

EUROPEAN COMMUNITY NEWS

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COMMISSION OF THE EUROPEAN COMMUNITIES

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ORTOLI/NIXON TO MEET AT WHITE HOUSE

Francois-Xavier Ortoli, President of the Commission of the European Communities, will meet with President Richard M. Nixon next week during an official visit to Washington on October 1 and 2. During his stay in Washington, President Ortoli will also meet with Cabinet members and other senior Administration officials.

Ortoli, born in Corsica in 1925, has served as Commission President since January 1973. From 1958 to 1961, he was the Commission's Director General for Internal Market Affairs.

Ortoli headed French Prime Minister Georges Pompidou's personal staff (1962) and later served as French Minister of Finance, 1968-69, and Minister of Industrial and Scientific Development, 1969-72.

US-EC JOINT DECLARATION PROPOSED

On the eve of Commission President Ortoli's visit to Washington, the Community has sent the United States a proposal for a joint declaration of EC-US relations -- framed by the EC Foreign Ministers in Copenhagen, September 10-11. The proposed declaration, a response to Secretary of State Henry A. Kissinger's call last April for "a new Atlantic Charter," marks the first time EC Members have issued a joint statement on foreign policy in fields other than trade and economics. The document, noting the Community's goal to evolve into a "European union" by 1980, proposed US recognition of the Community's intention to establish itself "in the world affairs as a distinct entity," and referred to the United States and the Community as two partners rather than 10 separate nation-states.

The preamble of the proposed declaration, which emphasizes the need for the United States and the Community to "intensify their existing cooperation on an equal basis," is followed by a statement of general principles and an outline of common US-EC goals regarding potential areas for negotiation during President Nixon's anticipated visit to Europe this fall. The areas covered are: East-West relations, cooperation with developing countries, cooperation with industrialized countries, trade, international monetary reform, inflation, environment, science and technology, and development of world trade and natural resources.

DAHRENDORF TO
PRESIDE OVER
LONDON SCHOOL
OF ECONOMICS

Professor Ralf Dahrendorf, Member of the EC Commission since 1970, has been elected Director of the London School of Economics (LSE). The Court of Governors of the LSE has elected Dahrendorf for a 10-year term which begins in late 1974. He will resign from the Commission at that time.

Dahrendorf, a native of Hamburg, Germany, obtained a doctorate in philosophy and classics there in 1952 and later did postgraduate sociology studies at LSE, 1954-57. In July 1970, he was appointed Commission Member in charge of external relations and trade. He was reappointed in 1973 as Commissioner responsible for research, science, and education.

HUNTING
AMMUNITION
MONOPOLY
DISBANDED

A cartel, which controlled the entire Dutch import market for hunting cartridges and .22 long-range calibre ammunition, has been disbanded following a complaint by the EC Commission.

A dozen suppliers and 150 Dutch cartridge retailers were party to the agreements which violated the Community's competition laws. The agreements provided for exclusive sales and purchase rights between suppliers and retailers, joint price notification between suppliers, and maintenance of minimum retail prices.

ADVANCING
CONSUMER
INTERESTS

The Community has taken another step toward involving consumers in the formulation of EC policy through the creation of a Consumer Advisory Committee. The result of a Paris Summit meeting call last fall for "strengthening and coordinating measures of consumer protection," the 25-member Committee will have 15 representatives from the six European consumer organizations already in contact with the Commission, as well as 10 highly qualified consumer experts.

The Commission is also drafting a consumer policy action program, to be sent to the Council before the end of this year.

TURKEY TO
IMPROVE
AIRLINES

Airline passengers on domestic flights in Turkey will enjoy cheaper, faster, and more comfortable air service on a modernized fleet which the European Investment Bank (EIB) is helping to finance with a recently negotiated loan for 8.65 million units of account (UA). (One UA equals one 1970 dollar.) The 30-year loan to the Turkish Government will go toward the purchase of five twin-jet Fokker F-28 Friendship aircraft by the Turkish Airlines Company (TAC).

The F-28, manufactured in collaboration with several European manufacturers by Fokker VFW NV of Amsterdam, has a greater seating capacity (65 seats) and can land in a greater variety of airports than the heavier turbo-prop planes which TAC has already taken out of service.

The loan, made under the Community's financial agreements with Turkey, brings the EIB's 1973 operations in that country to a total of UA 52.9 million.

EUROPE TO
HAVE NEW
PATENT
SYSTEM

A Convention on a European system for the grant of patents that would simplify international patent protection procedures is expected to be adopted at a conference which convened in Munich on September 10. Conference participants include the 21 countries which drafted the Convention at the Luxembourg Intergovernmental Conference (the Nine EC Members, Greece, Norway, Austria, Portugal, Sweden, Switzerland, Spain, Turkey, Finland, Yugoslavia, Liechtenstein, and Monaco) plus Cyprus and Iceland. The Conference will adjourn October 6.

The proposed Convention provides for a Munich-based European Patent Organization, consisting of a European patent office (EPO) and an Administrative Council composed of representatives of the contracting states. There would be an EPO branch office in The Hague.

The Community is currently drafting its own convention on a Community patent system which would fit into the general framework of the new European system. The Community patent convention, to be adopted in 1974, and the European patent convention will both come into force at the same time, probably in 1976.

EC TO
CONTRIBUTE
TO DAKAR
SHIP CENTER
STUDY

Preparatory investments and a viability study for a ship repair center for tankers and other large vessels in Dakar, Senegal, will be financed with a 972,000 units of account (UA) contribution from the Community's European Development Fund. (One UA equals one 1970 dollar.) The total cost of this work will be UA 2.52 million.

The contribution will be made to the Societe pour le Developpement de l'Infrastructure des Chantiers Maritimes du Port de Dakar (DAKARMARINE), a company jointly owned by the Senegalese Government and several companies belonging to European ship repair groups.

TRANSATLANTIC
ENTENTE
CONCORDIALE?

The British and French companies that produce Concorde, Europe's supersonic jet transport, are prepared to consider partnership with an American firm, Sir George Edwards told a Washington audience last week.

Edwards, top executive in the United States of the British Aircraft Corporation (BAC), the British half of the Concorde partnership, made the offer public at a luncheon on September 20 honoring Concorde chief test pilots Andre Turcot of France and Brian Trubshaw of Britain. President Nixon had presented the two pilots with the Harmon Trophy for distinguished service to aviation that morning. BAC officials said Rockwell International was considering the Concorde offer.

The same day, Concorde-002 -- the fourth Concorde built -- landed at the new Dallas-Fort Worth international airport in Texas for a demonstration, as part of inaugural events for the world's largest airfield. It spent three days at Washington's Dulles airport, September 23-26, before returning to Europe.

SMOOTHER
CUSTOMS
OPERATIONS
PROMISED

Exploring the existing difficulties in the Community's customs procedures, a June Commission report to the Council found that EC measures already taken and those planned for further harmonization promise smoother operations in the future.

Many current complications in customs operations arise from the Community's intense activity in the field of trade negotiation, each agreement with outside countries bringing new customs complexities. The two main sources of difficulty are the wide divergences between national customs regimes, still almost entirely autonomous, and the co-existence of EC regulations with national rules.

Among the obstacles to harmonization are the existence of non-customs controls exercised by Member States, the disparity of border taxes, and varying value-added taxes. Most of these problems will vanish with the official removal of EC customs frontiers by 1978, and with automatic payment, as of 1975, of duties and levies into the Community budget. Tariffs will not be totally removed between the original six Member States and the three new ones until 1977.

The Commission found that most complaints arise from the complexities of the common agricultural policy, pointing to protectionist measures, difference of customs nomenclature and classifications, and the introduction of new customs certificates and compensatory payment schedules which result from changes in EC exchange rates, as sources of confusion.

In the coming months, the Commission plans to submit proposals to the Council for simplifying and standardizing customs documents, avoiding duplication between national and EC documents and for simplifying customs clearance, the system for goods in transit, and trade formalities with European Free Trade Association members.

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FIRST CLASS