Eurofocus

A NEWSSHEET FOR JOURNALISTS • REPRODUCTION AUTHORIZED

No. 34/82

BRUSSELS, 18 October, 1982

Week of 11 to 18 October

SUMMARY

This newssheet is published in six languages (English, French, German, Dutch, Italian and Spanish) by the Directorate-General for Information of the

Commission of the European Communities,
Rue de la Loi 200 - 1049 Brussels - Belgium.
Tel.: 2351111 - Telex: 21877 COMEU B

Its contents do not necessarily reflect the official views of the Community institutions.

BUSINESS: Public tender data-base opened

Businessmen from Galway to Salonica and industrialists from Copenhagen or Palermo can now get instant access at the same price to all information on public supply contracts in the European Community.

From October this year, the European Commission has introduced Tenders Electronic Daily (TED), a data bank linked to the Euronet network, which will extend information covering public works and supply contracts. Currently, public contracts in Europe are worth about £7,000 million a year - which is enough to make any businessman sit up and take notice.

Public spending can be a central factor in promoting competitivity and industrial innovation. The opening up of public contracts awarded by central and local authorities to competitive bidding is therefore of major importance and will help to promote greater efficiency in the Community.

Since 1978, tenders issued by public authorities in Member States and tenders for projects financed by the Community (the European Investment Bank, the European Development Fund, etc.) have been published in a supplément to the Official Journal of the European Community, in seven languages. They cover all aspects of economic life, ranging from footwear and clothing to kitchens and hospitals.

Information on these tenders will now be available on a daily basis through the Euronet-Diane data networks. "I am convinced that we are answering a very real need", said Richard Burke, European Commissioner for social affairs, recently. "The electronic system offers a flexibility which is much superior to the classic publications, given the fact that access can be selective and limited".

Technical details about the new system can be obtained from the European Community Publications Office through the SAARBRÜCKER ZEITUNG, Sarrebrucken, F.R.G. Additional information is available from the EEC Publications Office, 5 rue du Commerce, L-2985 Luxembourg. Tel.: 490081 ext. 568 or 526.

ENERGY: Coal - a glowing future?

About ten years ago Europe realized that it had to try to reduce its dependence on imported energy. The first oil crisis in 1973 and the quadrupling of oil prices since then meant that substitute forms of energy had to be found.

There are two obvious solutions to the problem. First of all, energy demand must be reduced by economising wherever possible. Secondly, new energy supplies in the form of coal and nuclear power must be developed.

Coal has a major rule to play. World reserves are estimated at four times those of oil and natural gas and, in addition, coal is cheaper.

The European Commission in Brussels has advocated a policy of switching to coal for some time and has encouraged the development of coal production in Europe. According to the Commission, home-produced coal is preferable to imported oil both in terms of security of supply and as a safeguard against unfavourable shifts of prices on the world market. But things are not always so simple. European coal is expensive and is also harder to extract than American or Polish coal. In addition, the interests of the Community member states are sometimes different. Great Britain and the Federal Republic of Germany, for example, are major producers and would welcome substantial financial aid from the European Community in the form of production subsidies. Italy, however, has no coal and is a major importer of cheap coal from outside the Community. As a result, the Council of Ministers has failed to agree on state aids to the industry.

But a European coal policy seems vital. In the long run, world energy demand will almost certainly increase and hydrocarbon resources will be insufficient. Nuclear power will play an important role, but is currently an unpopular alternative.

Coal, therefore, would appear to have a glowing future. According to Commission forecasts, European coal needs in the year 2000 will be of the order of 500 million tonnes, compared with 314 million tonnes in 1981.

In the meantime, the Commission has recommended that coal, which currently represents about 20 percent of the Community energy supply, should be increased to 30 percent by 1990. The objective has met with the general approval of the Council of Ministers. In June 1982 the Commission also recommended the conversion of oil-fired installations to coal, aimed at industry in general and especially electricity production and the heating of towns and public buildings.

FEATURE: Sugar

One lump or two? The question is a crucial one for almost 50 countries, including the European Community member states, who count on their exports of sugar for millions of dollars in foreign exchange earnings every year. Most sugar-producing countries are worried by the steady decline in sugar consumption in the industrialised states, especially since the appearance of isoglucose, an artificial sweetener, on the market.

This is partially compensated, however, by the possibilities for increasing per capita sugar consumption in the developing countries, especially in China and in India where consumption is currently only 4.1 kilos and 8 kilos per head per year, respectively. At the other extreme are countries like Barbados where per capita sugar consumption stands at 64,2 kilos, or the South American countries where each person consumes an average of 42.3 kilos a year.

But sugar is more than just a sweetener. Although it is natural to think of sugar as food, it is being increasingly used by the world's chemical industry. Sugar is now being used in the production of detergents, plastics, paper, electroplating, and tanning, to give just a few examples.

World attention has also focussed on sugar as a source of energy. Brazil was the first developing country to begin producing ethanol from sugar, and several other nations, including Zimbabwe, are now looking at this process as one way of reducing their dependence on imported oil.

The world sugar market is regulated by an international agreement which was initially introduced in 1903 to avoid ruinous commercial warfare and to offset the threat of over-production. The current agreement was negotiated in 1977 and is based on a system of export quotas aimed at preventing any disastrous increase in world sugar production.

The European Community is not a member of the International Sugar Agreement, but last year it agreed to stockpile 2 million tonnes of sugar from its own bumper crop to support world prices to help the developing world.

There are two types of sugar production. The developing countries are producers of cane sugar, the one tropical agricultural crop capable of withstanding hurricanes without long-term plant damage. The crop can also be grown on relatively poor soil. Cane sugar is a major source of foreign exchange for the African, Caribbean and Pacific (ACP) countries who are linked to the EEC through the Lome Convention.

The EEC, however, produces sugar from beet, a crop more suitable to temperate climates. Third World countries have complained that the growth of beet

sugar production in the EEC has led to surpluses which when sold on the world market lead to lower prices and cause disruption.
The European Community contends, however, that its sugar policy does not have a direct impact on the sugar exports of developing countries.
It also points to the sugar protocol annexed to the Lome Convention as proof that it is keeping its markets open to Third World sugar exports. The Protocol guarantees the different sugar-producing African, Caribbean and Pacific (ACP) countries that the EEC will continue to import 1,3 million tonnes of their sugar every year at prices paid to its own beet sugar producers. The Protocol is clearly one of the key elements of the Lome agreement.

So that Eurofocus can be better adapted to serve your needs, do not hesitate to send us your comments, criticisms and suggestions. If you use one of our articles, a mention of the source and a cutting of the article would be appreciated. Thank you.

SOCIAL: Women paid less

Equal pay is a nice idea but it still does not exist in a number of sectors of industry. In response to a question put by Irish Progressive Democrat MEP Sile de Valera, European Commissioner Richard Burke has highlighted the most flagrant examples of discrimination in average wages earned by men and women.

Quoting statistics taken from the six monthly publication, Eurostat, he showed that in April 1981, women workers in the Irish leather industry were paid hourly wages which were almost 47 percent lower than those paid to their male colleagues.

Wage discrimination also seems particularly marked in the printing and publishing sectors. In Luxembourg, Britain, the Federal Republic of Germany, France, the Netherlands and Denmark, average wages earned by women were 25 to 39 percent lower than those averaged by men.

But discrimination is not just limited to the leather, printing and publishing sectors. Statistics show that in a number of industries, women continue to earn lower salaries than their male counterparts. Belgian women working in the metal processing industry earn 33 percent less than male workers and Itali n women workers in the oil refining industry get 22 percent less than their male colleagues.

Statistics based on percentages should of course be treated with caution, but it cannot be denied that the figures are disturbing. But whatever the justifications, such discrimination is unacceptable.

TRAVEL: No threat to duty-free

The thrifty traveller can rest assured that recent court decisions in no way represent a danger to the duty-free shops that remain an advantage of international journeys.

Following months of unfounded reports and speculation about the possible drastic impact of a 1981 European Court of Justice decision on duty-free zones, the Commission in Brussels has emphatically denied that the ruling endangers the numerous shops at airports and ports in the Community.

The shops themselves and their estimated 3000 employees are in no way jeopardized by the Court decision and the follow-up action. The only types of duty-free shopping ruled out by the ruling are the handful of so-called "Butter Ship" tours which, up to now, have offered short excursions from North Sea or Baltic ports into international waters to technically qualify for international duty-free status.

As a result of the Court and Commission decisions to stop the butter-ship abuse and to have regular tariffs and taxes applied on foreign goods, a campaign of speculation arose that cast doubt on the future of all duty-free shops.

Concern grew when the Commission indicated a few months ago that it was starting legal proceedings against a number of member states for not applying the butter-ship and tariff regulations. But the Commissioner in charge of tax and financial matters, Christopher Tugendhat, has recently issued repeated denials that these actions put the concept of duty-free shopping at risk. He has emphasized that the Commission feels most member states are preparing to implement these rulings before the end of the year, which would avoid the need to actually begin action against them in the European Court of Justice. He says that the Commission has fully taken into account the revenue realised by airports and public authorities from sales in duty-free shops, the jobs of the 3000 employees in these shops and the sales volume of various consumer goods manufacturers represented by duty-free transactions. But butter-ship cruises are only a relatively small factor in the overall duty-free trade.

The end result will be that duty-free shopping for the European traveller will remain a good value in the future.