabilizing it and to guaranteeing security of Community supply.

In addition to complying with the obligations imposed by the market organization, the POs are required to apply a co-responsibility system for financing intervention in the event of increased production disturbing the market.

Under the new scheme, as in the past, the allowance can be paid only when Community market prices for tuna drop below 90% of the Community producer price, provided that the drop is not attributable to an abnormal increase in the quantities landed by the POs at Community ports. Such 'abnormality' of the increase in landings will be measured by comparing the increase with the consumption of tuna on the Community market and may entail a reduction in the allowance where the share of Community production has increased.

In future, the maximum allowance may not exceed the difference between the triggering threshold and the price received by the producers' organization, whereas under the existing arrangements the allowance is the difference between the Community producer price and the price actually received by the producer, which is then corrected to offset any loss of income to the producers concerned. This restriction has been introduced in order to circumvent any temptation to speculate on a drop in prices where the market price lies between the Community producer price and the triggering thresh-

hold for the allowance. The amount of the allowance has in addition been fixed at a flat 10% of the value of the triggering threshold.

To sum up, the new arrangement is more in line with the international nature of the tuna market and is designed to apply to the Community tuna sector the adjustments previously made to the rules for the market's organization.

Gist of the Committee's Opinion¹

The Economic and Social Committee believes that there is a need for a balanced system of regulation relating to the fishing sector so that a healthy fishing fleet and a healthy processing industry can exist side-by-side within the Community.

Whilst some of these proposals are said to be helpful, particularly to some of the smaller producer organizations, scepticism must be expressed as to whether this package of measures is worth the effort involved and will provide more than the most marginal assistance. Some parts indeed are positively counter-productive.

The fishing industry has always taken an attitude of financial responsibility and has not produced endemic surpluses (although it is impossible to plan the size of the catch), unlike some areas of agriculture. Accordingly, the fisheries sector must not now suffer budget cuts which could endanger the implementation of support programmes. Where real surpluses occur and a low price does not encourage demand, storage may provide an emergency solution.

In its Opinion, adopted unanimously, the Committee trusts that the Commission does not think that these amendments discharge it of all its obligations to producers.

The Commission proposes that prices for an area be based on those in a representative port to be designated by the Member State concerned, and that producer organizations be allowed to choose which species to include or exclude from the regime. The Committee fears that this could lead to market distortions.

The Committee cannot endorse the Commission's proposals for the tuna industry. In its view the proposals do not solve either of the problems facing the Community: firstly, how to maintain an economically viable tuna fishing industry; secondly, how to provide the tuna-processing and, in particular, canning industry with raw material at a price which will allow it to compete with canned products from non-EC countries.

¹ CES 799/87.

Despite the problems which it identifies, the Committee is reluctant to reject outright any proposal which might help a sector which is in difficulty and which plays an important social and economic role in many of the Community's less advantaged regions. On the other hand, the relatively small amount of money involved could perhaps be better spent on research or advertising.

The rapporteur-general for this Opinion was Mr Hancock (United Kingdom — Employers).

External relations

Chairman's activities

On 9 September the ESC Chairman, Mr Margot, had a meeting with Mr Loccufier, Rector of the Université Libre de Bruxelles; on the same day, he attended the European Conference of Agricultural Cooperatives held at the Committee building, Brussels.

On 10 and 16 September, Mr Margot attended meetings of the *Caisse Générale d'Épargne et de la Retraite* (savings and pensions bank) (CGER) in Brussels.

On 11 September Mr Margot attended a lunch organized by the *Conseil central de l'économie* (central council for the economy) in Brussels.

On 25 and 26 September Mr Margot was in Rome where he attended a meeting of the Chairmen and Secretaries-General of the Economic and Social Councils held at CNEL (national economic and labour council). The following day he was received by the President of the Republic of Italy.

Other activities

Press conference in the Hague

A press conference on the economic situation in mid-1987 was held in The Hague on 1 September. Mr Goris, Section Chairman, Mr Van Greunsven and Mr Pardon presented the Committee's Opinion on the subject.

ESC delegation investigates Portuguese fishing industry

An ESC delegation visited Portugal from 6 to 9 September to prepare two Opinions, one on the fishery products market in Europe and the other on the social aspects of the fishing industry. The Study Group, chaired by Mr Wick (Germany) had discussions with representatives of different Portuguese economic and social groupings concerned with the fishing industry.

Press conference in Paris

On 17 September a press conference was held in Paris. Mr Collas, European Affairs delegate of the CNPF (French employers' organization), and Mr Bernard Mourgues, member of the confederal bureau of *Force Ouvrière*, both of whom are ESC members, presented the Committee's Opinions on the economic situation and social developments in the Community.

New consultations

Since the last Plenary Session the Economic and Social Committee has been consulted on the following questions:

Proposal for a Council Directive coordinating the laws, regulations and administrative provisions relating to the application of Community rules on procedures for the award of public supply and public works contracts (COM(87) 134 final)

Proposals relating to the application of generalized tariff preferences for 1988 (COM(87) 227 final)

Proposal for a Council Decision adopting a revision of the multi-annual research and training programme for the European Atomic Energy Community in the field of radiation protection (1985-89) (COM(87) 332 final)

Proposal for a Council Decision establishing an action programme at Community level to promote the vocational rehabilitation and economic integration of people with disabilities

Proposal for a Council Decision adopting an action programme at Community level to promote the social integration and independent living of people with disabilities (COM(87) 342 final)

Proposal for a Council Regulation on a Community programme in the field of information technology and telecommunications applied to road transport — Drive (Dedicated road infrastructure for vehicle safety in Europe) (COM(87) 351 final)

Proposal for a Council Regulation on a Community action in the field of learning technology — Delta (Developing European learning through technological advance) (COM(87) 353 final)

Proposal for a Council Directive on the approximation of the laws of the Member States relating to the spray-suppression devices of certain categories of motor vehicles and their trailers

Proposal for a Council Directive on the approximation of the laws of the Member States relating to the lateral protection (side guards) of certain motor vehicles and their trailers
(COM(87) 132 final)

Proposal for a Council Regulation adopting a research and training programme (1987-91) in the field of controlled thermonuclear fusion

Proposal for a Council Decision approving amendments to the statutes of the JET Joint Undertaking

Statement 'environmental impact and economic prospects of fusion'
(COM(87) 302 final)

Communication concerning the revision of the multi-annual research and development programme in the fields of basic technological research and application of new technologies (Brite) (1985-88)
(COM(87) 307 final)

Proposal for a Council Regulation instituting a Community programme to assist the conversion of shipbuilding areas (Renaval programme)

Proposal for a Council Regulation instituting a specific Community programme of accompanying social measures to assist workers in the shipbuilding industry who are made redundant or threatened with redundancy
(COM(87) 275 final)

Communication and comprehensive proposal pursuant to Article 130D of the EEC Treaty on reform of the structural funds
(COM(87) 376 final)

Proposal for a decision on the system of the Communities' own resources
(COM(87) 420 final)

Towards a dynamic European economy: Green Paper on the development of the common market for telecommunications services and equipment
(COM(87) 290 final)

Proposal for a Council Regulation concerning the European strategic programme for research and development in information technologies (Esprit)

Proposal for a Council Directive on the control of the acquisition and possession of weapons
(COM(87) 383 final)

Proposal for a Council Regulation on Community action in the field of information technology and telecommunications applied to health care — AIM (Advanced informatics in medicine in Europe)
(COM(87) 353 final)

Communication from the Commission together with a draft Decision concerning the establishment at Community level of a policy and a plan of priority actions for the development of an information services market
(COM(87) 360 final)

Programme of future work

October 1987 Plenary Session

Opinions

- Major infrastructure projects (COM(86) 722 final)
- Action programme in favour of disabled persons (COM(87) 342 final)
- Official inspection of foodstuffs (COM(86) 747 final)
- Public supply and public works contracts (COM(87) 134 final)
- Drive programme (Safety of motor vehicles) (COM(87) 351 final)
- Radiation protection training programme (COM(87) 332 final)
- Shift programme (Health control of animals) (COM(87) 207 final)
- Delta programme (Learning technology) (COM(87) 353 final)
- Esprit programme (Information technology) (COM(87) 313 final)
- Own resources (COM(87) 420 final)
- Priority actions for the development of an information services market (COM(87) 360 final)

Subsequent Plenary Sessions

Opinions

- Economic situation — 1987-88 Annual Report
- Integrated operations (COM(87) 111 final)
- Fiscal harmonization (COM(87) 320 to 328 final/2)
- Shipbuilding (COM(87) 275 final)
- 16th Competition Report (COM(87) 108 final)
- Lateral protection of motor vehicles (COM(87) 132 final)
- Road passenger transport services (COM(87) 31 final)
- Carriage of passengers by coach and bus (COM(87) 79 final)
- Brite programme (COM(87) 307 final)
- Thermonuclear fusion (COM(87) 302 final)
- Information technology and telecommunications applied to health care (AIM) (COM(87) 352 final)

Reform of the structural funds (COM(87) 376 final)

Green Paper on the development of the common market for telecommunications services and equipment (COM(87) 290 final)

Control of the acquisition and possession of weapons (COM(87) 383 final)

Third periodic report on the Community regions (COM(87) 230 final)

Building products (COM(86) 756 final/3)

Five-year JRC programme

Role and promotion of the private sector as an instrument and force for growth

Own-initiative work

Financing of the Community

Cross-frontier labour problems

Social aspects of sea fishing

Reform of the CAP

Relations between the Community and State-trading countries

Information reports

Upland areas

Training and supply of researchers in the Community

Energy policy and completion of the internal market

GATT — Uruguay Round

The problem of ACP countries' debt burden

Relations between the Community and Mediterranean countries

Members' news

New appointments

The Council of Ministers has recently appointed two new Members to the Economic and Social Committee, namely:

Mrs Shreela Flather (United Kingdom) who replaces Lady Blatch. Mrs Flather is a Councillor for the Royal Borough of Windsor and Maidenhead and also a Justice of the Peace, and

Mr H. Van Eekert (The Netherlands) who replaces Mr Van Greunsven. Mr Van Eekert is General Secretary of the Netherlands Trade Union Federation (FNV).

Obituary notices

The Economic and Social Committee learned with deep sorrow of the deaths during the summer of two current and four former Committee Members. The two current Members are:

Mr Jürgen Stahlmann (Germany) who was a Member of the Committee since 1982,

and Mr Gabriel Ventejol (France) who was twice nominated a Member of the ESC. The first time was from 1969 to 1975 when he resigned upon being elected President of the Economic and Social Council of France. He returned to the Committee in 1979 and remained a Member until his death.

Among the former Committee Members are:

Mr Alois Pfeiffer (Germany) who became a Member of the ESC in 1974 and served as Vice-President from 1982 until 1984. In 1985 he resigned to become a European Commissioner, a post which he held at the time of his death;

Mr Meyvaert (Belgium) was a Member from 1958 to 1972;

Mr Bernaert (Belgium) was a Member from 1970 to 1982;

Mr Albert Genin (France) was a Committee Member from 1958 to 1972, during which time he also served as Chairman of the Agricultural Section.

PUBLICATIONS OBTAINABLE FROM THE ECONOMIC AND SOCIAL COMMITTEE

General documentation

The other European Assembly, January 1987 (CES 87-004)
European Union, a people's Europe and the Economic and Social Committee
(Committee Chairman Muhr's speeches to the *ad hoc* Committees for
Institutional Affairs and a people's Europe), 1985 (EX-43-85-35)

Opinions and studies

National regional development aid (Opinion) (Brussels 1986)
EEC maritime transport policy (Brussels, June 1986) (ESC 86-008-EN)
Europe and the new technologies — Research/Industry/Social (Brussels 1986)
(ESC 86-004-EN)
Demographic situation in the Community (Information report) (Brussels 1986)
Occupational medicine — occupational cancer (1985)
Consumer-producer dialogue (Opinion) (January 1985) (ESC 84-011)
Europe and the new technologies (Conference report) (January 1985)
(ESC 84-016)
Irish border areas (Information report) (February 1984) (ESC 84-002)
Transport policy in the 1980s (Opinion) (March 1983) 99 pp. (ESC 83-003)

Obtainable from Gower Publishing Co. Ltd, 1 Westmead, Farnborough, Hants GU 147RU:

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

Obtainable from Editions Delta, 92-94 Square Plasky, 1040 Brussels:

The economic and social interest groups of Portugal (BFR 350)
Action by the European Community through its financial instruments (Brussels
1979) (BFR 425)
The economic and social interest groups of Greece (BFR 350)
The right of initiative of the ESC (BFR 400)

Obtainable from Kogan Page Ltd, 120 Pentonville Rd, London N1

Directory of European agricultural organizations (UKL 39)

Office for Official Publications of the European Communities

Bulletin (monthly publication) (per issue: ECU 3.50, UKL 2.50, USD 3.50,
IRL 2.70). Annual subscription: ECU 27.70, UKL 19.80, USD 29, IRL 21.20)
Effects of the CAP on the social situation of farmworkers in the European
Community (Brussels 1987) (ISBN 92-830-0093-5) (ECU 3.40, BFR 150,
IRL 2.40, UKL 2.10, USD 3.50)
European environment policy: Air, water, waste management (Brussels 1987)
(ISBN 92-830-0108-7) (ECU 3.50, BFR 150, IRL 2.70, UKL 2.60, USD 4.00)
I.E.C air transport policy (October 1985) (ISC 85-10) (I.C.U 5.50, UKL 3.30,
IRL 4, USD 5)
The economic and social situation of the Community (1985)(84-015) (I.C.U 5.60,
IRL 4, UKL 3.50, USD 4)
GIATT — towards a new round (Opinion) (Brussels 1986) (I-X-46-86-937-I-N-C)
(I.C.U 2.20, BFR 100, IRL 1.60, UKL 1.40, USD 2.50)

Venta y suscripciones · Salg og abonnement · Verkauf und Abonnement · Πωλήσεις και συνδρομές
Sales and subscriptions · Vente et abonnements · Vendita e abbonamenti
Verkoop en abonnementen · Venda e assinaturas

BELGIQUE/BELGIË

Moniteur belge/Belgisch Staatsblad
 Rue de Louvain 40-42/Leuvensestraat 40-42
 1000 Bruxelles/1000 Brussel
 Tél. 5 12 00 26
 CCP/Postrekening 000-2005502-27

Sous-dépôts/Agentschappen:

**Librairie européenne/
 Europese Boekhandel**

Rue de la Loi 244/Wetstraat 244
 1040 Bruxelles/1040 Brussel

CREDOC

Rue de la Montagne 34/Bergstraat 34
 Bte 11/Bus 11
 1000 Bruxelles/1000 Brussel

DANMARK

Schultz EF-publikationer

Mantergade 19
 1116 København K
 Tf: (01) 14 11 95
 Telecopier: (01) 32 75 11

BR DEUTSCHLAND

Bundesanzeiger Verlag

Breite Straße
 Postfach 10 80 06
 5000 Köln 1
 Tel. (02 21) 20 29-0
 Fernschreiber: ANZEIGER BONN 8 882 595
 Telecopierer: 20 29 278

GREECE

G.C. Eleftheroudakis SA

International Bookstore
 4 Nikis Street
 105 63 Athens
 Tel. 322 22 55
 Telex 219410 ELEF

Sub-agent for Northern Greece:

Molho's Bookstore

The Business Bookshop
 10 Tsimiski Street
 Thessaloniki
 Tel. 275 271
 Telex 412885 LIMO

ESPAÑA

Boletín Oficial del Estado

Trafalgar 27
 28010 Madrid
 Tel. (91) 446 60 00

Mundi-Prensa Libros, S.A.

Castelló 37
 28001 Madrid
 Tel. (91) 431 33 99 (Libros)
 431 32 22 (Suscripciones)
 435 36 37 (Dirección)
 Téléx 49370-MPLI-E

FRANCE

Journal officiel
Service des publications
des Communautés européennes
 26, rue Desaix
 75727 Paris Cedex 15
 Tél. (1) 45 78 61 39

IRELAND

Government Publications Sales Office

Sun Alliance House
 Molesworth Street
 Dublin 2
 Tel. 71 03 09

or by post

Government Stationery Office

Publications Section

6th floor
 Bishop Street
 Dublin 8
 Tel. 78 16 66

ITALIA

Licosa Spa

Via Lamarmora, 45
 Casella postale 552
 50 121 Firenze
 Tel. 57 97 51
 Telex 570466 LICOSA I
 CCP. 343 509

Subagenti:

Libreria scientifica Lucio de Biasio - AEIOU

Via Meravigli, 16
 20 123 Milano
 Tel. 80 76 79

Libreria Tassi

Via A. Farnese, 28
 00 192 Roma
 Tel. 31 05 90

Libreria giuridica

Via 12 Ottobre, 172/R
 16 121 Genova
 Tel. 59 56 93

GRAND-DUCHÉ DE LUXEMBOURG
 et autres pays/and other countries

Office des publications officielles
des Communautés européennes

2, rue Mercier
 L-2985 Luxembourg
 Tél. 49 92 81
 Téléx PUBOF LU 1324 b
 CCP 19190-81
 CC bancaire BIL 8-109/6003/200

Abonnements/Subscriptions

Messageries Paul Kraus

11, rue Christophe Plantin
 L-2339 Luxembourg
 Tél. 49 98 888
 Téléx 25 15
 CCP 49242-63

NEDERLAND

Staatsdrukkerij- en uitgeverijbedrijf

Christoffel Plantijnstraat
 Postbus 20014
 2500 EA 's-Gravenhage
 Tel. (070) 78 98 80 (bestellingen)

PORTUGAL

Imprensa Nacional
Casa da Moeda, E. P.

Rua D. Francisco Manuel de Melo, 5
 1092 Lisboa Codex
 Tel. 69 34 14
 Telex 15328 INCM

Distribuidora Livros Bertrand Lda.

Grupo Bertrand, SARL

Rua das Terras dos Vales, 4-A
 Apart. 37
 2700 Amadora CODEX
 Tel. 493 90 50 - 494 87 88
 Telex 15798 BERDIS

UNITED KINGDOM

HM Stationery Office

HMSO Publications Centre
 51 Nine Elms Lane
 London SW8 5DR
 Tel. (01) 211 56 56

Sub-agent:

Alan Armstrong & Associates Ltd

72 Park Road
 London NW1 4SH
 Tel. (01) 723 39 02
 Telex 297635 AAALTD G

UNITED STATES OF AMERICA

European Community Information
Service

2100 M Street, NW
 Suite 707
 Washington, DC 20037
 Tel. (202) 862 9500

CANADA

Renouf Publishing Co., Ltd

61 Sparks Street
 Ottawa
 Ontario K1P 5R1
 Tel. Toll Free 1 (800) 267 4164
 Ottawa Region (613) 238 8985-6
 Telex 053-4936

JAPAN

Kinokuniya Company Ltd

17-7 Shinjuku 3-Chome
 Shiniuku-ku
 Tokyo 160-91
 Tel. (03) 354 0131

Journal Department

PO Box 55 Chitose
 Tokyo 156
 Tel. (03) 439 0124



EN

Prices (excluding VAT) in Luxembourg

Single copy	ECU 3.50	BFR 150	IRL 2.70	UKL 2.50	USD 3.50
Annual subscription	ECU 27.70	BFR 1 200	IRL 21.20	UKL 19.80	USD 29



OFFICE FOR OFFICIAL PUBLICATIONS
OF THE EUROPEAN COMMUNITIES

L-2985 Luxembourg



EX-AA-87-009-EN-C