

European Community NEWS

PUBLISHED WEEKLY The contents of this newsletter may be quoted or reproduced without further permission.

EUROPEAN COMMUNITY INFORMATION SERVICE 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

NO. 10 MARCH 15, 1974

BRITISH GAIN FROM EC LINK -- LARDINOIS

Membership in the European Community has proved to be beneficial for Britain, Petrus J. Lardinois, EC Commissioner responsible for agriculture told the Farmers Club in London March 8. Lardinois pointed out that problems such as inflation, energy supplies, unemployment, and balance-of-payments deficits affect the entire Common Market and can only be solved on a Community basis through Common EC policies.

Defending the common agricultural policy (CAP), the Commissioner said British criticism had been proven unfounded and that nothing would be accomplished by abolishing the CAP. In the current market situation, he continued, the CAP has kept food supplies and prices stable in the Common Market at a time of high world prices. Wheat prices on the world market exceed EC prices by 56 per cent, barley by 20 per cent, corn by 18 per cent, durum wheat by 100 per cent, rice by 200 per cent, olive oil by 40 per cent, and sugar by 100 per cent. The British contribution to the CAP is not too heavy a burden, he said, but, in fact, has given high returns. During 1973, Britain gave 130 million pounds sterling to the EC Farm Fund's 'guarantee' section and received 63.5 million pounds.

During the first three months of 1974 Britain will contribute 39 million pounds and draw out 30 million pounds.

TIDAL POWER PLANTS ARE NOT THE ANSWER

Tidal power plants will probably not do much to solve the European Community's energy problems, the Commission said, February 28, answering a written question from European Parliament members Willi Muller and Helmut Kater (Socialist Democrat Group). Citing the Rance tidal plant on the French coast of the English Channel, the Commission said the amount of power generated from such a plant depends on tides and lunar and solar cycles. Tidal power plants cannot be used at capacity for more than about 2,000 hours a year. A reserve production capacity to make up for drops in the plant's output could not be economically created, the Commission said. Furthermore, only the coasts of Normandy, Brittany, England, and Wales have the proper tidal conditions for these plants.

The Commission pointed out another disadvantage of tidal plants -- their environmental danger. A marine dam several miles long could alter the landscape, affect hydrology and animal life, and endanger shipping, the Commission said.

COMMISSION READY FOR COMECON TALKS

The Commission stands ready to have exploratory talks with East Europe's Council for Mutual Economic Aid (COMECON), EC Commission Vice President Christopher Soames told the European Parliament March 13 in Strasbourg, France. Soames said the European Community's September 1973 reply to COMECON's overture to the Council was "in no sense a negative one." COMECON General Secretary Nicolai Fedeyev suggested possible EC-COMECON cooperation during a meeting with the Council of Ministers President in Copenhagen, August 27, 1973. In its reply, the Council said EC institutions had taken note of the meeting and declared that if COMECON wished to pursue the matter with the Community further, it should do so through the Commission, which is responsible for such requests.

KOHNSTAMM HEADS FLORENCE INSTITUTE

The EC Council of Ministers has named Max Kohnstamm the first president of the European University Institute in Florence.

The European-level postgraduate institution was created through a Convention signed in 1972 by the then six EC Member States. The aim of the Institute, as set forth in the Convention, is "to contribute in the field of higher education and research to Europe's cultural and scientific heritage, including Europe's diversity as well as its unity." The Institute's financing is prorated among the EC Member States. After 1978, the Institute may be financed directly from Community funds.

Kohnstamm, whose most recent post was president of the Institute of European Studies in Brussels, serves as vice president of the Action Committee for a United States of Europe. In 1972, with the for-

mation of the European Coal and Steel Community (ECSC), he became the ECSC High Authority's first secretary.

RESOLUTION TO SPEED PROFESSIONAL RECOGNITION

Mutual recognition of professional qualifications throughout the European Community was the topic of a draft resolution to accelerate freedom of establishment of self-employed persons recently proposed to the Council of Ministers by the Commission. The draft resolution gave guidelines for future Council discussion of the problem.

The guidelines call for maintaining the quality of professional training in the Community while avoiding specific provisions in that area since Member State standards are similar. The draft resolution also maintains that EC rules and procedures in this field should be made adaptable to new scientific and educational developments in the Member States. Additionally, the Commission called for setting up advisory committees made up of professionals and instructors to aid the Commission in its work.

GERMANY GIVEN MOST ECSC ADVISORY COMMITTEE SEATS

Steel-rich Germany will have the largest representation on the Consultative Committee of the European Coal and Steel Community (ECSC). The Committee, made up of representatives of producers, workers, consumers, and retailers, advises the EC Commission on coal and steel matters. The 1974 membership allocation was approved by the Council of Ministers on March 4. Of the 81 members, Germany will have 19, Britain 18, and France 13.

The Council granted eight seats each to Belgium and Italy, five to the Netherlands, four to Luxembourg, and three each to Ireland and Denmark.

COMMISSION REGRETS "BUY AMERICAN" LAWS

The Commission regrets US Congressional tendencies toward strengthening "buy American" legislation on the eve of the upcoming negotiations on the General Agreement on Tariffs and Trade (GATT), it said in answer to a written question from European Parliament member Pierre Bernard Cousté. Cousté asked what action the Commission planned with regard to legislation such as a US Trade bill amendment (adopted by the House of Representatives) giving American companies the sole right to supply materials for construction, operation, and maintenance of the Alaska pipeline. The Commission said it had, along with certain Member States, already alerted US authorities about its concern that "buy American" provisions run counter to the spirit of the GATT negotiations for reducing obstacles to international trade.

COUNCIL GETS FIRST EDUCATION PROPOSALS

A draft program to add a European dimension to education in the Common Market, increase mobility for all education levels, and improve opportunities for migrant workers' children has been sent to the Council of Ministers by the Commission. The proposal defines EC education priorities and initial action. The Commission called for intensive EC-level efforts to improve foreign language teaching, encourage European studies at all levels, promote collaboration between higher education institutions, and investigate the possible extension of the idea of European Schools. Six European Schools have been set up in the original EC countries to provide children of EC institution and other European civil servants with an education transcending national language, customs, and attitudes barriers.

As an initial step toward allowing free movement of teachers, researchers, administrators, and

students throughout the Community, the Commission proposed setting up a general hearing on mutual recognition of diplomas. Additionally, the program calls for developing pilot projects to enable teachers to gain experience in other Member States.

Children of migrant workers would be given a better chance at an education which would help them meet the standards applied in their home countries as well as integrate them into the society of the country in which they live.

SALE OF EC WHEAT APPROVED

European Community Member States will be allowed to sell up to 500,000 tons of stockpiled soft wheat, the EC Commission announced on March 8. Up to 200,000 tons of wheat can be exported to third countries, while 300,000 tons will be directed toward the Community's traditional wheat customers in the Mediterranean basin. The wheat will be for sale until May 31, 1974. Earlier this year, the Commission approved the sale of 185,000 tons of wheat to third countries.

COMMISSION REPS VISIT LATIN AMERICA

EC Commission Vice President Carlo Scarascia-Mugnozza led a Commission delegation at a colloquium on European Community relations with Latin America in Punta Del Este, Uruguay, March 4-5.

The Commission also organized a series of Latin American seminars on the operation of the EC generalized preference system. They were held on March 8 in Montevideo, Uruguay, March 11-12 in El Salvador, San Salvador, and March 14-15 in Bogota, Colombia. Similar seminars were sponsored by the Commission in Asia during December 1973.

FIVE NEW EIB LOANS GRANTED

The European Investment Bank (EIB) granted five loans totaling 69.2 million units of account (UA) to help finance energy and telecommunications projects in Germany, Greenland, the Netherlands, and Belgium. (One UA equals one 1970 dollar).

A 20 year loan of UA 19 million went to Ruhrgas AG of Essen, Germany to help finance pipelines and related equipment to carry Russian natural gas from the German-Czechoslovakia border to Bavaria. Germany Schluchseewerk AG of Freiburg-im-Breisgau was granted a loan of UA 15 million to build a power station and an elevated reservoir to produce electricity from the Southern Black Forest's water resources.

The Dutch company NV Nederlandse Gasunie of Gronigen, was granted a UA 14.9 million loan to help build a pipeline to carry natural gas from the Netherlands to the German and Belgian frontiers around Limburg.

Belgium's Société Belgo-Française d'Energie Nucléaire

Mosane (SEMO) received a UA 15 million 20 year loan to continue construction of a nuclear power station near Liège.

The Danish Government was loaned UA 5 million, repayable in 20 years, to help finance a trunk communications network along the southwest coast of Greenland. An Ultra High Frequency (UHF) system will be installed to improve ship to shore communications and the quality of telephone, telegraph, radio, and television transmissions.

UPCOMING PROPOSAL TO REDUCE AUTO-NOISE

Proposals to make European Community motor vehicles quieter are forthcoming, the Commission said March 8, answering a written question from European Parliament member Ludwig Fellermaier (Socialist Democrat Group). The Commission said the Council would soon receive a draft directive for reducing the permitted noise level by about three decibels.

EUROPEAN COMMUNITY INFORMATION SERVICE

2100 M Street, N.W., Washington, D.C. 20037