

EUROPEAN COMMUNITY NEWS

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COMMISSION OF THE EUROPEAN COMMUNITIES

2100 M Street, N.W., Washington, D.C. 20037 phone: (202) 872-8350
277 Park Avenue, New York, N.Y. 10017 phone: (212) 371-3804

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EC COMMISSIONER CALLS SOYBEAN EXPORT CURB A "BIG SHOCK"

The US Administration's decision to curb soybean exports to the European Community had been a "big shock," EC Commissioner Petrus J. Lardinois told a news conference in Washington on July 21.

Lardinois, who came to Washington for talks with over 20 senior US Administration officials, said Europe annually spent over one billion dollars buying 50 per cent of US vegetable protein exports, and imported these duty-free. Europe had felt that it was a customer equal to the US farmer. By rationing its soybean exports, Washington had treated Europe like a second-class customer." The Commissioner said that the United States should now share shortages as it had once shared abundance.

Lardinois said he made a "strong statement" to the Administration "which, I think, was accepted." Normal trade patterns would resume in September, unless bad weather affected the US harvest.

He said Europe had "no short-term alternative" for a soybean shortage. It would be too costly to make Europe self-sufficient in vegetable protein. Europe welcomed the US Administration's decision to increase vegetable protein production next year by about 23 per cent.

EUROPE'S CLEAR SKIES

Travelers to Europe have less chance of being "stacked" over airports than they have in the United States. London-Heathrow, Europe's busiest field, has slightly fewer movements (takeoffs and landings) than Memphis, Tenn., which ranks 34th among the busiest Stateside airports. Both Paris fields together have fewer movements than Boston; Frankfurt has fewer than Lincoln, Neb., while Rome-Fiumicino just fails to compete with Richmond, Va. According to figures released by the FAA, Brussels ranks just behind Santa Rosa, Cal. whose 95,407 movements in 1972 put it 247th on the US list.

EC'S FIRST
ENVIRONMENT
POLICY AGREED

European Community Member States want to work with other countries in fighting pollution.

That is one of the goals agreed by the EC Council of Ministers when it adopted the Community's first environment policy at a session in Brussels on July 19-20. Ministers set joint goals, principles, and priority steps to prevent pollution and "maintain satisfactory ecological balance."

They resolved that generally the polluter should bear the cost of remedial action, that their antipollution measures should not harm developing countries' interests, and that the Community, where appropriate, should cooperate with other countries and international bodies in protecting the environment.

EC COMMISSION
INTENSIFIES
ANTI-TRUST
ACTIVITIES

By promoting competition among firms in the European Community, the EC Commission helps EC consumers wage war against higher prices.

Announcing its second annual report on EC competition policy, the Commission indicated that in 1972 it had "considerable influence" in helping check inflation, which is scourging EC member countries in much the same way as it is the United States.

Empowered by the Common Market Treaty to enforce the Treaty provisions on free movement of goods and the opening up of markets, the Commission said it had intensified the struggle against corporate restrictive measures.

In carrying out its competition "watchdog" role, the Commission last year:

- issued 14 decisions under the competition rules of the Common Market Treaty and 15 under those of the European Coal and Steel Community Treaty
- imposed "heavy fines...in cases of serious infringement which endangered the interests of consumers"
- exempted some cooperation agreements from the Common Market Treaty ban on accords between firms because the agreements were "designed to strengthen [the firms'] competitive position"

- made some progress in the industrial property sector through the adoption of decisions in typical patent licensing and know-how accords.

"A major advance in the evolution of EC competition policy" was what the Commission said about the Court of Justice's decision on February 21, 1973, in the Continental Can case: the Court confirmed the Commission's interpretation that the Common Market Treaty enabled the Commission to ban mergers and takeovers that constitute abuse of a dominant position. Following that judgment, the Commission has sought authority from the EC Council of Ministers to:

- compel firms to notify it of all proposed mergers and takeovers in the Community that would produce a combined turnover of more than one billion units of account (about \$1.2 billion)
- ban such mergers, if they enabled the firms involved to curb competition in the Common Market.

The tendency toward concentration is growing in the Common Market, according to the Commission. Studies of 32 sectors show that the number of firms increased in only three sectors. Compared with mergers and takeovers by EC-based firms, participation by firms based outside the Community, though still considerable, decreased, the Commission report noted.

GO-AHEAD FOR ALASKA PIPELINE COULD HELP EUROPE'S MOTORISTS

While some ecology experts frown at the Senate's approval, July 17, for construction of the 789-mile Alaska pipeline, the decision could be a boon for the European Community's 60 million motorists.

A report by the EC Commission on the Community's energy outlook says the question of US energy supplies "is causing some anxiety." It cites the downward trend in US petroleum production and a sharp rise in imports from Africa and the Middle East, Europe's chief suppliers.

The Alaska North Slope could supply about 9 per cent of US gasoline needs in 1980, thereby easing the pressure on petroleum exporters in the eastern hemisphere.

TWENTY-ONE NATIONS TO SIGN PATENT AGREEMENT

- Representatives of 21 European nations are due to meet in Munich from September 10 to October 6 to sign an accord that will set up a European system for granting patents. Under a second convention, due to be signed in Luxembourg next May, the nine member countries of the European Community will introduce a single Community patent that will coexist with national patents.

Meanwhile, the EC Commission, which initiated work on the two patent conventions, has published a draft convention for a European trademark law guaranteeing uniform protection throughout the Community for trademarked products.

JOINT TACTIC
FOR EUROPE'S
SHIPYARDS

Persuading shipbuilders in the European Community to work out a joint strategy to modernize their yards is the goal assigned a special taskforce within the EC Commission.

The taskforce will suggest ways of linking ship-owners and suppliers to the joint plan and of using funds, from the European Investment Bank for example, to re-equip shipyards.

EC shipbuilders produced 27.7 per cent of world output in 1970, compared with Japan's 46.5 per cent and the United States' 2 per cent.

EC-AFRICA
TRADE TALKS
IN OCTOBER

Ministerial-level negotiations on trade and aid links between the European Community and some 45 developing countries are due to open in Brussels on October 17.

At an opening conference in Brussels on July 25-26 the current President of the EC Council of Ministers, Denmark's Minister of External Economic Affairs Ivar Nørgaard, said "the Community is willing to offer a contractual agreement covering both the fields of trade and that of financial and technical cooperation."

Under the Yaounde Convention the Community is associated with 19 developing countries in Africa and the Indian Ocean. With Britain's entry into the Community, the "Nine" agreed to extend a renewed form of association to other developing countries -- mainly Commonwealth members -- in Africa, the Pacific Ocean, and the Caribbean after the Convention expires on January 31, 1975.

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FIRST CLASS