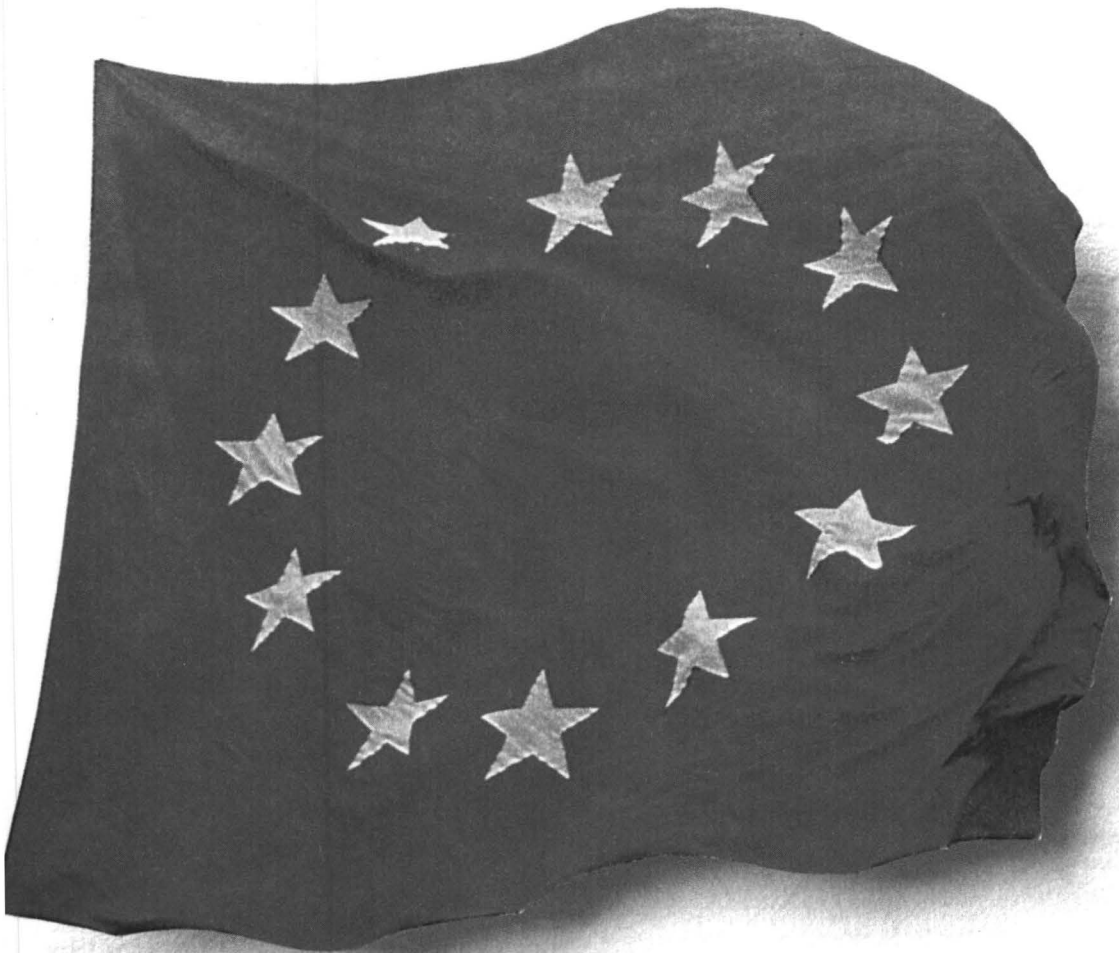


Bulletin of the European Communities

Commission



No 11 1989 Volume 22

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Standardized abbreviations for the designation of certain monetary units in the different languages of the Community:

ECU	=	European currency unit
BFR	=	Belgische frank / Franc belge
DKR	=	Dansk krone
DM	=	Deutsche Mark
DR	=	Greek drachma
ESC	=	Escudo
FF	=	Franc français
HFL	=	Nederlandse gulden (Hollandse florijn)
IRL	=	Irish pound / punt
LFR	=	Franc luxembourgeois
LIT	=	Lira italiana
PTA	=	Peseta
UKL	=	Pound sterling
USD	=	United States dollar

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- 5/89 Statute for a European Company**

PART ONE

SPECIAL FEATURES

1. News in brief

Telecommunications, information technology and innovation

The Council agrees to the substance of a Decision concerning common action to get the European high-definition television standard accepted worldwide (→ point 2.1.56).

Employment and social affairs

Social Europe

The Commission adopts a communication on an action programme for the implementation of the Community Charter of Fundamental Social Rights for Workers (→ point 2.1.80).

The Council adopts three Directives on the protection of health and safety at the workplace (→ points 2.1.99 to 2.1.101).

The Commission adopts a proposal for a Community action programme for the development of continuing vocational training (→ point 2.1.106).

Europe against cancer

The Council adopts a Directive on the labelling of tobacco products and a common position on the proposal for a Directive on the tar content of cigarettes (→ points 2.1.91 and 2.1.92).

The Commission adopts a recommendation on the training of health-care personnel in matters concerning cancer (→ point 2.1.94).

Regional and structural policies

The Commission adopts general guidelines for programmes of Community interest undertaken on the Commission's initiative (→ point 2.1.115) and takes the first decisions to finance such initiatives (→ point 2.1.110).

The Commission approves a programme of regional environmental measures (the Envireg programme) (→ point 2.1.112).

Environment

The Council agrees in principle to the proposal for a Regulation on the establishment of a European Environment Agency (→ point 2.1.116).

The Commission approves a proposal for a Regulation on a Community action programme for the protection of the environment in the Mediterranean region (Medspa) (→ point 2.1.127).

Agriculture

Successful Agriculture Council on 20, 21 and 22 November, in particular the political agreement reached on the proposals for Regulations to adjust the structural policy (Objective 5a) (→ point 2.1.154).

Fisheries

Successful Fisheries Council on 27 November, in particular the adoption of fixing the guide prices for 1990 (→ point 2.1.175).

Transport

The Commission adopts a communication on a Community railway policy (→ point 2.1.183).

Energy policy

The Commission approves a communication on energy and the environment (→ point 2.1.189).

External relations*Eastern Europe*

Outcome of the informal meeting of Members of the European Council in Paris on 18 November (→ point 2.2.15).

Visit by Commission President Jacques Delors and Council President Roland Dumas to Poland and Hungary (→ point 2.2.19).

EFTA countries

The Commission adopts a communication on future Community-EFTA relations (→ point 2.2.12).

Mediterranean countries

The Commission adopts a communication containing the outline plan of an overall strategy for relations with non-member Mediterranean countries (→ point 2.2.29).

PART TWO
ACTIVITIES
IN NOVEMBER 1989

1. Building the Community

Economic and monetary policy

Economic and monetary union

2.1.1. The Council, meeting on 13 and 14 November to discuss economic and financial affairs, took note of the report from the high-level working party which met at the instigation of the Presidency. That report summarizes the main problems to be resolved in drawing up a Treaty on EMU and is therefore a useful working tool in preparation for the Intergovernmental Conference. The Council also took note of a United Kingdom contribution on an evolving approach to economic and monetary union, the report from the Chairman of the Monetary Committee and the report from the Economic Policy Committee on budgetary coordination. The Council held an exchange of views on this, following which the President stressed that economic and monetary union should make it possible to achieve sustained non-inflationary growth in the Community together with a high level of employment. In accordance with the conclusions of the European Council in Madrid, EMU must be seen in the context of the completion of the internal market and economic and social cohesion within the Community. Referring more specifically to stage one of EMU, the Council examined the two Commission proposals¹ concerning:

(i) the attainment of progressive convergence of economic performance during stage one of economic and monetary union, and

(ii) increased cooperation between the central banks of the Member States of the European Economic Community,

on which it was expecting the opinions of the European Parliament and the Economic and Social Committee and had already received the opinions of the Monetary Committee and the Committee of Governors of the Central Banks.

The Council noted that there was a consensus on these two texts, which should enable

it to adopt them when it had received the abovementioned opinions.

Both texts are intended to implement the political decision of the European Council in Madrid that stage one of EMU will begin on 1 July 1990 and will have to take account of the parallelism between economic and monetary aspects, respect the principle of subsidiarity and allow for the diversity of specific situations.

2.1.2. The Economic and Social Committee endorsed the two proposals on 16 November.

Economic situation

Annual Economic Report 1989/90

2.1.3. On 16 November the Economic and Social Committee endorsed the Commission's Annual Economic Report 1989/90.² It shared the Commission's view that the two major challenges are: (a) to promote healthy growth so as to reduce unemployment and regional disparities, and (b) gradually to reduce economic and social divergences between the Member States with regard to public budgets, social conditions, inflation and the balance of payments. It stressed the need for the process of economic integration to be backed up by measures to achieve economic cohesion, give the internal market a social dimension, and protect the environment.

Internal market

People's Europe

Elimination of frontier controls

2.1.4. At its meeting held on 23 and 24 November the Council (Internal Market)

¹ OJ C 283, 9.11.1989; Bull. EC 9-1989, point 2.1.2.

² Bull. EC 10-1989, point 1.2.1 *et seq.*

agreed to the proposal for a Regulation on the elimination of frontier controls in the field of road and inland waterway transport,¹ which the European Parliament² and the Economic and Social Committee³ endorsed on 23 May and 1 June respectively. The proposal, which is designed to ensure that intra-Community traffic flows more freely, stipulates that frontier controls will in future merely be carried out as part of the normal controls applied throughout a Member State's territory.

Freedom to provide services

Financial services

Banks and other financial institutions

2.1.5. In the light of the decision of the European Parliament⁴ on the common position of the Council⁵ concerning the proposal,⁶ as amended,⁷ for a Directive on a solvency ratio for credit institutions, on 15 November the Commission adopted a re-examined proposal for a Directive specifying that the regulatory committee procedure is to be followed and making drafting improvements.⁸

2.1.6. On 23 November the European Parliament adopted a decision⁹ on the common position of the Council¹⁰ on the proposal,¹¹ as amended,¹² for a second Directive relating to the taking-up and pursuit of the business of credit institutions and amending Directive 77/780/EEC.¹³ Parliament adopted amendments concerning branches of credit institutions whose parent undertakings are based outside the Community.

Insurance

2.1.7. On 15 November the Economic and Social Committee delivered an opinion on the draft Agreement between the European Economic Community and the Swiss Confederation on direct insurance other than life insurance and on the proposals for a

Directive and a Regulation implementing the Agreement.¹⁴ The Committee called on the Commission to carry out a cost-benefit analysis before entering into such agreements in future. It also deplored the fact that it was consulted at such a late stage, the Council and representatives of the Swiss Confederation having already signed the definitive version of the Agreement.¹⁵

Stock exchanges and securities

2.1.8. On 13 November, acting on a Commission proposal,¹⁶ in cooperation with the European Parliament,¹⁷ and in the light of the opinion of the Economic and Social Committee,¹⁸ the Council formally adopted Directive 89/592/EEC coordinating regulations on insider dealing,¹⁹ on which it adopted a common position on 19 June.²⁰

2.1.9. Also on 13 November, acting on a Commission proposal,²¹ the Council adopted a common position with a view to amending Council Directive 80/390/EEC of 17 March 1980²² in respect of the mutual recognition of stock-exchange listing particulars.

¹ OJ C 58, 7.3.1989; Bull. EC 12-1988, point 2.1.35.

² OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.4.

³ OJ C 194, 31.7.1989; Bull. EC 5-1989, point 2.1.4.

⁴ OJ C 304, 4.12.1989; Bull. EC 10-1989, point 2.1.11.

⁵ Bull. EC 7/8-1989, point 2.1.6.

⁶ OJ C 135, 25.5.1988; Bull. EC 4-1988, points 1.2.1 to 1.2.4.

⁷ OJ C 167, 3.7.1989; Bull. EC 5-1989, point 2.1.8.

⁸ OJ C 303, 2.12.1989; COM(89) 578 final.

⁹ OJ C 323, 27.12.1989.

¹⁰ Bull. EC 7/8-1989, point 2.1.5.

¹¹ OJ C 84, 31.3.1987; Bull. EC 1-1988, points 1.2.1 to 1.2.3.

¹² OJ C 167, 3.7.1989; Bull. EC 5-1989, point 2.1.9.

¹³ OJ L 322, 17.12.1977.

¹⁴ Bull. EC 9-1989, point 2.1.8.

¹⁵ Bull. EC 10-1989, point 2.1.12.

¹⁶ OJ C 153, 11.6.1987; Bull. EC 4-1987, point 2.1.65; OJ C 277, 27.10.1988; Bull. EC 10-1987, point 2.1.67.

¹⁷ First reading: OJ C 187, 18.7.1988; Bull. EC 6-1988, point 2.1.125; second reading: OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.15.

¹⁸ OJ C 35, 8.2.1988; Bull. EC 12-1987, point 2.4.34.

¹⁹ OJ L 334, 18.11.1989.

²⁰ Bull. EC 6-1989, point 2.1.11.

²¹ OJ C 101, 22.4.1989; Bull. EC 3-1989, point 2.1.9.

²² OJ L 100, 17.4.1980; Bull. EC 3-1980, point 2.1.34.

Public procurement

Redress

2.1.10. On 22 November the European Parliament approved¹ on second reading² the common position of the Council³ on the proposal,⁴ as amended,⁵ for a Directive on the application of redress procedures regarding the award of public supply and works contracts.

Free movement of goods

Removal of trade barriers

Industrial products

Weighing instruments

2.1.11. On 23 November, acting on a Commission proposal,⁶ the Council (Internal Market) arrived at substantive agreement on a common position with a view to the adoption of a Directive relating to non-automatic weighing instruments. The aim of the proposal is to eliminate barriers to trade within the Community as a result of metrological and technical requirements and inspection procedures which differ from one Member State to another.

Personal protective equipment

2.1.12. On 29 November, in the light of the decision of the European Parliament⁷ on the common position of the Council⁸ concerning the proposal,⁹ as amended,¹⁰ for a Directive relating to personal protective equipment, the Commission adopted¹¹ for transmission to the Council a re-examined proposal making Annex V(1) to the Directive more specific.

Dangerous substances and preparations

2.1.13. On 27 November, in the light of the decision of the European Parliament¹² on the common position of the Council¹³

concerning the proposal¹⁴ for a Directive amending Council Directive 76/769/EEC of 27 July 1976 relating to restrictions on the marketing and use of certain dangerous substances and preparations,¹⁵ the Commission adopted a re-examined proposal for a Directive taking account of the amendments adopted by Parliament with regard to the procedure for adapting the Annexes to the Directive to technical progress.¹⁶

2.1.14. Also on 27 November, in the light of the decision of the European Parliament¹⁷ on the common position of the Council¹⁸ concerning the proposal,¹⁹ as amended,²⁰ for a Directive amending for the eighth time the abovementioned Council Directive 76/769/EEC of 27 July 1976¹⁵ the Commission adopted a re-examined proposal for a Directive permitting the use of lead sulphates in paints for the restoration and maintenance of historic buildings.²¹

On 10 November the Commission adopted,²² for transmission to the Council, a proposal for a Directive amending for the 10th time the abovementioned Council Directive 76/769/EEC of 27 July 1976.¹⁵ The purpose of the proposal is to regulate the marketing and use of cadmium because of the pollution which it can cause.

¹ OJ C 323, 27.12.1989.

² First reading: OJ C 167, 27.6.1988; Bull. EC 5-1988, point 2.1.22.

³ Bull. EC 7/8-1989, point 2.1.10.

⁴ OJ C 230, 28.8.1987; Bull. EC 7/8-1987, point 2.1.21.

⁵ OJ C 15, 19.1.1989; Bull. EC 11-1988, point 2.1.37.

⁶ OJ C 55, 4.3.1989; Bull. EC 12-1988, point 2.1.22.

⁷ OJ C 304, 4.12.1989.

⁸ Bull. EC 6-1989, point 2.1.16.

⁹ OJ C 141, 30.5.1988; Bull. EC 4-1988, point 2.1.13.

¹⁰ OJ C 142, 8.2.1989; Bull. EC 5-1989, point 2.1.33.

¹¹ OJ C 318, 20.12.1989; COM(89) 586 final.

¹² OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.20.

¹³ Bull. EC 7/8-1989, point 2.1.17.

¹⁴ Bull. EC 10-1983, point 2.1.96.

¹⁵ OJ L 262, 27.9.1976.

¹⁶ COM(89) 606 final.

¹⁷ OJ C 256, 9.10.1989; Bull. EC 9-1989, point 2.1.18.

¹⁸ Bull. EC 5-1989, point 2.1.21.

¹⁹ OJ C 43, 16.2.1988; Bull. EC 1-1988, point 2.1.11.

²⁰ OJ C 191, 28.7.1989; Bull. EC 6-1989, point 2.1.17.

²¹ OJ C 318, 20.12.1989; COM(89) 529 final.

²² COM(89) 548 final.

Units of measurement

2.1.15. On 27 November, acting on a Commission proposal,¹ in cooperation with the European Parliament,² and in the light of the opinion of the Economic and Social Committee,³ the Council formally adopted Directive 89/617/EEC⁴ amending Council Directive 80/181/EEC of 20 December 1979 relating to units of measurement⁵ on which it adopted a common position on 14 June.⁶ The Directive sets out the areas in which imperial units of measurement can continue to be used temporarily.

Foodstuffs

2.1.16. On 15 November, in the light of the opinion delivered on first reading by the European Parliament on 11 October,⁷ the Commission decided⁸ to amend the proposal⁹ for a Council Directive concerning food and food ingredients treated with ionizing radiation. The purpose of the amendments is to reduce the list of products which may be treated in this way and to facilitate public access to scientific data.

2.1.17. In accordance with Council Directive 80/777/EEC of 15 July 1980, relating to the exploitation and marketing of natural mineral waters,¹⁰ the United Kingdom informed the Commission of the list of mineral waters recognized there.¹¹

Free movement of goods possessing artistic, historic or archaeological value

2.1.18. On 15 November the Commission adopted for transmission to the Council and the European Parliament a communication on the protection of national treasures possessing artistic, historic or archaeological value: needs arising from the abolition of frontiers in 1992.¹² At present Member States can prohibit exports of certain cultural goods from their territory or subject such exports to certain formalities, provided they comply with Article 36 of the EEC

Treaty. The Commission is attempting to reconcile the fundamental principle of free movement of goods with the protection of national treasures.

Customs union**Simplification of customs formalities***Community transit*

2.1.19. Following the opinion delivered by Parliament at its first reading,¹³ the Council (Internal Market) adopted on 23 November a common position on the proposal for a Regulation¹⁴ providing for the abolition of the transit advice note at the Community's internal frontiers.

General legislation*Customs debt*

2.1.20. On 22 November Parliament endorsed¹⁵ the proposal¹⁶ to amend Council Regulation (EEC) No 1031/88 of 18 April 1988 determining the persons liable for payment of a customs debt.¹⁶ Parliament made a number of changes of wording and one amendment aimed at allowing a person

¹ OJ C 31, 7.2.1989; Bull. EC 12-1988, point 2.1.26.

² First reading: OJ C 120, 16.5.1989; Bull. EC 4-1989, point 2.1.23; second reading: OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.23.

³ OJ C 159, 26.6.1989; Bull. EC 4-1989, point 2.1.24.

⁴ OJ L 357, 7.12.1989.

⁵ OJ L 39, 15.2.1980.

⁶ Bull. EC 6-1989, point 2.1.19.

⁷ OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.25.

⁸ OJ C 303, 2.12.1989; COM(89) 576 final.

⁹ OJ C 336, 31.12.1988; Bull. EC 11-1988, point 2.1.27

¹⁰ OJ L 229, 30.8.1980; Bull. EC 7/8-1980, point 2.1.15.

¹¹ OJ C 277, 31.10.1989.

¹² COM(89) 594 final.

¹³ OJ C 323, 27.12.1989.

¹⁴ OJ C 245, 26.9.1989; Bull. EC 7/8-1989, point 2.1.23.

¹⁵ OJ C 142, 8.6.1989; Bull. EC 5-1989, point 2.1.36.

¹⁶ OJ L 102, 21.4.1988; Bull. EC 4-1988, point 2.1.65.

liable for a debt in respect of goods removed from a free zone or a free warehouse to establish that the goods have passed into the possession of someone else.

Customs procedures with economic impact

Temporary importation

2.1.21. On 7 November the Commission adopted Regulation (EEC) No 3348/89¹ amending Regulation (EEC) No 4027/88² laying down provisions for the temporary importation of containers. While maintaining the possibility of customs checks, the amendment provides that containers marked as belonging to a Member State shall be deemed to satisfy the conditions laid down in Articles 9 and 10 of the Treaty.

Common Customs Tariff/ Combined Nomenclature

2.1.22. On 23 November the Council adopted on a proposal from the Commission,³ following the opinion delivered by Parliament,⁴ Regulation (EEC) No 3528/89⁵ amending the legal basis of Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature.⁶

Common Customs Tariff

2.1.23. On 9 November the Commission adopted for transmission to the Council a proposal⁷ to amend Council Regulation (EEC) No 2658/87 of 23 July 1987 on the tariff and statistical nomenclature.⁶ The purpose of the proposal is to postpone until 1 January 1991 (instead of 1 January 1990) the deadline for the entry into force of Taric, in the light of one Member State's difficulty in incorporating Taric into its national tariff.

Combined Nomenclature

2.1.24. With a view to the uniform application of the Combined Nomenclature, the Commission adopted Regulations (EEC) No 3469/89, 3471/89,⁸ 3481/89 and 3482/89⁹ on the classification of goods.

Customs value

2.1.25. On 17 November the Commission adopted Regulation (EEC) No 3462/89¹⁰ adjusting with effect from 3 January 1990 the description of certain products in the list of perishable imports covered by the system of simplified procedures for determining customs value, established by Commission Regulation (EEC) No 1577/81 of 12 June 1981.¹¹ The changes also involve the addition of a new product to the list and revision of the list of marketing centres.

Origin

2.1.26. On 14 November the Commission adopted for transmission to the Council six proposals designed to constitute the common position of the Community with a view to the adoption of the Decisions of the Joint EEC/Austria, Finland, Iceland, Norway, Sweden and Switzerland Committees amending the Origin Protocols of each of the Agreements in question and six proposals for Regulations on the application of the Decisions in question. These proposals are designed to take account of the fact that the EFTA countries have undertaken to suspend certain customs duties applicable with regard to Spain following the measures of the same kind adopted in the Community

¹ OJ L 323, 8.11.1989.

² OJ L 355, 23.12.1988; Bull. EC 12-1988, point 2.1.92.

³ Bull. EC 6-1989, point 2.1.34.

⁴ OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.31.

⁵ OJ L 347, 28.11.1989.

⁶ OJ L 256, 7.9.1987; Bull. EC 7/8-1987, point 2.1.80.

⁷ COM(89) 547 final.

⁸ OJ L 337, 21.11.1989.

⁹ OJ L 338, 22.11.1989.

¹⁰ OJ L 334, 18.11.1989.

¹¹ OJ L 154, 13.6.1981; Bull. EC 6-1981, point 2.1.28.

of Ten pursuant to Council Regulation (EEC) No 1873/89 of 12 June, and Council Decision 89/372/EEC of the same date.¹ This has the effect of granting Spanish products preferential treatment identical to that reserved for products originating in the Community, thus making it unnecessary in future to identify Spanish products.

Taxation

Indirect taxation

Removal of tax frontiers

2.1.27. On 13 November the Council (Economic and Financial Affairs) adopted conclusions on the abolition of tax frontiers, following adoption of an initial approach in October.² While retaining the medium-term objective of switching to a uniform system of taxation in the country of origin, as proposed by the Commission,³ the Council confirmed its desire to maintain, for a limited period and in the case of transactions between taxable persons in different Member States, a system of VAT based on taxation of the recipient in the country of destination at the rate and under the conditions obtaining in that country.

Under the arrangements adopted, businesses will have to keep at the disposal of the authorities the requisite information for effective tax checks and are to submit regular returns that are to be as simple as possible. The nature of the obligations imposed to that effect will be decided on a proposal from the Commission. Monitoring will be based on the processing of business returns and administrative cooperation between the national authorities, in addition to existing mutual assistance procedures. Differential treatment will be accorded to certain classes of transaction (purchases of registered vehicles and distance selling) in order to avoid distortions of competition without hampering the free movement of goods. Products subject to excise duty will move without tax being

levied between warehousekeepers authorized by the authorities of the Member States, the excise duty being paid in the Member State of consumption. The Commission's proposals⁴ concerning excise duty rates will be examined at a future Council meeting.

The Council did not reach agreement on the abolition of quantitative and *ad valorem* restrictions on travellers' purchases and the derogations granted to certain Member States in that connection.

While noting that some progress had been made, the Commission reiterated the reservations it had already entered after the Council meeting of 9 October.⁵ It issued the following statement on 15 November:

'The Commission notes that, at its meeting on economic and financial affairs on 13 November 1989, the Council reached partial agreement on the maintenance of VAT collection based on the country of destination. It considers that the transitional nature of this system is not adequately guaranteed. It regrets that the Council has failed to reach agreement on an initial approximation of rates and on a commitment to abolish travellers' tax allowances. The Commission, which has demonstrated its flexibility in facilitating an agreement, considers that the Council has for its part not yet shown the political will necessary for tax frontiers to be abolished by 1 January 1993.'

Turnover taxes

2.1.28. On 23 November the European Parliament endorsed⁶ the proposal for a Directive⁷ supplementing the common system of value-added tax with regard to the arrangements applicable to second-hand goods, works of art, antiques and collector's items. It suggested amendments aimed at safeguarding Member States' heritage, exempting items donated to officially recog-

¹ OJ L 164, 15.6.1989; Bull. EC 6-1989, point 2.1.35.

² Bull. EC 10-1989, point 2.1.36.

³ OJ C 250, 18.9.1987; OJ C 251, 19.9.1987; OJ C 252, 22.9.1987; OJ C 262, 1.10.1987; Bull. EC 7/8-1987, point 1.2.1 *et seq*; Bull. EC 5-1989, point 1.1.1.

⁴ Bull. EC 10-1989, point 2.1.38.

⁵ Bull. EC 10-1989, point 2.1.36.

⁶ OJ C 323, 27.12.1989.

⁷ OJ C 76, 28.3.1989; Bull. EC 12-1988, point 2.1.95.

nized charity organizations and works of living artists, and determining the taxable amount for the activities of certain intermediaries.

Tax reliefs

2.1.29. On an amended¹ proposal² from the Commission and following the opinions adopted by the European Parliament³ and the Economic and Social Committee,⁴ on 23 November the Council adopted Directive 89/604/EEC⁵ amending Directive 83/183/EEC of 28 March 1983⁶ on tax exemptions applicable to permanent imports from a Member State of the personal property of individuals.

2.1.30. On 23 November the European Parliament endorsed⁷ the proposal⁸ for a Directive amending Council Directive 69/169/EEC of 28 May 1969⁹ to increase in real terms the tax-paid allowances in intra-Community travel. It proposed two amendments aimed at highlighting that the restrictions still applied in the area will be phased out by 1 January 1993.

Enterprise

Business environment

Company law

Accounting standards

2.1.31. On 14 November, taking account of Parliament's opinion at the second reading,¹⁰ the Commission adopted for transmission to the Council a re-examined proposal for a Council Directive concerning disclosure requirements in respect of branches opened in a Member State by certain types of company governed by the law of another State.¹¹

2.1.32. On 29 November, taking account of Parliament's opinion at the second read-

ing,¹² the Commission adopted for transmission to the Council an amended proposal¹³ amending the Council Directives on annual accounts¹⁴ and on consolidated accounts with respect to the exemptions for small and medium-sized companies.¹⁵

Single-member companies

2.1.33. On 29 November, taking account of Parliament's opinion at the second reading,¹⁶ the Commission adopted for transmission to the Council a re-examined proposal for a Council Directive concerning single-member private limited companies.¹⁷

Administrative simplification

2.1.34. On 8 October the Commission adopted conclusions with regard to the operation of its system of assessing its proposals' impact on businesses.¹⁸ It decided that, for the sake of greater efficiency, the system should apply not only to proposals for forwarding to the Council but also to draft legislation which the Commission itself adopts pursuant to the Treaties.

¹ OJ C 179, 8.7.1988; Bull. EC 5-1988, point 2.1.58.

² OJ C 5, 9.1.1987; Bull. EC 12-1986, point 2.1.162.

³ OJ C 318, 30.11.1987; Bull. EC 10-1987, point 2.1.59.

⁴ OJ C 150, 9.6.1987; Bull. EC 4-1987, point 2.4.45.

⁵ OJ L 348, 29.11.1989.

⁶ OJ L 105, 23.4.1983; Bull. EC 3-1983, point 2.1.44.

⁷ OJ C 323, 27.12.1989.

⁸ OJ C 245, 26.9.1989; Bull. EC 7/8-1989, point 2.1.37.

⁹ OJ L 133, 4.6.1969.

¹⁰ OJ C 256, 9.10.1989; Bull. EC 9-1989, point 2.1.25.

¹¹ Original proposal: OJ C 203, 12.8.1986; Bull. EC 7/8-1986, points 2.1.16 and 3.5.1; amended proposal: OJ C

105, 21.4.1988; Bull. EC 4-1988, point 2.1.80; re-examined proposal: OJ C 203, 12.8.1986; COM(89) 528 final.

¹² OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.49.

¹³ OJ C 318, 20.12.1989; COM(89) 561.

¹⁴ OJ L 222, 14.8.1978.

¹⁵ OJ L 193, 18.7.1983; Bull. EC 5-1983, point 2.1.26 to 2.1.30.

¹⁶ OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.40.

¹⁷ Original proposal: OJ C 173, 2.7.1988; Supplement 5/88 — Bull. EC; Bull. EC 3-1988, point 2.1.93; amended proposal: OJ C 152, 20.6.1989; Bull. EC 5-1989, point 2.1.50; re-examined proposal: COM(89) 591 final.

¹⁸ Bull. EC 5-1986, point 2.1.21.

Small businesses

Action programme

2.1.35. On 16 November the Economic and Social Committee adopted an additional opinion¹ on the proposal for a Decision relating to the improvement of the business environment and the promotion of the development of enterprises.² Stressing the important part small businesses play in the economy, the Committee affirmed its support for a specific policy on such enterprises and listed the points that a policy of this kind should include.

Distributive trades — Tourism

2.1.36. On 14 November the Council formally adopted the resolution on the distributive trades in the context of the internal market³ which it had approved in October.⁴

Industrial strategy and services

Sectoral policies

Steel

Market situation

2.1.37. Under Decision 2448/88/ECSC of 19 July 1988 on the introduction of a system of statistical surveillance,⁵ the Commission noted in November that, although real consumption remains steady, demand is beginning to falter and prices, particularly for exports, are falling. At the same time, demand has been shrinking and supply increasing in the world market. Furthermore, crude steel production in the Community and the world as a whole has begun to decline after a long period of growth. Production in the Community in October was 11.92 million tonnes,⁶ a drop of 4.3%

compared with the same period in 1988. Although, at this stage, the slowing-down of activity appears to be due to the running-down of stocks, a slight downturn in the steel business cycle cannot be ruled out; crude steel production in the USA and the West as a whole declined compared with October 1988, while in Japan the volumes produced remained unchanged.

Shipbuilding

2.1.38. On 14 November the Council (Industry) held a policy debate on the situation in the Community shipbuilding industry on the basis of a Commission report. It took note of the approach proposed by the Commission for multilateral discussions on shipbuilding within the OECD. It was stressed that a policy of restoring normal conditions of competition should cover all forms of direct and indirect support, and that any discussion had to include Japan and Korea as well as the USA.

Textiles

2.1.39. Also on 14 November the Council held a policy debate on the industrial implications of the multilateral trade negotiations for the textile industry and on transparency of aid in this sector on the basis of a Commission working paper.

Other sectors

Footwear industry

2.1.40. Also on 14 November the Council held a policy debate on the situation in the Community footwear industry with regard to competition with third countries and the prospects arising from completion of the

¹ First reading: OJ C 159, 26.6.1989; Bull. EC 4-1989, point 2.1.45.

² OJ C 79, 30.3.1989; Bull. EC 2-1989, point 2.1.12.

³ OJ C 297, 25.11.1989.

⁴ Bull. EC 10-1989, point 2.1.42.

⁵ OJ L 212, 5.8.1988; Bull. EC 7/8-1988, point 2.1.21.

⁶ Eurostat/D3 'Iron and steel'.

internal market. The Commission was asked to consider urgent measures to facilitate the necessary adjustment of the industry with regard to international trade, research and development and vocational training.

Pedip

2.1.41. On 27 November the Commission decided, under Council Regulation No 2053/88 of 24 June 1988 on Community financial assistance for the modernization of Portuguese industry,¹ to grant financial support of ECU 16.12 million to the programme of aid to specific sectors which covers information technology, electronics and capital goods.

Research and technology

Community R&TD

Framework programme

2.1.42. On 15 November the Economic and Social Committee broadly endorsed the proposal for a Decision concerning the framework programme of research and technological development (1990-94).²

It called for the research and technological development policy to be made an integral part of Community policies, in particular those on improvement of the quality of life, the achievement of cohesion and the principle of subsidiarity. It proposed the setting-up of a small strategic body to oversee general Community policy and strategy over the next 10 to 15 years. It also asked that certain requirements be met before it was consulted on the specific programmes. There was a need for prior Commission action in particular with regard to policy towards non-member countries, coordination with Eureka and a review of the provisions on intellectual property. Lastly, it felt that the current system resulted in arbitrary interruptions for financial reasons

and uncertainty about the funds available for the continuation of worthwhile projects.

Coordination of national policies

2.1.43. Meeting in Brussels on 27 November, the Scientific and Technical Research Committee (Crest) resumed and completed its discussion on the technical content of the future framework programme of research and technological development (1990-94) proposed by the Commission.³ By preparing a final version of the technical annex of the Commission's proposal incorporating the amendments proposed by all the delegations, Crest carried out the brief assigned to it by the Council in September.⁴ In accordance with the Council's instructions, Crest did not consider matters relating to the structure of the framework programme or financial aspects.

International cooperation

Framework agreements with the EFTA countries

2.1.44. In the light of the opinions delivered by Parliament (first reading on 25 October) and by the Economic and Social Committee on 15 November,⁵ the Council adopted, on 28 November, a common position on the proposal for a Decision concerning the conclusion of cooperation agreements between the EEC and Austria, Finland, Norway, Sweden and Switzerland in the field of medical and health research.⁶

COST

2.1.45. On 27 November Sweden signed the Memorandum of Understanding on

¹ OJ L 185, 15.7.1988; Bull. EC 6-1988, point 2.1.166.

² OJ C 243, 23.9.1989; Bull. EC 7/8-1989, points 1.3.1 to 1.3.3.

³ OJ C 243, 23.9.1989; Bull. EC 7/8-1989, point 1.3.1 *et seq.*

⁴ Bull. EC 9-1989, point 2.1.32.

⁵ OJ C 304, 4.12.1989; Bull. EC 10-1989, point 2.1.50.

⁶ OJ C 223, 30.8.1989.

COST 231 (evolution of land-mobile radio communications). On 23 November Norway signed the Memorandum of Understanding on COST 313 (socio-economic costs of road accidents). On 16 November Spain signed the Memorandum of Understanding on COST B1 (methodology of studies in drug development) and, on 30 November, the Memorandum of Understanding on COST 231 (evolution of land-mobile radio communications).

Main areas of Community R&TD

Quality of life

Health

2.1.46. On 13 November the Commission adopted,¹ for transmission to the Council and Parliament, an amended proposal for a Decision adopting a programme of specific research in the field of human genome analysis.² With funding of ECU 15 million—the amount originally proposed—the amended proposal does not differ substantially from the first version in terms of technical content, but takes very specific account of the social, ethical and legal aspects of the utilization of research findings in the field of genome analysis. Furthermore, the period covered by the programme has been reduced to two years (1990-91).

Environment

2.1.47. On a proposal from the Commission,³ amended⁴ in the light of the opinions delivered by Parliament⁵ and the Economic and Social Committee,⁶ the Council adopted, on 20 November, Decision 89/62/EEC concerning the STEP and Epoch specific R&TD programmes in the field of the environment and climatology (1989-92) involving a total amount of ECU 75 million.⁷

Industrial technologies

Raw materials

2.1.48. On a proposal from the Commission,⁴ amended⁸ in the light of the

opinions delivered by Parliament⁹ and the Economic and Social Committee,¹⁰ the Council adopted, on 20 November, Decision 89/626/EEC adopting an R&TD programme in the field of raw materials and recycling (1990-92).⁷ The programme has an overall budget of ECU 45 million and covers mineral raw materials, the recycling of metals (Reward) and forestry (Forest).

ECSC industries

Technical research on coal

2.1.49. Pursuant to Article 55(2) of the ECSC Treaty, the Commission decided on 14 November to grant additional aid¹¹ totalling ECU 3 558 000 to 13 coal research projects.

Biological resources

Biotechnology

2.1.50. On a proposal from the Commission,¹² re-examined¹³ in the light of the opinions delivered by Parliament¹⁴ and the Economic and Social Committee,¹⁵ the Council adopted, on 27 November, Decision 89/621/EEC adopting a specific R&TD programme in the field of biotechnology (Bridge) (1990-94).¹² The programme has a budget of ECU 100 million

¹ OJ C 303, 2.12.1989; COM(89) 532 final.

² OJ C 27, 2.2.1989; Bull. EC 2-1989, point 2.11.24.

³ OJ C 327, 20.12.1988; Bull. EC 11-1988, point 2.1.54.

⁴ OJ C 52, 1.3.1989; Bull. EC 1-1989, point 2.1.17.

⁵ First reading: OJ C 120, 16.5.1989; Bull. EC 4-1989, point 2.1.58; second reading: OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.54.

⁶ Bull. EC 3-1989, point 2.1.38.

⁷ OJ L 359, 8.12.1989.

⁸ OJ C 164, 1.7.1989; Bull. EC 5-1989, point 2.1.73.

⁹ First reading: OJ C 158, 26.6.1989; second reading: OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.56.

¹⁰ Bull. EC 4-1989, point 2.1.59.

¹¹ Bull. EC 5-1989, point 2.1.74.

¹² OJ C 70, 20.3.1989; Bull. EC 12-1988, point 2.1.65.

¹³ OJ C 318, 20.12.1989.

¹⁴ First reading: OJ C 158, 26.6.1989; second reading: OJ C 291, 20.11.1989.

¹⁵ Bull. EC 4-1989, point 2.1.60.

and covers research, training and cooperation in the field of biotechnology.

Energy

Nuclear fission

2.1.51. On 23 November Parliament adopted an opinion¹ on the proposal for a Decision adopting a specific R&TD programme for the European Atomic Energy Community in the field of the management and storage of radioactive waste (1990-94).² It approved the proposal subject to a number of amendments. It took the view in particular that there was a need for more research into the management and storage of the types of waste likely to arise in the future and that effective radioactive waste management called for secure underground storage sites. It also felt that the public should be advised of any plans for the disposal of nuclear waste in their area and should be entitled to object. Public funds should be made available to them to enable them to express their objections openly and freely.

European scientific and technological cooperation

2.1.52. On 21 November the Commission adopted, for transmission to the Council and Parliament, a proposal for a Decision on the specific programme of research and technological development (1990-93) in the field of transport (Euret).³ The principal aims of the programme are the optimization of transport network exploitation, optimization of logistics and the reduction of harmful externalities (accidents, noise, pollution). These broad objectives reflect the main concerns of the five transport sectors (multimodal, guided land, road, maritime and air transport). In view of the financial constraints and despite the scale of the transport sector's needs, the programme will concentrate on a number of research topics considered to be a matter of priority. Euret covers 11 research topics grouped under three subprogrammes. It has a budget

of ECU 25 million and will be implemented by means of shared-cost research contracts, concerted action projects and assessments.

Telecommunications, information technology and innovation

Information technology and telecommunications

Information technology (Esprit)

2.1.53. The sixth Esprit Conference⁴ was held from 27 November to 1 December in Brussels. The theme this year was 'Technology transfer'. In numerous seminars and working groups, the 4 000 participants discussed work and policy in the projects in progress in all of the areas covered by the Esprit programme: microelectronics and peripheral technologies, information processing systems, computer integrated manufacturing, office and business systems, information exchange systems and basic research.

2.1.54. The traditional information technology forum was held in Brussels on 30 November. A major work session devoted to the new approach adopted for the Esprit programme was also held in the afternoon of 30 November. The exhibition opened during the conference allowed more than 100 demonstrations of Esprit project results to be presented this year. Like last year's show it was the largest presentation yet of the results of European collaboration under the Community's R&TD framework programme.

2.1.55. Since the call for proposals published in May,⁵ concerning the microelectronics and peripheral technologies sec-

¹ OJ C 323, 27.12.1989.

² OJ C 144, 10.6.1989; Bull. EC 5-1989, point 2.1.77.

³ OJ C 318, 20.12.1989; COM(89) 557 final.

⁴ Previous meeting: Bull. EC 11-1988, point 2.1.70 *et seq.*

⁵ OJ C 134, 31.5.1989.

tor, 23 research and development projects have been adopted, including 14 involving SMEs. The Community will provide half the total funds, which amount to ECU 212 million. The first contracts with firms, research centres and universities taking part in the project will be signed in January 1990.

Telecommunications

2.1.56. On a proposal from the Commission,¹ on 7 November the Council (Telecommunications) reached agreement as to the substance of the proposal for a Decision concerning the common action to be taken by the Member States with respect to the adoption of a single world-wide high-definition television (HDTV) production standard by the Plenary Assembly of the International Radio Consultative Committee in 1990.¹

2.1.57. On 29 November the Commission adopted a communication on the setting-up of a European economic interest grouping (EEIG) for HDTV, in line with the strategy outlined in Council Decision 89/337/EEC of 27 April on HDTV.² The communication includes a draft contract between the potential participants in the EEIG. The object of the grouping is 'to set up and manage fixed and mobile HDTV facilities which will be made available for use by broadcasters, software producers and those responsible for transmission within the European Community; these facilities to have a comprehensive range of high-definition television equipment operating to the European standards of production and transmission.'

The grouping will have as its members a cross-section, from within the Community, of TV consumer and studio equipment manufacturers, broadcasters, television and film production companies and those responsible for transmission. The contract should be formally concluded between industries and users at the beginning of 1990.

2.1.58. On 7 November the Council (Telecommunications) also reached agreement

on a proposal for a Directive and a draft recommendation on pan-European land-based public radiopaging in the Community,³ on which it is awaiting the opinion of Parliament. The proposal requires the Member States to designate for the service, by 31 December 1992 at the latest, four channels in the 169.6-169.8 MHz waveband which shall have priority and be protected. The draft recommendation lays down in particular that the telecommunications administrations are to implement recommendations to ensure the coordinated introduction of a pan-European radiopaging service in the Community. Such a system would make it possible to send and receive alert and numeric or alphanumeric messages anywhere within the coverage of the service in the Community.

Common market in telecommunications

2.1.59. On 23 November Parliament adopted a resolution⁴ on the proposal for a Commission Directive⁵ drawn up pursuant to Article 90(3) of the EEC Treaty concerning competition in the telecommunications services market. It considered that Article 90(3) did not constitute the appropriate legal basis, and requested the Commission to take steps to ensure that basic telecommunications services are supplied by the Member States, ensuring geographical coverage throughout the Community, so as to meet European citizens' communication requirements regardless of where they live and of the cost of connection to the network.

International cooperation

2.1.60. On a proposal from the Commission, four COST projects were approved by the Member States: COST 229 (application of digital signal processing to com-

¹ OJ C 37, 14.2.1989; Bull. EC 11-1988, point 1.2.1 *et seq.*

² OJ L 142, 25.5.1989; Bull. EC 4-1989, point 2.1.62.

³ OJ C 193, 31.7.1989; Bull. EC 4-1989, point 2.1.64.

⁴ OJ C 323, 27.12.1989.

⁵ Bull. EC 12-1988, point 2.1.72.

munications), 230 (stereoscopic television), 232 (speech recognition over the telephone line) and 233 (prosodics of synthetic speech).

Combined use of IT and telecommunications in general applications

Tedis

2.1.61. On 30 November, acting under the emergency procedure, the Council decided to sign the agreements between the EEC and the EFTA countries on trade electronic data interchange using the communications networks (Tedis). The outcome of the implementation of this programme will be made available to the Contracting Parties, whose financial contribution will be determined by a GDP-based proportional coefficient.

Innovation

Sprint

2.1.62. On 27 November the Commission approved, for transmission to the Council, Parliament and the Economic and Social Committee, its fifth annual report¹ on the implementation of the strategic programme for innovation and technology transfer (Sprint).² The report gives a detailed description of activities in 1988. Progress has been made in all the priority areas and considerable effort has been put into setting up a constructive strategic programme of future activities in Sprint's main phase.

Special attention was given to SMEs. In 1988 efforts were concentrated on preparing the main phase of the Sprint programme, improving the European infrastructure for innovative services by setting up intra-Community networks, monitoring innovation and ensuring coordination between Member States and the Commission as well as specific projects to benefit the less-favoured regions.

Competition

Restrictive practices, mergers and dominant positions

Permissible forms of cooperation

AMB — Fondiaria Assicurazioni

2.1.63. In November 1988 Aachener und Münchner Beteiligungsgesellschaft (AMB) and La Fondiaria Assicurazioni SpA each acquired 25% plus one share of Volksfürsorge Deutsche Lebensversicherung Aktiengesellschaft from Beteiligungsgesellschaft für Gemeinwirtschaft (BGAG). BGAG, which is a holding company owned by the German trade unions, keeps the rest of the shares. The acquisition of shares in Volksfürsorge is part of a general plan of cooperation agreed between La Fondiaria and AMB aimed at strengthening their competitiveness and developing new activities in other Member States. To this end the parties have concluded several cooperation agreements, including an agreement concerning the management of Volksfürsorge.

Without taking a formal decision, the Commission decided on 7 November to send the parties a letter stating that it did not consider it necessary to pursue the formal procedure and that the file would be closed.

Airlines

2.1.64. In accordance with the guidelines laid down when the Council adopted the first measures liberalizing Community air transport in December 1987,³ on 13 November the Commission defined its position regarding nine joint operating agreements concluded between airlines. The agreements provide for certain intra-Community routes to be operated jointly, with

¹ Previous report: Bull. EC 12-1988, point 2.1.85.

² OJ L 353, 15.12.1983; OJ L 153, 13.6.1987; OJ L 112, 25.4.1989; Bull. EC 4-1989, point 2.1.69.

³ OJ L 374, 31.12.1987; Bull. EC 12-1987, point 2.1.280.

flights being the responsibility of one of the two airlines involved, for schedules and timetables to be determined jointly, for commercial cooperation to be established, and for costs and revenue to be shared. The Commission accepted that the reorganization of a route, and *a fortiori* the opening-up of a new route, may, under certain circumstances, be possible only through the conclusion of joint operating agreements. On the basis of that principle, the Commission dealt differently with two categories of agreement:

(i) it granted individual six-year exemptions for three agreements concluded between a national carrier and a smaller airline on the introduction of new services, while reserving the right to reassess the economic and legal situation in two years' time;

(ii) it expressed doubts about six other agreements concluded between national carriers involving routes already operated for some time, pointing out that the airlines had not demonstrated that the joint operating agreements were essential for maintaining the routes in question, and that the joint operation was likely to eliminate or affect appreciably all current or potential competition on the market for transport between the cities concerned.

Distribution

Building materials

2.1.65. Following intervention by the Commission, a restrictive practice affecting building materials was brought speedily to an end in November.

A newly established producer of a bulk building material in the United Kingdom had complained to the Commission that, after it had bought second-hand machines for making the material, the German manufacturer of the machines refused to supply it with spare parts. It alleged that this was done to protect another building material producer from new sources of competition. Following informal contacts, the manufac-

turer acknowledged that to agree with one of its customers not to supply another customer was contrary to Article 85(1) of the Treaty and that, as it was the sole supplier of spare parts for its machinery, its conduct also constituted an abuse of a dominant position contrary to Article 86. As the manufacturer rectified the error immediately, the Commission closed the file without taking a decision.

This is a typical case where recourse could have been had by the complainant to the national courts, which, moreover, unlike the Commission, have power to award damages.

State aid

General schemes

Employment

Netherlands

2.1.66. On 15 November the Commission decided to raise no objection to the implementation in the Netherlands of a draft law intended to promote the employment of adult workers paid at the minimum wage rate by reducing employers' social contributions for such workers by HFL 3 200 (ECU 1400) a year. The measure will be in force for a period of four years, after which the Dutch authorities will assess its effects. In deciding to approve this measure, the Commission took account of the fact that the workers in question are generally semi-skilled or unskilled and are thus the most vulnerable on the labour market, unemployment being particularly high in this category.

Environment

Netherlands

2.1.67. On the same day the Commission approved a Dutch Government scheme for subsidizing the purchase of lorries of over

12 tonnes and 147 kW whose noise level is less than 79 dB(A). The aid is in the form of a grant worth 5% of the cost of the lorry's basic structure. The scheme, which has a budget of HFL 6.75 million (ECU 2.9 million), is to last until 30 June 1991. The Commission considered that it was caught by the EEC Treaty's Article 92(1) State aid ban as it indirectly favoured certain lorry manufacturers. However, as noise is a major source of pollution, as the scheme will help reduce the problem and as it should have only a limited impact on trade, the Commission decided that the scheme qualified for exemption under Article 92(3)(c).

Research and development

Italy

2.1.68. Again on 15 November the Commission decided to initiate the Article 93(2) scrutiny procedure in respect of two Italian R&D aid schemes (research contracts subsidized by the National Research Council, and research and development of alternative energy sources). The schemes were approved by the Commission in March 1988,¹ but despite several reminders the Italian Government has neither notified the refinancing arrangements for 1989 nor supplied annual reports on the operation of the schemes, thereby preventing the Commission from checking whether the criteria laid down in the Community R&D aid guidelines² are being met and whether the two schemes are compatible with the common market.

2.1.69. On 29 November the Commission decided to raise no objection to the refinancing of another Italian aid scheme, granting it clearance under Article 92(3)(c). The scheme (specific National Research Centre projects), which was likewise approved by the Commission in March 1988,³ is designed to assist either basic or applied research in such areas as energy, nutrition, health, advanced technology and the environment, the work being contracted out to universities, public bodies and private

firms. The resources available in 1969 amount to some ECU 70 million, currently spread over 22 projects.

Netherlands

2.1.70. On 15 November the Commission approved under Article 92(3)(c) an aid scheme to promote innovation. The scheme, which has a budget for 1989-90 of ECU 73 million, is aimed both at encouraging research work and at increasing the number of firms engaged in R&D in the Netherlands. It is targeted at firms with fewer than 250 employees and will mostly help finance applied research projects. The aid intensity is 16.2% for firms with fewer than 50 employees and 13.5% for firms with more than 50 employees, the maximum amount of aid per firms being fixed at ECU 38 000 a year.

Regional aid

Germany

2.1.71. On 29 November the Commission decided to terminate the proceedings initiated in August⁴ in respect of the inclusion of nine labour market areas in Germany's general system of regional aids, mainly because the Federal Government had agreed to the removal of the labour market areas of Fallingsbostel, Boscholt and Regensburg (which are outside the Zonal Border Area and Resider⁵ areas and contain 1% of the country's population) from the 'joint task area' as from 1 January 1990. After re-examining the other six areas it had originally proposed be withdrawn (Straubing, Nördlingen, Bamberg, Alsfeld-Ziegenhain, Soltau and Coesfeld, which together contain 0.7% of the country's population), the Commission came to the conclusion that their social and economic situation had not

¹ Bull. EC 3-1988, points 2.1.70 and 2.1.71.

² OJ C 83, 11.4.1986.

³ Bull. EC 3-1988, point 2.1.72.

⁴ Bull. EC 7/8-1989, point 2.1.82.

⁵ OJ L 33, 5.2.1988; Bull. EC 2-1988, point 2.1.92.

improved sufficiently to justify denying them designated area status at present.

This decision is in keeping with previous decisions on German regional aids.¹ Given the prospect of a continuing improvement in the social and economic situation of the six areas concerned, the Commission has accordingly invited the Federal Government to consider carefully the possibility of de-designating them in the context of the further reduction in assisted areas which is to take place from 1 January 1991. The Commission has noted that the principle of a reduction in the aided population to 38% is not being called into question and that the further reduction in assisted areas which has been agreed to will be based on that level.

France

2.1.72. That same day the Commission approved the changes made by the French authorities to the arrangements for awarding equipment and employment grants in the French overseas departments, all of which are regarded as regions where the standard of living is abnormally low and where there is serious underemployment, making them eligible for aid under Article 92(3)(a) of the Treaty. The Commission took the view that the changes made were for the most part more restrictive in that they made the aid more selective and had not therefore altered the general structure of the schemes in question. The Commission expressed regret, however, that the French authorities had implemented the measures before notifying them as required by Article 93(3) of the Treaty.

Industry schemes

Shipbuilding

Germany

2.1.73. On 29 November the Commission approved, in accordance with the Sixth

Council Directive on aid to shipbuilding (87/167/EEC).² an extension of the term of validity of the German scheme of export credits for ships which it had approved in December 1987.³ Export credit in accordance with OECD standard conditions can be granted for ships delivered before the end of 1992 provided the contract is signed before the end of 1990.

Steel

France

2.1.74. On 15 November the Commission authorized a scheme notified by the French authorities for the award of aid to workers affected by the closure of certain steel plants. The closures in question were carried out recently at Usilor-Sacilor's Caen, Longwy, Gandrange, Dunkirk, Saint-Etienne, Suzange and Joeuf works. The closures, which mainly involve long products, mean the loss of 4 535 jobs, and the workers made redundant qualify for assistance under the steel industry's collective agreements. The total cost to the company will be FF 1 027 million (ECU 144.5 million), 50% of which is to be provided by the Government. After consulting the Member States, which raised no objections, the Commission concluded that the aid was compatible with the common market within the meaning of Decision No 322/89/ECSC establishing Community rules for aid to the steel industry⁴ and that it was likely to ease the way for the adjustments still needed in the industry.

Italy

2.1.75. At its meeting on industrial affairs on 14 November the Council gave its assent to the Commission's proposal⁵ for the

¹ Bull. EC 12-1987, point 2.1.114; Bull. EC 11-1988, points 2.1.97 to 2.1.99.

² OJ L 69, 12.3.1987; Bull. EC 12-1986, point 2.1.122.

³ Bull. EC 12-1987, point 2.1.116.

⁴ OJ L 38, 10.2.1989; Bull. EC 2-1989, point 2.1.70.

⁵ Bull. EC 6-1989, point 2.1.92.

amendment of Commission Decision 89/218/ECSC on aid to the Italian State-owned steel sector.¹ The Council agreed that the melting shop at Bagnoli should be closed by 31 December 1990, and the Italian Government confirmed that it would make no further proposals for an extension of the time-limit. The deadlines for payment of aid in the Decision will be changed in line with the new closure date for the Bagnoli melting shop.

Metallurgical products

Germany

2.1.76. On 15 November the Commission approved the extension until the end of 1991 of the aid scheme for metallurgical raw materials R&D in North Rhine-Westphalia and its application to new products including steel. The scheme, which was originally approved in 1987,² is being extended to cover non-metallurgical raw materials (ceramics and fibres) and is being given an annual budget of DM 30 to 35 million (ECU 14.7 to 17.1 million). Approximately 15% of the resources are to be devoted to steel, 65% to metallurgical raw materials and 20% to non-metallurgical raw materials. The Commission came to the conclusion that the scheme was in keeping both with the Community R&D aid guidelines³ and with the Community steel aid code.⁴

Motor vehicles

France

2.1.77. Also on 15 November the Commission found that its Decision of 29 March 1988 on aid to Renault⁵ had not been correctly implemented, the French Government having failed to comply with the two conditions to which the authorization of the aid had been made subject, namely a change in Renault's status by 31 December 1988 and implementation of the Renault Group's restructuring plan within the time-limits set. Since the authorization had lapsed, the

Commission asked the French Government to inform it within three months of the measures it proposed to take to comply with the Decision. In the absence of satisfactory proposals, the French Government will be required to recover from Renault FF 12 billion (ECU 1 721 million) worth of aid, and if no reply is forthcoming or if the reply is unsatisfactory the Commission will refer the matter to the Court of Justice.

Domestic appliances

France

2.1.78. On the same date the Commission decided to terminate the Article 93(2) proceedings it had initiated in respect of three measures to assist the domestic appliance manufacturer Usine et Fonderies Arthur Martin (UFAM).⁶ In the course of the proceedings the French authorities had provided detailed information concerning UFAM's investment projects at Revin and the aid relating to them. The aid consisted of a grant of FF 38 million (ECU 5.5 million), a four-year freeze on local business taxes, and a soft loan of FF 145 million (ECU 20.8 million) for the construction, as part of a restructuring plan leading to a reduction in production capacity, of a new washing-machine plant. The Commission took account of the fact that the net grant equivalent of the three aid measures was below the ceiling agreed to by the Commission for development aid in the Revin area.

State monopolies

Tobacco

Spain

2.1.79. On 29 November the Commission decided to terminate the infringement pro-

¹ OJ L 86, 31.3.1989; Bull. EC 12-1988, point 2.1.130.

² Bull. EC 2-1987, point 2.1.55.

³ OJ C 83, 11.4.1986.

⁴ OJ L 38, 10.2.1989; Bull. EC 2-1989, point 2.1.70.

⁵ OJ L 220, 11.8.1988; Bull. EC 3-1988, point 2.1.82.

⁶ Bull. EC 7/8-1986, point 2.1.81.

ceedings it had initiated in December 1988 against Spain for failing to reform its tobacco products monopoly,¹ as required by Article 48 of the Act of Accession.

From the observations submitted by the Spanish Government it is clear that the basic measures enacted so far, which have given rise to no objections on the part of the Commission, already provide a regulatory framework capable of ensuring the free movement of tobacco products. The Commission has received assurances, moreover, that certain constraints which were to have been placed on wholesalers other than the monopoly and to which it had strongly objected will not in fact be introduced.

Employment and social policy

The social dimension of the internal market

2.1.80. On 29 November the Commission adopted for transmission to the Council, the European Parliament, the Economic and Social Committee and the two sides of industry a communication² on its action programme for the implementation of the Community Charter of Fundamental Social Rights for Workers.³ The programme includes the legislative proposals which the Commission intends to submit to the Council and the recommendations which it intends to adopt.

The Commission has limited its proposals for directives or regulations to cases where Community legislation appears to be necessary for the 'social dimension' of the internal market and, more generally, to help attain social cohesion within the Community. The proposals are concerned mainly with the social security of migrant workers, freedom of movement, working conditions, vocational training and improvements, in particular at the workplace, to protect the safety and health of workers. The Commission is restricting the nature of its proposals to a recommendation

or a communication, for example, as regards social protection, child-minding and persons residing in frontier areas.

The Commission intends to launch new initiatives in the following areas in particular: the labour market, employment and remuneration, improvement of living and working conditions, freedom of movement, social protection, collective negotiations and associations, worker information, consultation and participation, equal treatment of women and men, vocational training, health and safety at the workplace, the protection of children and adolescents, elderly persons and disabled persons.

2.1.81. On 22 November the European Parliament adopted seven resolutions⁴ on the Community Charter of Fundamental Social Rights and economic and social cohesion. Parliament expressed its hope that the provisions of the Social Charter would be incorporated in Community legislation, thus acquiring a binding nature, and it called for a precise timetable for developing the social dimension.

Employment

Standing Committee on Employment

2.1.82. On 10 November the Standing Committee on Employment held its 38th meeting⁵ under the chairmanship of Mr Soisson, the French Minister for Labour, Employment and Vocational Training. The Committee examined a Commission working paper entitled 'Employment in Europe — trends and priorities'. At the end of the meeting, the Chairman drew a number of conclusions whereby the Committee noted that, if Europe is to be a success, an effort must be made to anticipate technological change and reduce its social costs. It took the view that priority must continue to be

¹ Bull. EC 11-1988, point 2.1.112.

² COM(89) 568 final.

³ Bull. EC 9-1989, point 2.1.55.

⁴ OJ C 323, 27.12.1989.

⁵ Previous meeting: Bull. EC 5-1989, point 2.1.102.

given to the fight against long-term unemployment and that stress must be laid on both initial training and training throughout working life, emphasizing the fundamental role which industry must play in this area and the importance of Community action in support of continuing training. The Committee said that the fight against unemployment also presupposed a policy of town and country planning and of local development. It felt that every effort should be made to facilitate the mobility of workers and to take the requisite supporting measures. Finally, it advocated the setting-up of an organization which not only provided improved information about employment trends but also promoted the social dialogue.

Employment and labour market

Meeting of heads of departments responsible for employment and employment agencies

2.1.83. The heads of departments responsible for employment and employment agencies met in Brussels on 15 and 16 November. Their discussions focused on the Commission's first annual report on employment (1989).¹

They congratulated the Commission on its excellent report and discussed its contents. They also exchanged views on topics likely to be dealt with in the years ahead.

European employment survey

2.1.84. At its labour and social affairs meeting on 30 November, the Council adopted a resolution² calling on the Commission and the Member States to set up a European employment survey to study employment trends on an ongoing basis by gathering available information from the Member States on the prospects for change in employment and qualifications in the sectors most affected by completion of the internal market, providing an overview of the information gathered, making it poss-

ible to distinguish the broad trends in those sectors, and by circulating widely, for operational purposes, the results of the work in question to all those responsible for economic and social affairs, and especially to both sides of industry within the Community.

Financial instruments

Aid for disaster victims

2.1.85. On 22 November the Commission decided to grant ECU 300 000 of emergency aid for the victims of the torrential rainfall and flooding which hit south-east Spain between 14 and 16 November.

Measures for ECSC workers

2.1.86. On 15 November the Commission approved the principle of granting ECSC readaptation aid for 1989 in line with the new arrangements, both for those Member States which have not yet signed bilateral agreements governing the grant of ECSC readaptation aid, drawn up in conformity with the Commission Decision of 29 March 1988,³ and for those which have signed such agreements.

Living and working conditions — Social protection

Social integration of disabled persons

2.1.87. On 24 November the European Parliament approved⁴ the proposal for a Decision⁵ amending Decision 88/231/EEC⁶ establishing a second Community action programme for disabled persons (Helios).

¹ Bull. EC 7/8-1989, point 2.1.100.

² OJ C 328, 30.12.1989.

³ Bull. EC 3-1988, point 2.1.95.

⁴ OJ C 323, 27.12.1989.

⁵ OJ C 272, 25.10.1989; Bull. EC 9-1989, point 2.1.62.

⁶ OJ L 192, 22.7.1988; Bull. EC 4-1988, point 2.1.92.

2.1.88. On 15 November the Economic and Social Committee endorsed, unanimously and without debate, the Commission report on the establishment of the computerized Community information system on disability questions (Handynet)¹ and on the proposal for a Decision¹ amending the abovementioned Council Decision 88/231/EEC.²

Social security of migrant workers

2.1.89. On 15 November, the Economic and Social Committee endorsed, unanimously and without discussion, the proposal³ for an amendment of Regulation (EEC) No 1408/71⁴ on the application of social security schemes to employed and self-employed workers and members of their families moving within the Community and of Regulation (EEC) No 574/72⁵ laying down procedures for applying the former.

Paul Finet Foundation

2.1.90. At its 32nd meeting on 17 November the board of the Paul Finet Foundation examined 123 applications for financial aid. It awarded 115 scholarships totalling BFR 14 618 069.

Health and safety

Public health

Cancer

2.1.91. On a proposal from the Commission,⁶ in cooperation with the European Parliament⁷ and in the light of the opinion of the Economic and Social Committee,⁸ the Council and the Ministers for Health meeting within the Council adopted, on 13 November, Directive 89/622/EEC⁹ on the labelling of tobacco products, on which it had adopted a common position on 16 May.¹⁰

The purpose of the Directive is to eliminate possible barriers to intra-Community trade resulting from differences in standards between Member States in this field, taking as a basis a high level of health protection. It is part of the anti-smoking campaign of the 'Europe against cancer' programme launched at the Milan European Council held on 28 and 29 June 1985¹¹ and that held in Luxembourg on 2 and 3 December 1985.¹² It provides that, as from 1 January 1992, all tobacco products must bear the general warning 'Tobacco seriously damages health'. Furthermore, all cigarette packets will have to carry specific warnings chosen from a list containing at least the following two warnings: 'Smoking causes cancer' and 'Smoking causes heart disease'. In addition, cigarette packets will have to state the tar and nicotine content.

2.1.92. On proposal¹³ from the Commission, as amended,¹⁴ the Council and the Ministers for Health meeting within the Council adopted, on 13 November, a common position with a view to adopting a Directive on the maximum tar yield of cigarettes. The common position provides for the following timetable: 15 mg by 31 December 1992 and 12 mg by 31 December 1997. Greece will be allowed a temporary exemption because of the specific features of tobacco production there. Thus the 12 mg limit for Greek cigarettes will have to be complied with before 31 December 2006.

2.1.93. At the 13 November meeting, the Council and the Ministers for Health meet-

¹ OJ C 272, 25.10.1989; Bull. EC 9-1989, point 2.1.62.

² OJ L 192, 22.7.1988; Bull. EC 4-1988, point 2.1.92.

³ OJ C 206, 11.8.1989; Bull. EC 7/8-1989, point 2.1.107.

⁴ OJ L 149, 5.7.1971.

⁵ OJ L 74, 27.3.1972.

⁶ OJ C 48, 20.2.1988; Bull. EC 1-1988, point 2.1.48; OJ C 62, 11.3.1989; Bull. EC 10-1989, point 2.1.89.

⁷ First reading: OJ C 12, 16.1.1989; Bull. EC 12-1988, point 2.1.175; second reading: OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.89.

⁸ OJ C 237, 12.9.1988; Bull. EC 7/8-1988, point 2.4.65.

⁹ OJ L 359, 8.12.1989.

¹⁰ Bull. EC 5-1989, point 2.1.108.

¹¹ Bull. EC 6-1985, point 1.2.3.

¹² Bull. EC 11-1985, point 1.1.1.

¹³ OJ C 48, 20.2.1988; Bull. EC 1-1988, point 2.1.48.

¹⁴ OJ C 228, 5.9.1989; Bull. EC 7/8-1989, point 2.1.110.

ing within the Council also agreed on the substance of the draft resolution¹ on a second action plan (1990-94) in the context of the 'Europe against cancer' programme.

2.1.94. On 8 November the Commission adopted Recommendation 89/601/EEC on the training of health care personnel in matters concerning cancer.² The recommendations of the advisory committees on the training of doctors, nurses and dental practitioners are annexed to the recommendation.

AIDS

2.1.95. At the 13 November meeting, the Council and the Ministers for Health meeting within the Council agreed on a resolution on the fight against AIDS which sets out common principles for the fight against AIDS (prevention, use of diagnostic tests, the fight against discrimination, and medical and social care for HIV-positive individuals and persons with AIDS) and an action plan for basic operational research, cooperation, monitoring of the epidemiological situation in the Community and the development of measures to combat AIDS. The Commission is requested in particular to draw up and present to the Council proposals relating to the action plan covering all the measures for the prevention and monitoring of AIDS.

2.1.96. On 9 November the Commission adopted for transmission to the Council a communication³ on the improvement of the general system for collecting epidemiological data on HIV infection. This communication, which is in response to the conclusions adopted on 16 May⁴ by the Council and the Ministers for Health meeting within the Council proposes a practical approach to the transmission of available data and stresses the need for more systematic coordination by the Member States.

European emergency health card

2.1.97. At the meeting on 13 November, the Council and the Ministers for Health

meeting within the Council adopted conclusions concerning the European emergency health card. These conclusions follow on from the resolution of 29 May 1986 of the Council and the Ministers responsible for health meeting within the Council.⁵ They stress the importance of the European emergency health card in the context of the free movement of persons and request the Commission to look into ways of making its use more widespread.

Drugs

2.1.98. At the meeting on 13 November, the Council and the Ministers for Health meeting within the Council adopted conclusions on the implementation of coordinated measures for preventing drug addiction and coping with drug addicts. The Commission is requested in particular to encourage the exchange of practical experience and promote the implementation of coordinated action.

Health and safety at the workplace

2.1.99. Acting on a Commission proposal,⁶ in cooperation with the European Parliament⁷ and in the light of the opinion of the Economic and Social Committee,⁸ the Council (Labour and Social Affairs) formally adopted on 30 November a Directive on minimum health and safety requirements for the workplace on which it had adopted a common position on 5 April.⁹ The Directive provides that the workplace must meet the requirements laid down by the frame-

¹ OJ C 164, 1.7.1989; Bull. EC 5-1989, point 2.1.111.

² OJ L 346, 27.11.1989.

³ COM(89) 540 final.

⁴ Bull. EC 5-1989, point 2.1.112.

⁵ OJ C 184, 23.7.1986; Bull. EC 5-1986, point 2.1.66.

⁶ OJ C 141, 30.5.1988, Bull. EC 2-1988, points 1.2.3 to 1.2.10; OJ C 115, 8.5.1989, Bull. EC 3-1989, point 2.1.86; OJ C 284, 10.11.1989, Bull. EC 10-1989, point 2.1.91.

⁷ First reading: OJ C 326, 19.12.1988; Bull. EC 11-1988, point 2.1.134; second reading: OJ C 256, 9.10.1989; Bull. 9-1989, point 2.1.66.

⁸ OJ C 175, 4.7.1988; Bull. EC 4-1988, point 2.4.51.

⁹ Bull. EC 4-1989, point 2.1.90.

work Directive 89/391/EEC¹ of 12 June 1989. In addition, it provides for the consultation and participation of workers and/or their representatives in accordance with the framework Directive.

2.1.100. Acting on a Commission proposal,² in cooperation with the European Parliament³ and in the light of the opinion of the Economic and Social Committee,⁴ the Council also formally adopted on 30 November a Directive on minimum health and safety requirements for the use by workers of machines, equipment and installations on which it had adopted a common position on 5 April.⁵ The Directive provides that the employer must obtain and/or use working equipment which conforms to current Community provisions and in any case to the requirements laid down in the framework Directive of 12 June 1989.¹ In addition it provides for the consultation and participation of workers and/or their representatives in accordance with the framework Directive.

2.1.101. Acting on a Commission proposal⁶ in cooperation with the European Parliament⁷ and in the light of the opinion of the Economic and Social Committee⁸ the Council also formally adopted on 30 November Directive 89/656/EEC on the minimum health and safety requirements at the workplace for the use by workers of personal protective equipment⁹ on which it had adopted a common position on 5 April.⁵ The Directive provides in particular that the employer, when faced with a choice of protective equipment, must assess it and analyse and evaluate the risks that cannot be avoided by other means. Under the Directive the Member States must ensure that rules are laid down concerning the use of protective equipment, indicating in particular the circumstances or situations where they are likely to be necessary. It provides for the consultation and participation of workers and/or their representatives in accordance with the framework Directive.

2.1.102. Acting on a Commission proposal,¹⁰ as amended,¹¹ on 30 November the

Council adopted a common position with a view to the adoption of a Directive on the minimum health and safety requirements for work with visual display units.

The proposal provides that employers are to analyse work stations in order to assess the health and safety risks for workers and take the appropriate steps to ensure that work stations comply with the minimum requirements laid down in the annex to the Directive with respect to the equipment, the work environment and the operator/computer interface.

The proposal specifies that the worker's activities should be organized in such a way that daily working time on a VDU is appropriately divided up and workers must have their eyes and sight checked and, if necessary, undergo an ophthalmological examination. The Directive further provides for the consultation and participation of workers and/or their representatives.

2.1.103. At the meeting on 30 November, the Council adopted a Decision authorizing the Commission to participate on behalf of the Community in the negotiations of the International Labour Conference on safety in the use of chemicals at work.

Health and safety — Euratom

2.1.104. The Economic and Social Committee adopted on 15 November unani-

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- ¹ OJ L 183, 29.6.1989; Bull. EC 6-1989, point 2.1.105.
 - ² OJ C 114, 30.4.1988; Bull. EC 2-1988, point 1.2.6; OJ C 106, 26.4.1989; Bull. EC 3-1989, point 2.1.86; OJ C 287, 15.11.1989; Bull. EC 10-1989, point 2.1.91.
 - ³ First reading: OJ C 326, 19.12.1988; Bull. EC 11-1988, point 2.1.134; second reading: OJ C 256, 9.10.1989; Bull. 9-1989, point 2.1.66.
 - ⁴ OJ C 318, 12.12.1988; Bull. EC 9-1988, point 2.4.32.
 - ⁵ Bull. EC 4-1989, point 2.1.90.
 - ⁶ OJ C 161, 20.6.1988; Bull. EC 2-1988, point 1.2.6; OJ C 115, 8.5.1989; Bull. EC 3-1989, point 2.1.86; OJ C 287, 15.11.1989; Bull. EC 10-1989, point 2.1.91.
 - ⁷ First reading: OJ C 12, 16.1.1989; Bull. EC 12-1988, point 2.1.179; second reading: OJ C 256, 9.10.1989; Bull. EC 9-1989, point 2.1.66.
 - ⁸ OJ C 318, 12.12.1988; Bull., EC 9-1989, point 2.4.33.
 - ⁹ OJ L 393, 30.12.1989.
 - ¹⁰ OJ C 113, 29.4.1988; Bull. EC 2-1988, point 1.2.8.
 - ¹¹ OJ C 130, 26.5.1989; Bull. EC 4-1989, point 2.1.91.

mously and without debate an opinion endorsing, with reservations, the proposal for a Directive concerning the operational protection of outside workers exposed to ionizing radiation during their activities in installations in which such radiation is used.¹

Human resources, education, training and youth

Higher education

2.1.105. On 24 November² the European Parliament adopted an opinion on the revised³ proposal⁴ for a Decision amending Council Decision 87/327/EEC of 15 June 1987 adopting the European Community action scheme for the mobility of university students (Erasmus II).⁵ The opinion contained a number of amendments concerning, in particular, the financing of the scheme, its application to students working on a doctorate and the Commission's report to Parliament and the Council on the experience gained in operating the scheme.

Vocational training

2.1.106. On 15 November the Commission adopted, for transmission to the Council, a communication on a Community action programme for the development of continuing vocational training (Force), containing a proposal for a decision adopting the programme.⁶ The programme, which was drafted in response to the Council resolution of 5 June,⁷ is intended to promote the development of continuing vocational training with the help of all the parties concerned — the public authorities, training bodies, the two sides of industry and companies — and to implement the principle that all workers in the European Community must have access to vocational training throughout their working lives.

2.1.107. Pursuant to Council Decision 86/368/EEC of 16 July 1985 on the comparability of vocational training qualifications between the Member States of the European Community,⁸ the Commission has published the results of the work done on the comparability of qualifications of 'skilled worker' occupations in the construction sector.⁹ This includes for each occupation a Community description of the practical skills required agreed by common accord by the Member States and a comparative table of the diplomas, certificates and other evidence of vocational training generally issued in each Member State confirming that their holders are qualified to exercise these occupations.

Education and training for technological change

2.1.108. Acting on a proposal from the Commission¹⁰ and after obtaining the opinion of the European Parliament² and the Economic and Social Committee,¹¹ the Council (Labour and Social Affairs) agreed on 30 November to a Decision on a second Community action programme (1990-94) to promote innovation in the field of vocational training and technological change (Eurotecnet II). The programme aims at promoting innovation in the fields of basic vocational training and continuing vocational training to take account of technological changes and their impact on employment, work and qualifications. It comprises a network of national and transnational innovative projects aimed at developing and improving policies and systems of training in new technologies in the

¹ Bull. EC 7/8-1989, point 2.1.112.

² OJ C 323, 27.12.1989.

³ OJ C 150, 17.6.1989; Bull. EC 4-1989, point 2.1.93.

⁴ OJ C 232, 9.9.1989; Bull. EC 7/8-1989, point 2.1.114.

⁵ OJ L 166, 25.6.1987; Bull. EC 5-1987, points 1.3.1 and 1.3.2.

⁶ COM(89) 567 final.

⁷ Bull. EC 6-1989, point 2.1.109.

⁸ OJ L 199, 31.7.1985; Bull. EC 7/8-1985, point 2.1.88.

⁹ OJ C 292, 20.11.1989.

¹⁰ OJ C 242, 22.9.1989; Bull. EC 7/8-1989, point 2.1.116.

¹¹ Bull. EC 10-1989, point 2.1.97.

Member States and a series of Community measures aimed at supporting and supplementing national provisions.

Information, communication and culture

Culture

2.1.109. On 15 November¹ the Commission adopted, for transmission to the Council and the European Parliament, a communication on the protection of national treasures possessing artistic, historic or archaeological value: needs arising from the abolition of frontiers in 1992.

Regional policies

Implementation of regional policy

Commission initiatives

2.1.110. On 22 November, acting under Council Regulation No 2052/88, the 'comprehensive Regulation' on the reform of the structural Funds,² and Council Regulation No 4254/88, the implementing Regulation on the European Regional Development Fund (ERDF), the Commission took the first decisions to finance projects of Community interest undertaken on the Commission's direct initiative. Leaving some ECU 1 billion available for other Community initiatives to be decided later, the Commission allocated a total of ECU 2.1 billion to the following immediate priorities in the period 1989-93:

- (i) assistance to areas adversely affected by the decline in coalmining (the Rechar programme) ECU 300 million;
- (ii) support for regional measures to improve the environment (the Envireg programme), ECU 500 million;

(iii) boosting regional research and development capacity (the Stride programme), ECU 400 million;

(iv) promotion of cross-border cooperation, ECU 700 million;

(v) assistance towards the social and economic integration into the internal market of the remoter regions (French overseas departments, Canary Islands, the Azores and Madeira), ECU 200 million.

2.1.111. On 23 November Parliament adopted a resolution³ on the Commission's draft Decision establishing a Community programme for the economic conversion of coalmining areas (the Rechar programme). It made a number of suggestions regarding coordination with the regional and social conversion plans to be worked out under Objective 2, the delimitation of areas eligible for assistance, the conditions of eligibility, and the content of programmes.

2.1.112. On 29 November the Commission approved a programme of regional environmental measures (the Envireg programme). The programme has an indicative financial provision of ECU 500 million for the three structural Funds over the period 1990-93 (→point 2.1.110) and will be applicable in areas eligible under Objectives 1 (regions whose development is lagging behind), 2 (regions in industrial decline) and 5b (rural areas), but financing will be concentrated mainly in coastal areas, particularly in the Mediterranean. The programme will give priority to financial assistance for investment in coastal areas in any of the following sectors:

- (i) drainage and treatment of urban sewage,
- (ii) collection and disposal of solid urban waste,
- (iii) storage and treatment of bilge water in ports,
- (iv) protection of biotopes.

¹ COM(89) 594 final.

² OJ L 185, 15.7.1988; Bull. EC 6-1988, point 2.1.159.

³ OJ C 323, 27.12.1989.

The programme also provides for assistance towards investment in the treatment of dangerous industrial waste and of sewage sludge throughout the Objective 1 areas.

Grants

Regional operational programmes

2.1.113. On 22 November, acting under Council Regulation No 2088/85 on integrated Mediterranean programmes (IMPs),¹ the Commission approved the second progress report on the IMPs, covering 1988.² The report describes operations in France and Greece and the start of implementation in Italy. It shows that in 1988 the programmes were in full operation in France and Greece, with appropriations being taken up at a satisfactory rate, but as regards implementation in Italy, says the report, it is too early to draw any conclusions.

2.1.114. On 29 November, under the Renaval programme,³ the Commission adopted a decision approving a programme to assist the conversion of the Setubal peninsula in Portugal, with total ERDF assistance of ECU 9 million over the years 1989-93.

Coordination of structural policies

General coordination

2.1.115. On 22 November the Commission approved general guidelines for Community initiatives, aimed at clarifying policy and coordinating activities with regard to programmes of Community interest which are undertaken at the Commission's own initiative (these are the 'Community initiatives' referred to); the object is to ensure that such initiatives contribute to the achievement of the goals of the reform of the structural Funds⁴ and add to the value of national initiatives. According to the guidelines, Community initiatives may

be undertaken in pursuit of any of the objectives of the reform and involve any of the three structural Funds, which may provide assistance in combination or individually. The Commission also decided to finance five Community initiatives regarded as having priority (→point 2.1.110).

Environment

European Environment Agency

2.1.116. At its meeting on 28 and 29 November the Council adopted a favourable common approach towards the proposal for a Council Regulation (EEC) on the establishment of the European Environment Agency and the European environment monitoring and information network.⁵

The objective of the Agency would be to provide the Community and the Member States with:

- (i) objective, reliable and comparable information at European level enabling them to take the necessary measures for the protection of the environment, to assess the results of such measures and to ensure that the public is provided with sound information on the state of the environment;
- (ii) to that end, the necessary technical and scientific support.

The information would be directly usable in the implementation of Community environmental policy, and would concern air quality, water quality, the state of the soil, flora and fauna and biotopes, land use and natural resources, waste management, noise emission, chemical substances which are hazardous for the environment, trans-frontier, plurinational and global phenomena, and coastal areas. Environmental data supplied to, or emanating from, the Agency

¹ OJ L 197, 22.7.1985; Bull. EC 7/8-1985, point 2.1.106.

² First report: Bull. EC 3-1988, point 2.1.114.

³ OJ L 225, 15.8.1988; Bull. EC 7/8-1988, point 2.1.98.

⁴ OJ L 185, 15.7.1988; Bull. EC 6-1988, point 2.1.159.

⁵ OJ C 217, 23.8.1989; Bull. EC 6-1989, point 2.1.114.

may be published and will in principle be accessible to the public.

The Agency will be open to countries which are not members of the European Community but which share with the Community and the Member States a common interest in the objectives of the Agency pursuant to agreements concluded between the Community and themselves following the procedure in Article 228 of the Treaty.

The environmental aspects of other Community policies

2.1.117. On 15 November the Economic and Social Committee adopted an own-initiative opinion on environment policy as a fundamental aspect in social and economic development. The Committee analysed the conditions governing qualitative growth and suggested what steps should be taken at Community level to introduce an overall environment policy (changes in institutional arrangements, the release of sufficient funds and, in particular, limited changes in the use of the structural Funds). The Committee supported the principle of the 'Environment 95' budget heading currently being discussed in Parliament.

2.1.118. In November the independent group of experts asked by the Commission to investigate the relationship between environment policy and the completion of the internal market produced its report. The main conclusion of this report on the environmental dimension of 1992 is that completing the internal market provides a major opportunity for a significant strengthening of the Community's environment policy, since increased income and the speedier replacement of old and polluting production equipment offer considerable opportunities for a more environment-friendly production system. The report identifies the main challenges to be met with regard to pollution (particularly in the fields of transport, hazardous waste, town planning and the development of regions with a development lag) and proposes a number of areas for action. It also sets out five objec-

tives for an integrated economic and environment policy:

- (i) to make greater use of economic instruments so as to use market mechanisms to the full;
- (ii) to take environmental considerations into account in all Community policies;
- (iii) to promote the development of the environment industry;
- (iv) to monitor the quality of the environment and natural resources; and
- (v) to help solve global problems, e.g. by assisting the least-developed countries with the establishment of viable development policies.

Action by the Community relating to the environment (ACE) and other financial schemes

2.1.119. In accordance with Council Regulation (EEC) No 2242/87 of 23 July 1987 on action by the Community relating to the environment,¹ the Commission adopted on 3 November a decision granting financial support totalling ECU 1 889 million to five projects providing an incentive and aimed at contributing towards the maintenance or re-establishment of seriously threatened biotopes which are the habitat of endangered species and are of particular importance to the Community under Council Directive 79/409/EEC of 2 April 1979 on the conservation of wild birds.²

Prevention and reduction of pollution and nuisance

Water

Water quality

2.1.120. On 9 November, in the light of the opinion of Parliament,³ the Com-

¹ OJ L 207, 29.7.1987; Bull. EC 7/8-1987, point 2.1.164.

² OJ L 103, 25.4.1979.

³ OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.146.

mission amended¹ its proposal for a Directive² amending Council Directives 80/788/EEC of 15 July 1980,³ 76/160/EEC of 8 December 1975,⁴ 75/440/EEC of 16 June 1975⁵ and 79/869/EEC of 9 October 1979,⁶ concerning drinking water, bathing water, surface water and the sampling and analysis of surface water.

Protection of the Rhine

2.1.121. The 10th ministerial conference on the protection of the Rhine against pollution⁷ was held in Brussels on 30 November. It was chaired by the Commission. A decision was taken to launch the second phase of the Rhine action programme adopted in October 1987,⁸ to which the conference added a fourth objective concerning the protection of the North Sea.

Chemicals, industrial hazards and biotechnology

Biotechnology

2.1.122. On 30 November the Council adopted a common position on the amended⁹ proposal for a Directive on the deliberate release to the environment of genetically modified organisms.¹⁰

Waste disposal

2.1.123. On 20 November, in the light of the opinion of Parliament,¹¹ the Commission amended¹² two proposals for Directives,¹³ the first amending Council Directive 75/442/EEC of 15 July 1975 on waste¹⁴ and the second concerning hazardous waste.

2.1.124. In the light of the opinions delivered by Parliament on first reading,¹⁵ and by the Economic and Social Committee,¹⁶ and in the light of the technical progress achieved since the adoption of the initial proposal,¹⁷ the Commission amended on 6 November¹⁸ its proposal for a Directive on batteries and accumulators containing dangerous substances.

Protection and use of resources

Coastal waters

2.1.125. On 13 November the Commission adopted a special pilot scheme for combating pollution in the coastal waters of the Irish Sea, the North Sea, and Baltic Sea and the north-eastern part of the Atlantic Ocean. A multiannual clean-up programme is to be put into effect at a total cost of ECU 2 million.

Natural resources

2.1.126. At its meeting on 28 and 29 November, the Council adopted conclusions on the conservation of tropical forests, underlining the need for the Community and its Member States to play an active part in international work on climate and calling upon the Commission to inform it of any action it proposed to take further to these proceedings.

Medspa

2.1.127. On 29 November the Commission approved,¹⁹ for transmission to the Council, a proposal for a Regulation on action by the Community for the protection of the environment in the Mediterranean region (Medspa), on which it had adopted

¹ OJ C 300, 29.11.1989; COM(89) 478 final.
² OJ C 13, 17.1.1989; Bull. EC 12-1988, point 2.1.212.
³ OJ L 229, 30.8.1980.
⁴ OJ L 31, 5.2.1976.
⁵ OJ L 194, 25.7.1975.
⁶ OJ L 271, 29.10.1979.
⁷ Ninth conference: Bull. EC 10-1988, point 2.1.102.
⁸ Bull. EC 10-1987, point 2.1.122.
⁹ OJ C 246, 27.9.1989; Bull. EC 7/8-1989, point 2.1.132.
¹⁰ OJ C 198, 28.7.1988; Bull. EC 3-1988, point 2.1.125.
¹¹ OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.153.
¹² OJ C 326, 30.12.1989; COM(89) 560 final.
¹³ OJ C 295, 19.11.1988; Bull. EC 7/8-1988, point 2.1.118.
¹⁴ OJ L 194, 25.7.1975.
¹⁵ OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.159.
¹⁶ OJ C 194, 31.7.1989; Bull. EC 5-1989, point 2.1.160.
¹⁷ OJ C 6, 7.1.1989; Bull. EC 12-1988, point 2.1.221.
¹⁸ COM(89) 454 final.
¹⁹ COM(89) 598.

a communication in November 1988.¹ The approval of this document coincided with a decision in principle on a programme of regional measures on the environment (Envireg) (→ point 2.1.112). These two programmes will operate jointly and in a complementary manner, avoiding any duplication of effort.

The proposed Medspa programme is to run for 10 years, divided into two five-year stages, and is to be financed under a special budget heading at an estimated cost, for 1990-92, of ECU 37 million. The first stage is to cover:

- (i) treatment of wastewater and solid waste from small urban areas (less than 100 000 inhabitants) and small islands;
- (ii) treatment of toxic and hazardous waste and of sewage sludge;
- (iii) treatment of wastewater from shipping;
- (iv) protection of biotopes.

These fields are similar to those covered by the Envireg programme, but the geographical coverage is different. The Medspa programme will serve as a catalyst for action in the whole of the Mediterranean area, whether in the Community or outside it, and in the south of Portugal. Its primary role will be to help the Mediterranean regions to establish a consistent and technically efficient policy for protecting the environment by making the public more aware of environmental problems, by making good certain deficiencies in administrative structures and by seeking technological solutions which are better suited to the geomorphology of the Mediterranean basin.

Improving the quality of life

Information and statistics

2.1.128. On 15 November the Economic and Social Committee endorsed, without discussion, the proposal² to extend by two years the duration of the Corine programme

for the coordination of information on the environment in Europe.³

International cooperation

2.1.129. On 13 November the Commission adopted, for transmission to the Council, a communication concerning the participation of the Community in the first European Conference on Environment and Health, to be held in Frankfurt from 7 to 9 December 1989. The Conference is being organized jointly by the regional office of the World Health Organization and the Government of the Federal Republic of Germany.

2.1.130. On 13 November the Commission also adopted, for transmission to the Council, a communication requesting authorization for the Commission to participate, on behalf of the Community, in the negotiations for a framework agreement on environmental impact assessment in a transboundary context. These negotiations are being conducted under the auspices of the United Nations Economic Commission for Europe.

Nuclear safety

Radiation protection

Basic standards

2.1.131. On 15 November the Economic and Social Committee endorsed, without discussion, the draft proposal for a Directive on the operational protection of outside workers exposed to ionizing radiation during their activities in installations in which such radiation is used.⁴ It asked the Commission to clarify some of the provisions of the proposed Directive.

¹ Bull. EC 11-1988, point 2.1.178.

² OJ C 269, 21.10.1989; Bull. EC 9-1989, point 2.1.85.

³ OJ L 176, 3.7.1985; Bull. EC 6-1985, point 2.1.93.

⁴ Bull. EC 7/8-1989, point 2.1.112.

2.1.132. On 23 November the Commission adopted, for transmission to the Council, a proposal for a Regulation¹ amending Council Regulation (EEC) No 3955/87 of 22 December 1987 on the conditions governing imports of agricultural products originating in third countries following the accident at the Chernobyl nuclear power station.² The purpose of this proposal is to extend by two years (until 31 December 1991) the system for checking compliance with the maximum permissible levels of radioactivity in agricultural products, to prevent imports of products containing radioactive contamination which still exceeds the maximum permitted levels.

2.1.133. On 27 November, acting on a proposal from the Commission³ and in the light of the opinion of Parliament,⁴ the Council adopted Directive 89/618/Euratom on informing the population about health protection measures to be applied and steps to be taken in the event of a radiological emergency.⁵

2.1.134. On 27 November the Council also adopted conclusions on Community cooperation in the field of assistance in the event of a nuclear accident or radiological emergency. The Council expressed its support for the measures which the Commission had announced in its April communication on this subject.⁶

Radioactive waste

2.1.135. On 21 November the Commission adopted, for transmission to the Council, a proposal for a Directive⁷ amending Council Directive 80/836/Euratom of 15 July 1980 laying down the basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation,⁸ as regards prior authorization of shipments of radioactive wastes. The aim of the proposal is to tighten up the administrative supervision of the movement of radioactive waste, which was shown to be inadequate in the light of the investigations carried out in 1988⁹ by the European Parliament

Committee of Inquiry on the handling and transport of nuclear material. This Committee was set up in the wake of the Mol-Transnuklear affair.¹⁰ The system set out in the proposal is modelled on that laid down in Council Directive 84/631/EEC of 6 December 1984 on the supervision and control within the European Community of the transfrontier shipment of hazardous waste.¹¹ It also contains a number of features taken from the Basle Convention of 22 March 1989 on the control of transboundary movements of hazardous wastes and their disposal.¹²

International cooperation

2.1.136. On 27 November, acting on a proposal from the Commission,¹³ the Council adopted a Decision approving the conclusion of the Convention of 26 September 1986 on assistance in the case of a nuclear accident or radiological emergency negotiated in the framework of the International Atomic Energy Association.¹⁴

Consumers

2.1.137. On 9 November the Council meeting on consumer affairs adopted a resolution on future priorities for relaunching consumer protection policy¹⁵ in which it identified four areas on which efforts should be focused:

¹ COM(89) 577 final.
² OJ L 371, 30.12.1987; Bull. EC 12-1987, point 2.1.291.
³ OJ C 32, 7.2.1989; Bull. EC 12-1988, point 2.1.345.
⁴ OJ C 158, 26.6.1989; Bull. EC 5-1989, point 2.1.164.
⁵ OJ L 357, 7.12.1989.
⁶ Bull. EC 4-1989, point 2.1.120.
⁷ OJ C 5, 10.1.1990; COM(89) 559.
⁸ OJ L 246, 17.9.1980; Bull. EC 7/8-1980, point 2.1.54.
⁹ Bull. EC 7/8-1988, point 2.1.241.
¹⁰ Bull. EC 1-1988, point 2.1.109.
¹¹ OJ L 326, 13.12.1984; Bull. EC 12-1984, point 2.1.132.
¹² Bull. EC 3-1989, point 2.1.113.
¹³ Bull. EC 1-1987, point 2.1.128.
¹⁴ Bull. EC 9-1986, point 2.1.161.
¹⁵ OJ C 294, 22.11.1989.

- (i) integration of the policy for the protection and promotion of consumer interests into the other common policies;
- (ii) improved consumer representation at Community level;
- (iii) promotion of the general safety of products and services and better information on their quality;
- (iv) promotion of access to legal redress.

Physical protection and product safety

Information on accidents

2.1.138. On 8 November the Commission adopted a proposal¹ for an amendment of Council Decision 86/138/EEC of 22 April 1986 on a demonstration project with a view to the introduction of a Community system of information on accidents involving consumer products (Ehlass),² following the adoption by the Council on 1 June of conclusions recording its agreement in principle on the continuation of the experiment and its financing.³ The Commission is earmarking financial support amounting to ECU 12 million for the last two years of the project and is proposing additional activities on the initiative of the Member States (processing of data and drafting of national reports) and at Community level (household surveys).

Cosmetics

2.1.139. Taking account of the European Parliament's opinion⁴ on second reading, the Commission adopted, on 6 November,⁵ for transmission to the Council a re-examined proposal⁶ for an amendment of Council Directive 76/768/EEC of 27 July 1976 on cosmetics.⁷

Protection of economic and legal interests

Consumer credit

2.1.140. Likewise taking account of the opinion of the European Parliament on

second reading,⁸ the Commission adopted, on 29 November,⁹ for transmission to the Council a re-examined proposal¹⁰ for an amendment to Directive 87/102/EEC¹¹ of 22 December 1986 on consumer credit.

Agriculture

Market organizations

Cereals and rice

2.1.141. On 20 to 22 November the Council agreed in principle to the proposal for a Regulation¹² amending Regulation (EEC) No 2727/75 on the common organization of the market in cereals,¹³ the aim of which is to introduce into the existing legislation the legal basis for waiving the additional co-responsibility levy where the amount is minimal, and to the proposal for simplifying the current system of the additional co-responsibility levy.¹⁴

2.1.142. On 24 November the European Parliament endorsed¹⁵ the abovementioned proposal for a Regulation amending Regulation (EEC) No 2727/75.

2.1.143. The Commission, on 20 November, adopted a proposal for a Council Regulation on the application in Portugal of the aid scheme for the production of certain varieties of flint maize.¹⁶

¹ OJ C 300, 29.11.1989; COM(89) 550 final.

² OJ L 109, 26.4.1986; Bull. EC 4-1986, point 2.1.100.

³ Bull. EC 6-1989, point 2.1.127.

⁴ OJ C 256, 9.10.1989; Bull. EC 9-1989, point 2.1.87.

⁵ OJ C 296, 24.11.1989; COM(89) 537 final.

⁶ OJ C 214, 16.8.1988; Bull. EC 6-1988, point 2.1.192.

⁷ OJ L 262, 27.9.1976.

⁸ OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.1.120.

⁹ COM(89) 592 final.

¹⁰ OJ C 155, 14.6.1988; Bull. EC 4-1988, point 2.1.125; OJ C 155, 23.6.1989; Bull. EC 5-1989, point 2.1.172.

¹¹ OJ L 42, 12.2.1987; Bull. EC 12-1986, point 2.1.205.

¹² OJ C 300, 29.11.1989; COM(89) 546 final.

¹³ OJ L 281, 1.11.1975.

¹⁴ OJ C 260, 13.10.1989; Bull. EC 9-1989, point 2.1.92.

¹⁵ OJ C 323, 27.12.1989.

¹⁶ COM(89) 574 final.

The aim of the proposal is to extend to Portugal the immediate application of a production aid scheme available to the other Member States under the abovementioned Regulation (EEC) No 2727/75.

Poultrymeat and eggs

2.1.144. The Commission adopted a proposal to the Council on 23 November for a Regulation laying down marketing standards for poultrymeat.¹ The aim of the proposal is to improve the quality of the poultrymeat offered to the consumer and to facilitate intra-Community trade.

Fruit and vegetables

2.1.145. On a proposal from the Commission,² the Council, on 20 November, adopted Regulation (EEC) No 3514/89 fixing the basic and buying-in prices for certain fruit and vegetables to be applied in Spain from 1 January 1990 until the end of the 1989/90 marketing year.³

2.1.146. On 3 November the Commission adopted Regulation (EEC) No 3322/89 determining the operative events applicable in the fruit and vegetables sector.⁴ This Regulation specifies the exchange rates to be applied for the conversion into the national currency of a Member State of the amounts expressed in ecus involved in the market organization for fruit and vegetables.

2.1.147. On 27 November the Commission adopted a report to the Council on the citrus-fruit market in the Community. This report takes a look at the sector with reference to various statistics and aims to provide a basis for reflection on action to be taken in the various policy areas covering this sector, i.e. market policy, commercial policy and structural policy, at a speed appropriate to each of them.

Wine

2.1.148. The Commission, on 9 November, adopted Regulation (EEC) No

3373/89⁵ amending Regulation (EEC) No 2396/84 laying down detailed rules for drawing up the forward estimate in the wine sector.⁶ The Regulation makes it compulsory for the Member States to send the Statistical Office of the European Communities the estimate for the wine sector in respect of the preceding wine year by 30 November at the latest and the final statement by 15 March, in accordance with the model indicated, so that the forward estimate can be drawn up for a given year.

2.1.149. On 24 November the Commission adopted for transmission to the Council a proposal for a Regulation concerning agriculture in the Grand Duchy of Luxembourg.⁷ The proposal aims to phase out in four stages, starting on 1 January 1990, the exemption from excise duties within the territory of Benelux for non-sparkling natural Luxembourg wines made from fresh grapes, in preparation for the single market.

2.1.150. The Commission also adopted a proposal for a Council Regulation, on 24 November, laying down special provisions on the establishment of the Community vineyard register in Portugal.⁸ The aim of the proposal is to bring forward the introduction of the vineyard register in Portugal since the strengthening of intervention and production potential limitation measures resulting from the adoption of the stabilizers after the accession of Spain and Portugal calls for greater means of control.

Milk and milk products

2.1.151. The Ministers for Agriculture, at the Council meeting on 20 and 21 November, continued their discussion of the proposals for Regulations aimed at resolv-

¹ COM(89) 580 final.

² Bull. EC 10-1989, point 2.1.132.

³ OJ L 344, 25.11.1989.

⁴ OJ L 321, 4.11.1989.

⁵ OJ L 325, 10.11.1989.

⁶ OJ L 224, 21.8.1984; Bull. EC 7/8-1984, point 2.1.132.

⁷ COM(89) 579 final.

⁸ COM(89) 583 final.

ing a number of specific problems arising in the operation of the milk quota system.¹

At the close of its deliberations, the Council took a positive view of the broad outlines of a solution involving in particular:

- (i) a 1% increase in the Community reserve with effect from 1 April 1989;
- (ii) detailed arrangements for distributing the increase in the reserve in such a way as to permit Member States to take account of their specific situations.

Measures to ensure budgetary status quo forms part of this solution, as follows:

- (i) a 2.5% reduction in the intervention price for butter and a 0.75% cut in the intervention price for skimmed-milk powder with effect from 1 March 1990;
- (ii) a 15% increase in the additional levy with effect from 1 April 1990.

2.1.152. On 24 November the European Parliament adopted four opinions on these proposals.² It endorsed them subject to amendments designed to make the system more flexible.

Oils and fats

2.1.153. On 24 November the Commission adopted for transmission to the Council two proposals³ for Regulations amending Regulation (EEC) No 2112/87 of 13 July 1987 introducing special measures for certain processed oil products in Spain⁴ and Regulation (EEC) No 475/86 of 25 February 1986 laying down general rules for the system of controlling the prices and the quantities of certain products in the oils and fats sector released for consumption in Spain.⁵

These proposals are designed to ensure supplies of sunflower and soya oil at the world price for the Spanish margarine and mayonnaise industry.

Structures

2.1.154. Following on from the decisions on the reform of the structural Funds,⁶ at

the 20 to 22 November meeting the Council agreed on an overall compromise on the proposals⁷ designed to adjust the various measures financed by the EAGGF Guidance Section so that they may have their full and specific effect of speeding up the adjustment of agricultural structures by means of horizontal measures applicable throughout the Community (Objective 5a). This entails adapting Council Regulation (EEC) No 355/77 of 15 February 1977 on common measures to improve the conditions under which agricultural products are processed and marketed⁸ and Council Regulation (EEC) No 797/85 of 12 March 1985 on improving the efficiency of agricultural structures⁹ to current realities and the new objectives. In this context, special emphasis was laid on adjusting the conditions for granting investment aids, in order in particular to encourage the diversification of sources of income for farmers, the lowering of the average age of the agricultural population, protection of the environment and, as regards the less-favoured areas, the concentration of Community aid on the holdings which need it most.

2.1.155. The Economic and Social Committee adopted an opinion on these proposals on 16 November. It stated that when the common agricultural policy was created, it was considered important, for a balanced development of Community agriculture, that the funding of agricultural structures be equivalent to 50% of that allocated for the markets. However, it expressed reservations about the steady and consolidated reduction of agricultural production in the largest production sectors being the sole objective of the reform of the CAP.

¹ OJ C 242, 22.9.1989; Bull. EC 7/8-1989, point 2.1.156.

² OJ C 323, 27.12.1989.

³ COM(89) 356 final.

⁴ OJ L 197, 18.7.1987; Bull. EC 7/8-1987, point 2.1.194.

⁵ OJ L 53, 1.3.1986; Bull. EC 2-1986, point 2.1.117.

⁶ OJ L 185, 15.7.1988; Bull. EC 6-1988, point 2.1.159.

⁷ OJ C 240, 20.9.1989; Bull. EC 5-1989, point 2.1.174.

⁸ OJ L 51, 23.2.1977.

⁹ OJ L 93, 20.3.1985; Bull. EC 3-1985, point 2.1.111.

Agricultural legislation

Animal health and animal husbandry

2.1.156. On a proposal from the Commission¹ and having regard to the opinions of Parliament² and the Economic and Social Committee,³ the Council, on 21 November, adopted Directive 89/608/EEC on mutual assistance between the administrative authorities of the Member States and cooperation between the latter and the Commission to ensure the correct application of legislation on veterinary and zootechnical matters.⁴ This Directive lays down the ways in which the competent authorities in the Member States are to assist each other and to cooperate with the Commission to ensure the proper application of veterinary and zootechnical rules, in particular by the prevention and detection of infringements of such rules and detection of any activity which is or seems to be contrary thereto. The obligation of assistance on request or spontaneous assistance involves reinforcing cooperation between the national authorities and between them and the Commission. Such reinforced cooperation is needed given the prospect of the elimination of veterinary checks at the Community's internal frontiers.

2.1.157. On 14 November the Commission adopted Decision 89/610/EEC laying down the reference methods and the list of national reference laboratories for detecting residues.⁴ Pursuant to Council Directives 64/433/EEC,⁵ 85/197/EEC⁶ and 85/358/EEC,⁷ this Decision lays down the analytical reference procedures which the Member States may apply to assess the results of examinations for residues and to confirm positive results in the event of a dispute.

2.1.158. On 15 November the Economic and Social Committee adopted an opinion on the proposal for a Council Decision concerning the administration of bovine somatotrophin (BST),⁸ approving the Com-

mission's efforts to prohibit the administration of BST in the Community until 31 December 1990.

2.1.159. Also on 15 November the Committee endorsed the proposal for a Regulation on the protection of animals during transport,⁹ stressing that the Commission has an effective and concrete role to play in ensuring implementation of high standards of control throughout the Community and adequate protection of animals.

Plant health

2.1.160. The Economic and Social Committee, on 16 November, adopted an opinion on the proposal,¹⁰ as amended,¹¹ for a Directive on the placing of EEC-accepted plant protection products on the market, welcoming the Commission's efforts to fill a gap as a first step towards a harmonized Community system opening the way to the prospect of free movement of plant-health products.

State aid

2.1.161. Under Articles 92 to 94 of the Treaty, the Commission decided to raise no objection to the following schemes, which had been duly notified by the Member States:

France

Aid scheme for the restructuring of vineyards.

¹ OJ C 225, 31.8.1988; Bull. EC 7/8-1988, point 2.1.185.

² OJ C 326, 19.12.1988; Bull. EC 11-1988, point 2.1.220.

³ OJ C 56, 6.3.1989; Bull. EC 12-1988, point 2.1.290a.

⁴ OJ L 351, 2.12.1989.

⁵ OJ 121, 29.7.1964.

⁶ OJ L 226, 24.8.1985; Bull. EC 7/8-1985, point 2.1.159.

⁷ OJ L 191, 23.7.1985.

⁸ OJ C 272, 25.10.1989; Bull. EC 9-1989, point 2.1.113.

⁹ OJ C 214, 21.8.1989; Bull. EC 6-1989, point 2.1.160.

¹⁰ OJ C 212, 9.9.1976; Bull. EC 7/8-1976, point 2.2.56.

¹¹ OJ C 89, 10.4.1989; Bull. EC 2-1989, point 2.1.120.

*Italy***Abruzzi**

Measures for the development of agriculture and forestry during the period 1989-90.

Sicily

Bills providing for regional aids for organizations promoting intensive cropping.

United Kingdom

Aid for research and development in the oils sector.

Aid for an undertaking preparing poultry-based dishes.

European Agricultural Guidance and Guarantee Fund*Guarantee Section*

2.1.162. After the EAGGF staff, in close cooperation with the Commission's Directorate-General for Financial Control and Legal Service, had checked whether the expenditure declared by the Member States for 1987 conformed to the Community rules, the Commission, on 15 November, adopted Decision 89/627/EEC on the clearance of the EAGGF Guarantee Section accounts for 1987.¹ The Member States were notified of this decision on 20 November. For the year in question the clearance operation covered declared expenditure totalling ECU 23 billion and resulted in the recovery from the Member States of ECU 385 million, credited to 1990. More than half the amount represented by these financial adjustments (ECU 255 million) decided on by the Commission as a result of cases of failure to comply with the agricultural rules related to the co-responsibility levy and the additional levy in the milk sector.

International dimension

2.1.163. On 8 November the Commission adopted a proposal for a Council Decision concerning the voluntary restraint agreements for sheepmeat and goatmeat concluded with Argentina and Australia.² This proposal follows the negotiations with those countries which were conducted in accordance with the conclusions of the European Council in February 1988³ and the negotiating Directives adopted by the Council on 15 November 1988.⁴

Fisheries**Resources***Internal aspects**Community measures**TACs and quotas*

2.1.164. On 27 November the Council, acting on a proposal from the Commission,⁵ adopted Regulation (EEC) No 3729/89⁶ amending for the third time Regulation (EEC) No 4194/88 fixing, for certain fish stocks and groups of fish stocks, the total allowable catches for 1989 and certain conditions under which they may be fished.⁷ The purpose of this amendment was to increase the TAC for cod in certain fishing zones in the light of the latest scientific advice.

2.1.165. On 28 November the Commission adopted, for transmission to the Council, three proposals for Regulations laying down certain measures for the con-

¹ OJ L 359, 8.12.1989.

² COM(89) 543 final.

³ Bull. EC 2-1988, point 1.1.1.

⁴ Bull. EC 11-1988, point 2.1.208.

⁵ COM(89) 584 final.

⁶ OJ L 364, 14.12.1989.

⁷ OJ L 369, 31.12.1988; Bull. EC 12-1988, points 2.1.302 and 2.1.306.

servation and management of fishery resources in 1990.¹ The first of these proposals applies to vessels flying the flag of a Member State other than Spain or Portugal in waters falling under the sovereignty or jurisdiction of Portugal; the second applies to vessels flying the flag of a Member State other than Spain or Portugal in waters falling under the sovereignty or jurisdiction of Spain; the third proposal applies to vessels flying the flag of Portugal in waters falling under the sovereignty or jurisdiction of a Member State other than Spain or Portugal. These three proposals derive from the provisions laid down in the Act of Accession.

Control measures

2.1.166. On 27 November the Council, acting on a proposal from the Commission² and in the light of the opinions delivered by Parliament³ and the Economic and Social Committee,⁴ adopted Decision 89/631/EEC⁵ amending Decision 87/278/EEC on a Community financial contribution towards the expenditure incurred by Member States on enforcing the Community arrangements for the conservation and management of fishery resources.⁶ This amendment reflects the fact that the common fisheries policy, as the guarantor of the continuity of fishery resources and, consequently, of employment in the fishing industry, cannot achieve its objectives unless its rules are strictly observed and effectively monitored.

The Member States are also acting in the Community interest by enforcing the conservation and control rules of the common fisheries policy within their fishery zones and on their territory. The total sum set aside for this purpose amounts to ECU 119 million over the five-year period from 1 January 1991 to 31 December 1995. The Community contribution will be not less than 35% of the eligible expenditure incurred by any Member State in a given year.

2.1.167. Acting on a Commission proposal,⁷ and in the light of the European Parliament's opinion,⁸ on 27 November the

Council adopted Decision 89/609/EEC⁹ amending Decision 87/279/EEC on Community financial participation with regard to the facilities for the monitoring and supervision of fishing activities in waters falling under the sovereignty or within the jurisdiction of Portugal.¹⁰ The Decision extends by one year the period for carrying out operations to modernize monitoring facilities and provides for the possibility of the Commission amending its decision as to the eligibility of expenditure on the basis of the observed trend of costs.

2.1.168. On 14 November the Commission adopted, for transmission to the Council, a proposal for a Decision¹¹ amending Decision 87/278/EEC on a Community financial contribution to the development of the monitoring and supervision facilities necessary for applying the Community arrangements for the conservation of fishery resources.⁶ The purpose of the proposed amendment is to extend the validity of Decision 87/278/EEC by one year, until 31 December 1990, in view of the delays which certain Member States have encountered in implementing their programme for the purchase of surveillance equipment.

Technical measures

2.1.169. On 16 November the Commission adopted, for transmission to the Council, a proposal for a Regulation¹² amending for the ninth time Regulation (EEC) No 3094/86 laying down certain technical measures for the conservation of fishery resources.¹³ The purpose of this pro-

¹ COM(89) 588 final.

² OJ C 20, 26.1.1989; Bull. EC 11-1988, point 2.1.233.

³ OJ C 120, 16.5.1989; Bull. EC 4-1989, point 2.1.159.

⁴ OJ C 20, 26.1.1989; Bull. EC 3-1989, point 2.1.148.

⁵ OJ L 364, 14.12.1989.

⁶ OJ L 135, 23.5.1987; Bull. EC 5-1987, point 2.1.181.

⁷ OJ C 269, 21.10.1989; Bull. EC 10-1989, point 2.1.174.

⁸ OJ C 323, 27.12.1989.

⁹ OJ L 351, 2.12.1989.

¹⁰ OJ L 135, 23.5.1987; Bull. EC 5-1987, point 2.1.180.

¹¹ COM(89) 562 final.

¹² COM(89) 563 final.

¹³ OJ L 288, 11.10.1986.

posal is to make certain technical adjustments to the existing rules on conservation.

2.1.170. On 16 November the Commission also adopted, for transmission to the Council, two reports, one on the anchovy fisheries in the English Channel and the other on the sprat fisheries and their effect on catches of juvenile herring.

The first of these reports came in response to the Council's request, made at its meeting of 9 and 11 December 1988,¹ that the Commission should look into the possibility of extending to the English Channel the use of a mesh size suitable for anchovy fishing and propose appropriate measures, if necessary.

The second report was in response to the Council's request that the Commission should carry out an in-depth study of the sprat fisheries in the North Sea and the Skagerrak and their effect on catches of juvenile herring.

External aspects

Sierra Leone

2.1.171. Negotiations took place from 13 to 16 November in Freetown between the Community and Sierra Leone, culminating in the initialling of a Fisheries Agreement. The Protocol annexed to the Agreement provides for fishing opportunities for the Community fleet in Sierra Leone's fishing zone for a period of two years. In return, the Community will pay financial compensation and will help finance scientific programmes to improve knowledge of fish stocks in Sierra Leone's fishing zone and training relating to fisheries for nationals of Sierra Leone.

International Commission for the conservation of Atlantic tunas

2.1.172. The Community attended as an observer the 11th ordinary session of the International Commission for the conservation of Atlantic tunas, which was held in Funchal (Madeira) from 13 to 17

November. At this meeting several subjects were discussed, including the conservation of bluefin tuna stocks in the Mediterranean, the conservation of albacore in the Bay of Biscay, and fishing for swordfish in the North Atlantic. The Community urged the other member countries to ratify as soon as possible the amendment to the Convention authorizing the Community's accession thereto.

North-East Atlantic Fisheries Commission (NEAFC)

2.1.173. The Commission took part in the eighth annual meeting² of the NEAFC, which was held in London from 29 November to 1 December.

Commission for the conservation of Antarctic marine living resources

2.1.174. The Commission took part in the eighth meeting³ of the CCAMLR, held in Hobart from 5 to 17 November.

Market organization

Guide prices

2.1.175. On 27 November the Council, acting on a proposal from the Commission,⁴ adopted Regulations (EEC) Nos 3646/89, 3647/89 and 3648/89⁵ fixing for 1990 the guide prices for the fishery products listed in Annex I(A), (D) and (E) and in Annex II to Regulation (EEC) No 3796/81,⁶ and the producer price for tuna for the canning industry.

The prices fixed for the various species differed from the 1989 prices as follows:

¹ Bull. EC 12-1988, point 2.4.27.

² Previous meeting: Bull. EC 11-1988, point 2.1.244.

³ Previous meeting: Bull. EC 10-1988, point 2.1.169.

⁴ COM(89) 534 final.

⁵ OJ L 357, 7.12.1989.

⁶ OJ L 379, 31.12.1981.

A. <i>Guide prices for fresh products</i>	
1. Herring	
from 1.1 to 31.7 and from	
1.10 to 31.12.1990	- 1%
from 1.8 to 30.9.1990	- 1%
2. Sardines	
(a) Atlantic	- 1%
(b) Mediterranean	0%
3. Pickled dogfish	0%
4. Catsharks	- 1%
5. Redfish	+ 1%
6. Cod	0%
7. Coalfish	0%
8. Haddock	+ 1%
9. Whiting	0%
10. Ling	0%
11. Mackerel (<i>Scomber scombrus</i>)	- 2%
12. Mackerel (<i>Scomber japonicus</i>)	0%
13. Anchovies	+ 2%
14. Plaice	
from 1.1 to 30.4.1990	0%
from 1.5 to 31.12.1990	0%
15. Hake	+ 1%
16. Megrin	0%
17. Ray's bream	0%
18. Monkfish	
with head	0%
without head	0%
19. Shrimps	+ 2%
20. Edible crabs	0%
21. Norway lobsters	
whole	0%
tails	- 10%
B. <i>Guide prices for frozen products</i>	
1. Sardines	0%
2. Sea-bream	+ 1%

3. Squid (<i>Loligo</i>)	- 13.5%
4. Squid (<i>Ommastrephes</i>)	- 11.5%
5. Squid (<i>Illex</i>)	- 11.5%
6. Cuttlefish	+ 1%
7. Octopus	+ 1%
C. <i>Production price</i>	
Tuna (yellowfin)	- 1%

Common marketing standards

2.1.176. On 23 November the Commission adopted Regulation (EEC) No 3506/89¹ amending Regulation (EEC) No 3703/85 laying down detailed rules for applying the common marketing standards for certain fresh or chilled fish.²

2.1.177. On 23 November the Commission also adopted Regulation (EEC) No 3507/89¹ amending Regulation (EEC) No 3137/82 laying down detailed rules for the granting of financial compensation in respect of certain fishery products³ and Regulation (EEC) No 3321/82 laying down detailed rules for the granting of a carry-over premium for certain fishery products.⁴

Structures

Processing and marketing

2.1.178. On 24 November the European Parliament endorsed⁵ the proposal,⁶ as amended,⁷ for a Regulation on the improvement of the conditions under which fishery and aquaculture products are processed and marketed.

¹ OJ L 342, 24.11.1989.

² OJ L 351, 28.12.1985.

³ OJ L 335, 29.11.1982.

⁴ OJ L 351, 11.12.1982.

⁵ OJ C 323, 27.12.1989.

⁶ OJ C 143, 9.6.1989; Bull. EC 5-1989, point 2.1.210.

⁷ OJ C 4, 9.1.1990; COM(89) 605 final.

Granting of aid under the structural measures

2.1.179. In November the Commission, acting under Title V of Regulation (EEC) No 4028/86 of 18 December 1986 on Community measures to improve and adapt structures in the fisheries and aquaculture sector,¹ decided to grant incentive premiums for 12 exploratory fishing projects submitted by Spain (8 projects), Ireland (1 project), Italy (2 projects) and the United Kingdom (1 project). The premiums granted for these projects total approximately ECU 3.75 million.

2.1.180. On 24 November the Commission, again acting under Regulation (EEC) No 4028/86 (Title X),¹ decided to grant aid totalling some ECU 0.44 million towards three projects for the provision of data-processing media to establish registers of fishing vessels in Belgium, the Netherlands and Spain.

State aid

2.1.181. In November the Commission was notified of two aid schemes in the fisheries sector:

(i) that notified by Italy was introduced by a regional law (Emilia-Romagna) granting regional aid to sea fisheries to compensate for the damage resulting from the disastrous weather which had occurred in the summer of 1989 and which had prevented the harvesting and marketing of fishery products, causing damage to installations and fishing gear;

(ii) the scheme notified by France involves the granting of aid for the adjustment of fishing capacity in the department of Loire Atlantique. The aim of the departmental authorities is to speed up the withdrawal of a number of inefficient vessels from the inshore fishing fleet so that the latter can be renewed in the normal way without any increase in overall engine power.

2.1.182. The Commission also approved an aid scheme notified by Portugal which

relates to investments in the processing and marketing of fishery and aquaculture products over the period 1989-92.

Transport

Inland transport

Railways

2.1.183. On 22 November the Commission adopted for transmission to the Council a communication on a Community railway policy,² accompanied by four proposals designed to create the institutional and technical conditions necessary for developing rail transport throughout the Community.

Faced with the growth of transport needs, the Commission is concerned to develop the under-exploited potential of the railways without undermining their traditional public service role. The measures proposed are aimed at:

(i) establishing a general framework for the railways which distinguishes between infrastructure activities and the provision of transport services;

(ii) ensuring real management autonomy for the railway companies and transparency in their financial relationships with Member States;

(iii) encouraging the development of potential growth areas, namely the high-speed train and combined transport.

The Commission identifies seven lines of action or measures that it considers neces-

¹ OJ L 376, 31.12.1986; Bull. EC 12-1986, point 2.1.285.

² COM(89) 564.

ary if rail transport in the Community is to be fully modernized:

(i) organization of the railways: the Commission proposes clarifying relations between governments and railway companies and guaranteeing non-national companies access and transit rights on the territory of each Member State whilst leaving responsibility for the infrastructure with the existing rail undertakings;

(ii) the setting-up of a European network of high-speed trains: the Commission proposes that the Council should adopt a master plan for a future European network so as to ensure consistency between the various networks;

(iii) traffic control and research and development;

(iv) combined transport: the Commission proposes facilitating access to the market for all Community operators and making combined transport more competitive and more attractive;

(v) peripheral, transit and third-country networks and the role of the railways in urban transport systems;

(vi) environmental protection and the social dimension;

(vii) the industrial dimension and internal market: the Commission proposes a degree of harmonization to help make European industry more competitive.

The four proposals annexed to the communication are as follows:

(i) proposal for a Directive on the development of the Community railways;

(ii) proposal for a Regulation amending Council Regulation (EEC) No 1191/69 of 26 June 1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway;¹

(iii) proposal for a Decision concerning the establishment of a network of high-speed trains;

(iv) proposal for a Directive amending Council Directive 75/130/EEC of 17 February 1975 on the establishment of common rules for certain types of combined carriage of goods between the Member States.²

Road transport

Access to the market

2.1.184. On 22 November the Commission adopted for transmission to the Council a proposal³ to amend Council Regulation (EEC) No 3164/76 of 16 December 1976 on the Community quota for the carriage of goods by road between Member States.⁴ The proposal provides for a 40% increase in the Community quota for each of the years 1990, 1991 and 1992 and the elimination of an administrative formality at frontiers, and should help establish freedom to provide services and ensure a smooth transition towards the single market. The proposal is accompanied by a report on the effects of increasing the Community quota and of its allocation among the Member States.

Fixing of rates

2.1.185. On 24 November the European Parliament adopted an opinion⁵ on the proposal for a Regulation on the fixing of rates for the carriage of goods by road between Member States⁶ in which it advocated the free fixing of rates from 1 January 1993 and the maintenance of the existing reference tariffs for the period 1990-92.

Taxation

2.1.186. On 23 November Parliament adopted a resolution on levies on heavy goods vehicles⁵ in which it called on the

¹ OJ L 156, 28.6.1969.

² OJ L 48, 22.2.1975.

³ OJ C 316, 16.12.1989; COM(89) 572 final.

⁴ OJ L 357, 29.12.1976.

⁵ OJ C 323, 27.12.1989.

⁶ OJ C 152, 20.6.1989; Bull. EC 4-1989, point 2.1.169.

Federal German Government to abandon its plan to introduce a road levy for heavy goods vehicles from May 1990. It also called on the Commission and the Council to intensify their efforts to harmonize throughout the Community the operating conditions governing the road haulage industry.

Technical aspects

2.1.187. On 22 November the Commission adopted for transmission to the Council a proposal¹ amending Directive 85/3/EEC of 19 December 1984 on the weights and dimensions of certain road vehicles² with a view to fixing certain maximum authorized dimensions for road trains. The proposal lays down the maximum length of lorry and trailer such as to leave sufficient space for a comfortable cabin and a reliable coupling device.

Shipping

Positive measures

2.1.188. On 16 November the Economic and Social Committee endorsed the Commission communication concerning measures to improve the operating conditions of Community shipping³ and on the accompanying legislative proposals. The Committee nevertheless called on the Commission to consider further measures to reduce the costs borne directly or indirectly by shipping companies, particularly taxes and social contributions.

Energy

General aspects

2.1.189. On 30 November the Commission approved, for transmission to the Council, a communication on energy and the environment.⁴ The paper, which emphasizes the Community and international dimension of the links between

energy and the environment, is in two parts. Part One considers the existing situation as regards environmental problems in the energy sector, while Part Two sets out guidelines for action by the Member States and the energy industries. The Member States and the energy industries are called upon to help find balanced solutions, enabling environmental protection requirements to be integrated into Community energy policy in accordance with Article 130r of the EEC Treaty. The Commission concludes that measures to improve energy efficiency and energy conservation combined with greater use of non-fossil fuels are the priority areas, especially with a view to reducing carbon dioxide emissions, which are among the main causes of the greenhouse effect. Such measures should be coupled with other environmentally friendly elements of energy policy, such as support for renewable energies, the introduction of cleaner and more efficient energy technologies and the substitution of highly polluting fuels by natural gas. In addition, the Commission urges the Community's energy industries to develop codes of conduct for environmentally responsible behaviour. Such voluntary commitments would make industry an integral part of the solution to the Community's energy and environmental problems.

Specific aspects

Promotion of energy technologies

2.1.190. Under Council Regulation (EEC) No 3640/85 of 20 December 1985 on the promotion, by financial support, of demonstration projects and industrial pilot projects in the energy field,⁵ the Commission decided on 3 November to grant financial support totalling ECU 58 519 321 to 147 demonstration projects in the field of energy

¹ OJ C 316, 16.12.1989; COM(89) 573 final.

² OJ L 2, 3.1.1985; Bull. EC 12-1984, point 2.1.200.

³ OJ C 263, 16.10.1989; Bull. EC 7/8-1989, point 2.1.201.

⁴ COM(89) 369 final.

⁵ OJ L 350, 27.12.1985; Bull. EC 12-1985, point 2.1.226.

saving, alternative energy sources and the substitution of oil and gas.

2.1.191. On 23 November the European Parliament endorsed¹ the proposal for a Regulation concerning the promotion of energy technology in Europe (Thermie programme).² The amendments adopted by Parliament seek to strengthen the Commission proposal as regards better protection of the environment from the impact of energy technologies and financial support for innovative small and medium-sized enterprises, in line with the opinion of the Economic and Social Committee.³ Parliament also considers that the amount of Community expenditure deemed necessary for the Thermie programme should be ECU 700 million for the period 1990-94.

Nuclear energy

2.1.192. On 27 November the Council adopted conclusions on the transport of radioactive materials in the Community on the basis of a Commission communication.⁴ It stressed the importance of this

field of activity, especially with the prospect of the single market, and asked the Commission to pursue its efforts to continue to ensure that the transport of radioactive materials within the Community is conducted in complete safety.

The international dimension

2.1.193. On 17 November the Commission adopted, for transmission to the Council, a communication seeking a negotiating brief for a safeguards agreement between Euratom, the United Kingdom and the International Atomic Energy Agency in accordance with the Tlatelolco Treaty establishing a nuclear-free zone in Latin America. The United Kingdom has international responsibility for a number of territories situated within the area covered by the Tlatelolco Treaty, which are listed in the EEC Treaty and which fall within the scope of the Euratom Treaty.

¹ OJ C 323, 27.12.1989.

² OJ C 101, 22.4.1989; Bull. EC 3-1989, point 2.1.158.

³ OJ C 221, 28.8.1989; Bull. EC 7/8-1989, point 2.1.109.

⁴ Bull. EC 5-1989, point 2.1.224.

2. External relations

Commercial policy

General matters

Commercial policy instruments

Easing of restrictive measures

2.2.1. Under Council Regulation (EEC) No 3420/83 of 14 November 1983 on import arrangements for products originating in State-trading countries, not liberalized at Community level,¹ the Commission opened quotas for certain products and altered others,² and abolished quantitative restrictions on the release for free circulation of a number of industrial products.³

Trade protection measures

2.2.2. The following trade protection measures were adopted in November:

Anti-dumping measures adopted by the Council

Regulation (EEC) No 3444/89 extending the provisional duty on imports of certain compact disc players originating in Japan or South Korea

OJ L 331, 16.11.1989

(initial provisional duty: OJ L 205, 18.7.1989)

(initiation: OJ C 178, 7.7.1987)

Regulation (EEC) No 3443/89 amending Regulation (EEC) No 2347/87 imposing a definitive anti-dumping duty on mechanical wrist-watches originating in the Union of Soviet Socialist Republics

OJ L 331, 16.11.1989

(initiation: OJ C 284, 7.11.1985)

(definitive duty: OJ L 213, 4.8.1987)

Regulation (EEC) No 3490/89 repealing Regulation (EEC) No 3042/89 extending the anti-dumping duty imposed by Regulation (EEC) No 3651/88 on certain serial-impact

dot-matrix printers assembled in the Community

OJ L 340, 23.11.1989

(initiation: OJ C 327, 20.12.1988)

(initial duty: OJ L 317, 24.11.1988)

(extension: OJ 291, 10.10.1989)

(undertakings: OJ L 291, 10.10.1989; OJ L 340, 23.11.1989)

Regulation (EEC) No 3555/89 extending the provisional anti-dumping duty on imports of barium chloride originating in the People's Republic of China or the German Democratic Republic

OJ L 349, 30.11.1989

(initiation: OJ C 308, 3.12.1988)

(provisional duty: OJ L 227, 4.8.1989)

Anti-dumping measures adopted by the Commission

Notice of initiation of a proceeding concerning imports of certain single-phase two-speed electric motors originating in Bulgaria, Romania or Czechoslovakia

OJ C 286, 14.11.1989

Notice of initiation of a proceeding concerning imports of pure silk typewriter ribbon fabrics originating in the People's Republic of China

OJ C 300, 29.11.1989

Decision 89/596/EEC accepting undertakings relating to the anti-dumping proceeding concerning certain dot-matrix printers assembled in the Community by NEC Technology Ltd and Star Micronics Manufacturing Ltd

OJ L 340, 23.11.1989

(initiation: OJ C 327, 20.12.1988)

(initial definitive duty: OJ L 317, 24.11.1988)

¹ OJ L 346, 8.12.1983.

² OJ C 283, 9.11.1989; OJ C 287, 15.11.1989; OJ C 297, 23.11.1989.

³ OJ C 288, 16.11.1989.

Community surveillance

2.2.3. Acting on a proposal from the Commission,¹ the Council adopted on 20 November Regulation (EEC) No 3606/89 establishing ceilings and Community surveillance for imports of certain products originating in Yugoslavia.² The Regulation renews for the period from 1 January to 31 December 1990 the tariff ceilings contained in the Cooperation Agreement concluded on 24 January 1983³ between the Community and Yugoslavia.

Import arrangements

2.2.4. On 6 November the Commission adopted Regulation (EEC) No 3365/89,⁴ the aim of which is to implement undertakings given in GATT concerning the abolition of certain residual quantitative restrictions on imports. The Regulation amends Annex I to Regulation (EEC) No 288/82⁵ and Annex III to Regulation (EEC) No 3420/83⁶ with regard to the liberalization of certain products subject to national quantitative restrictions.

Treaties and trade agreements: extension or automatic renewal

2.2.5. On 29 November the Commission adopted a proposal⁷ for a Council Decision authorizing the extension or automatic renewal of certain trade agreements concluded between Member States and other countries, where the date for giving notice of denunciation falls between 1 November 1989 and 31 January 1990 (fourth batch for 1989).⁸

Individual sectors

Textiles

Preferential countries

2.2.6. Negotiations held on 9 and 10 November between the Community and a Tunisian delegation resulted in agreement

on the renewal for two years of the arrangement on trade in textile products.

Industrialized countries

Multilateral meetings

Ministerial meetings in Japan

2.2.7. Two ministerial meetings were held in Japan from 12 to 17 November: a quadrilateral meeting attended by Mr Andriessen, Commission Vice-President, Mrs Hills, United States Trade Representative, Mr Crosbie, Canadian Trade Minister, and Mr Matsunaga, Japanese Minister for Trade and Industry,⁹ and an informal meeting attended by Ministers from 26 countries and Mr Dunkel, GATT Director-General.

These meetings took place after the mid-term review of the Uruguay Round and one month before the end of the current stage of the negotiations, during which participants were called on to present their detailed positions in the various fields. Ministers were better able to assess what is at stake in the Uruguay Round,¹⁰ present their appraisal of the situation and of their interests and react to the positions of their partners. The quadrilateral meeting focused on overall strategy, market access, subsidies and new subjects. The informal meeting focused on the main items of the negotiations, namely improving GATT rules and disciplines, market access and new subjects.

¹ Bull. EC 7/8-1989, point 2.2.6.

² OJ L 352, 4.12.1989.

³ OJ L 41, 14.2.1983; Bull. EC 1-1983, point 2.2.21.

⁴ OJ L 325, 10.11.1989.

⁵ OJ L 35, 9.2.1982; Bull. EC 2-1982, point 2.2.5.

⁶ OJ L 346, 8.12.1983.

⁷ COM(89) 596 final.

⁸ Third batch: OJ L 273, 22.9.1989; Bull. EC 9-1989, point 2.2.3.

⁹ Previous meeting: Bull. EC 6-1989, point 2.2.7.

¹⁰ Bull. EC 9-1986, point 1.4.1 *et seq.*; Bull. EC 4-1989, point 1.3.1 *et seq.*

United States

2.2.8. On 20 and 21 November the Community and the United States held consultations on pasta products. The US Administration asked the Commission to reduce export refunds on pasta products before the date laid down in the 1987 Agreement,¹ considering this necessary to re-establish a balance between Community pasta exports to the United States benefiting from export refunds and those subject to inward processing arrangements. No agreement was reached on the exact scope of such a measure, but the Commission decided to make a unilateral reduction of 8% in the export refund for pasta products from 24 November.

Japan

2.2.9. During his visit to Japan from 1 to 3 November, Mr Cardoso e Cunha had talks with the Japanese authorities and businessmen with a view to advancing bilateral relations in long-term energy cooperation (including the development of energy in the Third World), exchanging information on policy towards the SME (including computerized information services) and promoting Japanese tourism in Europe (with priority for European Tourism Year 1990).

2.2.10. The 29th annual high-level consultations between the EEC and Japan were held in a constructive spirit in Brussels on 9 and 10 November.² The consultations dealt mainly with macroeconomic structural reforms with a view to the post-1992 situation and the need to facilitate measures to open up the Japanese market. The current trend in bilateral trade is positive, but EEC exports to Japan — particularly of agricultural, fishery and leather products — could be increased. The other subjects discussed were legal and financial services, the environment, investment, competition, industrial cooperation, science and technology, shipbuilding, energy, development aid and the debt problem.

2.2.11. The second series of discussions between the EEC and Japan on the problem of counterfeiting, held in Japan from 21 to 23 November, took stock of developments in Japanese counterfeiting control policy since the first meeting in December 1988.³ The general conclusion was that the measures taken by Japan were much more effective but that further improvements were required in a limited number of areas.

European Free Trade Association

2.2.12. On 23 November the Commission adopted a communication on future relations between the Community and EFTA. On 27 November the Council (General Affairs) held a first exchange of views on this subject. The Council considered that the ministerial meeting with the EFTA countries on 19 December should approve the principle of opening negotiations in 1990 with a view to defining a new framework for relations between the Community and EFTA.

2.2.13. On 9 November the Commission adopted for transmission to the Council a proposal⁴ for a Regulation amending Regulations (EEC) Nos 2837/72, 2839/72, 2841/72, 2843/72, 1692/73 and 3288/73⁵ on the safeguard measures provided for in the Agreements between the European Economic Community and Austria, Finland, Iceland, Norway, Sweden and Switzerland. The aim of the proposal is to lay down implementing rules for the new safeguard clause contained in the Supplementary Protocols to the Agreements with the EFTA countries, which will result in the elimination of quantitative export restrictions and the replacement of the national triggering mechanism by appropriate Community procedures more consistent with completion of the internal market.

¹ OJ L 62, 5.3.1987; Bull. EC 2-1987, point 2.2.9.

² Previous consultations: Bull. EC 7/8-1988, point 2.2.22.

³ Bull. EC 12-1988, point 2.2.16.

⁴ COM(89) 549 final.

⁵ OJ L 300, 31.12.1972; OJ L 301, 31.12.1972; OJ L 171, 27.6.1973; OJ L 338, 7.12.1973.

Bilateral relations

Sweden

2.2.14. On 20 November Mr Christophersen opened a Community delegation in Stockholm, the second in Scandinavia following the delegation opened in Oslo in November 1987.¹ He also had talks with the Swedish Prime Minister, Mr Carlsson, the Finance Minister, Mr Feldt, the External Trade Minister, Mr Gradin, and the Director of the National Bank, Mr Dennis. Mr Christophersen expressed satisfaction with the current state of relations between the Community and Sweden and welcomed the opening of the new delegation, which comes at a time of rapid development in bilateral relations.

Eastern Europe

Informal meeting of members of the European Council

2.2.15. An exceptional meeting following exceptional events, the working dinner of Heads of State or Government in Paris on 18 November was exclusively dedicated to current developments in Eastern Europe and the Community's attitude to them.

Participants were struck by the convergence of views and the shared concern that there should be a joint reaction from the Twelve. The President of the European Council summed up the atmosphere in two words: solidarity and unity.

In this respect the meeting marked an important step in the development of the Community since the Single Act, and in particular in integrating political cooperation and Community activities: guidelines for Community action were drawn up on the basis of a common analysis.

Common political analysis

2.2.16. The developments in East Germany, Hungary, Poland and Yugoslavia were examined. Participants noted:

(i) the will to back up and encourage democratic change;

(ii) the wish to confirm the stability of existing alliances and borders;

(iii) the desire to respond to non-member countries' concern that the Community's market should be opened up to them.

Guidelines for Community action

2.2.17. In the framework of the mandate given to the Commission by the Paris Summit,² consensus was reached on the urgency of financial support linked to an agreement with the IMF, which it was hoped would be reached before the end of the year (stabilization fund for Poland and balance-of-payments support for Hungary). Studies of the following measures were to be prepared for the Strasbourg European Council: proposed development and modernization bank for Eastern Europe, European Training Foundation, extension of youth exchange programmes.

Most participants also stressed the need to step up Community action and structures to ensure that the Single Act and economic and monetary union are implemented in full and to strengthen external policy. However, these subjects were, as planned, held over for discussion by the Strasbourg European Council.

Parliament's position

2.2.18. On 23 November Parliament adopted a resolution on the recent developments in Central and Eastern Europe.³ Referring to the outcome of the informal meeting of the European Council (→ point 2.2.17), it stressed that the closer integration of the Community will create the basis for closer cooperation with Central and Eastern Europe.

It further considered that the people of East Germany should be entitled to exercise their right to self-determination, i.e. their right to determine which political and economic

¹ Bull. EC 11-1987, point 2.2.16.

² Bull. EC 7/8-1989, point 1.1.2.

³ OJ C 323, 27.12.1989.

system should be developed and which form their State should take, including the possibility of forming part of a unified Germany within a united Europe, and declared that in the spirit of the Helsinki Final Act all the peoples of Europe, including the Polish people, are entitled, both now and in future, to live in security within their present borders.

Coordinated aid for Poland and Hungary

2.2.19. Mr Jacques Delors, President of the Commission, and Mr Roland Dumas, French Foreign Minister and President of the Council, visited Warsaw and Budapest from 16 to 18 November to assess the new political and economic situation in Poland and Hungary.

2.2.20. On 6 November, on a proposal from the Commission,¹ the Council adopted Regulation (EEC) No 3381/89² liberalizing the specific quantitative restrictions with regard to Poland and Hungary and amending Regulation (EEC) No 3420/83³ accordingly.

2.2.21. Pending the opinion of the European Parliament, on 27 November the Council (General Affairs) approved the following measures supplementing the plan of action for Poland and Hungary:⁴

(i) proposal for a Regulation on economic aid to Poland and Hungary;⁵

(ii) proposal for a Decision empowering the Community to indemnify the European Investment Bank against losses under loans for projects in Hungary and Poland;⁶

(iii) proposal for a Regulation extending the Community's generalized tariff preferences for 1990 to Poland and Hungary,⁷

(iv) Commission communication to the Council on improved access to the Community market for products originating in Poland or Hungary, accompanied by a proposal for a Regulation suspending non-specific quantitative restrictions in respect of Poland and Hungary.

Meeting of the Group of 24

2.2.22. The third meeting⁸ of the Group of 24 was held in Brussels on 24 November at senior official level; representatives of international economic and financial institutions were also present. The participants reviewed the coordination of their programmes of assistance for economic reform in Poland and Hungary, taking into account the information recently supplied by the Polish and Hungarian authorities. They welcomed the confirmation by the members of the European Council, at their informal meeting in Paris on 18 November, of their support for such reform.

In a declaration adopted at the close of the meeting, the 24 noted that:

(i) more than a third of the ECU 336 million (USD 370 million) committed for the supply of food products had been delivered and the remaining two-thirds would be sent soon, the bulk before the end of the year, in line with Poland's needs and capacity for absorbing the aid;

(ii) the Community had decided to increase the funding for economic cooperation with Poland and Hungary in 1990 to ECU 300 million and the European Investment Bank was preparing to finance ECU 1 000 million of investment over three years;

(iii) most members of the Group of 24, including the Community, had decided or planned to improve access to their markets for Polish and Hungarian exports, in particular by extending their systems of generalized preferences;

(iv) good progress had been made in identifying, in close cooperation with the Polish and Hungarian authorities, projects in the four priority areas defined by the Group of

¹ Bull. EC 10-1989, point 1.1.5.

² OJ L 326, 11.11.1989.

³ OJ L 343, 8.12.1983.

⁴ Bull. EC 10-1989, point 1.1.1 *et seq.*

⁵ OJ C 296, 24.11.1989.

⁶ OJ C 283, 9.11.1989.

⁷ Bull. EC 10-1989, point 1.1.6.

⁸ Previous meeting: Bull. EC 10-1989, point 1.1.1.

24 (agriculture, training, environment and investment);

(v) coordination of these projects and other operations was continuing in working parties, each of which had met at least twice since the last meeting of the Group of 24; the 'agriculture' group had coordinated deliveries of food products so as to avoid bottlenecks; the 'training' group was examining programmes for local officials, bank and financial staff and language teachers; the 'environment' group was working on joint operations concerning air pollution, water pollution and waste treatment; the 'investment' group was examining legal and tax provisions and guarantees for private investment and identifying sectors for foreign investment in close cooperation with the Polish and Hungarian authorities.

The Group of 24 stressed the extreme importance for the coordination process of informing each other of new initiatives and concrete proposals. Intense coordination and the setting of priorities were particularly important now that the stage of project identification and implementation had been reached. Such coordination should involve close cooperation with the multilateral economic and financial institutions, including the IMF and IBRD.

New initiatives

2.2.23. The Group of 24 welcomed the new initiatives members had taken since the last meeting. Additional assistance was planned for the restructuring of the agricultural sector and environmental improvements; large-scale training programmes were being drawn up; new investment credits and new export credit facilities had been made available.

Some members of the Group of 24 had pledged substantial amounts for the establishment of a USD 1 million stabilization fund for Poland. At the ministerial meeting on 13 December it was expected that the 24 would be ready to announce specific commitments for the capitalization of such a fund so that it would be ready to operate under an agreement with the IMF. Balance-

of-payments support for Hungary was also discussed. The Group of 24 again stressed the importance of concluding the negotiations between Poland, Hungary and the IMF quickly.

The Commission informed participants of the new initiatives — establishment of a bank for development and modernization in Eastern Europe, a European foundation to train executives, and youth and student exchange programmes — discussed by the members of the European Council.

The Commission believed that additional food deliveries to Poland were necessary; the Community was already examining a second programme of deliveries in order to avoid shortages during the winter and had invited the other members of the Group of 24 to consider similar action.

The 24 welcomed the Commission's invitation to participate in a ministerial meeting in Brussels on 13 December in order to confirm their will to support the process of political and economic reform and give fresh impetus to efforts to coordinate their economic assistance. The Hungarian and Polish Governments had been invited to this high-level political meeting to present their economic policy reforms and assistance requirements.

Bilateral relations

Hungary

2.2.24. Within the framework of the Agreement on trade and commercial and economic cooperation,¹ the second meeting of the EEC-Hungary Joint Committee was held in Brussels on 29 and 30 November.² The parties reviewed the state of their economies, the trade situation, progress in implementing the Agreement and developments in Operation Phare.³ The

¹ OJ C 319, 12.12.1988; Bull. EC 7-1988, point 2.2.32; Bull. EC 6-1988, point 2.2.43.

² First meeting: Bull. EC 12-1988, point 2.2.39.

³ Bull. EC 7/8-1989, points 1.1.1. to 1.1.4.; Bull. EC 10-1989, point 1.1.9.

Community delegation informed the Hungarian delegation of the measures liberalizing specific and non-specific restrictions and the extension to Hungary of the Community's generalized system of preferences. The two delegations reviewed Hungarian measures for Community firms in Hungary and the results of recent contacts between the Community and Hungary concerning the sectors of cooperation covered by the Agreement and others. These contacts would continue in order to encourage cooperation in areas of mutual interest. In this respect the Hungarian delegation presented a list of proposals to be considered by the next Joint Committee meeting, to be held in Budapest at the end of 1990.

Poland

2.2.25. In November the Commission decided to supply the following food aid to Poland: 300 000 tonnes of common wheat, 100 000 tonnes of barley and 200 000 tonnes of maize (second instalment).¹ These products will be delivered between November and January.

2.2.26. On 3 November the Commission adopted Regulation (EEC) No 3328/89² opening invitations to tender for the supply of 15 000 tonnes of lemons and 5 000 tonnes of oranges under the emergency measure for the free supply of certain agricultural products to Poland agreed by the Council (Agriculture) on 24 July.³

Soviet Union

2.2.27. The third round of negotiations with a view to the conclusion of an Agreement on trade and economic cooperation between the EEC and the Soviet Union, which took place in Brussels from 22 to 26 November, culminated in the adoption of the text of an Agreement.⁴

Comecon

2.2.28. Following the signature of the Joint Declaration on the establishment of official relations between the Community and Comecon,⁵ the third exploratory meet-

ing was held in Brussels on 13 and 14 November.⁶ The two delegations informed each other about environmental activities and exchanged views on the respective powers of their organizations.

Mediterranean, Gulf and Arabian Peninsula

Mediterranean

2.2.29. On 23 November the Commission adopted a communication for transmission to the Council containing the outline plan of the overall strategy it considers the Community should adopt in its relations with non-member Mediterranean countries. The Commission's view is that, owing to geographical proximity and the high level of trade, stability and prosperity in the Mediterranean is a key factor in the stability and prosperity of the Community itself. The Community must therefore lend its support both to the process of democratization under way in several Mediterranean countries and to economic reform, the revival of growth and the creation of jobs there. However, the Commission feels that the scope of the necessary reforms, the social problems they entail and the need for economic growth mean that serious thought must be given to the ways in which the Community and its Member States can lend assistance in the region. Its priorities are greater food self-sufficiency in deficit countries, the development of small businesses and financial institutions, the environment, the development of human resources and support for regional integration.

Another vital factor in the economic balance of these countries, in its view, is open access to the Community market and an enhanced

¹ First instalment: Bull. EC 7/8-1989, point 1.1.4.

² OJ L 321, 4.11.1989.

³ Bull. EC 7/8-1989, point 1.1.4.

⁴ Bull. EC 7/8-1989, point 2.2.17.

⁵ OJ L 157, 24.6.1988; Bull. EC 6-1988, point 1.5.1 *et seq.*

⁶ First meeting: RG 88 No 908.

dialogue on economic matters. Concluding its communication, the Commission calls on the Council to state its position on these views and to endorse the principle of a new Community Mediterranean policy.

Turkey

2.2.30. The Joint Parliamentary Committee, consisting of representatives of the European Parliament and Turkey's National Assembly, met in Brussels from 27 to 29 November, the third such meeting since the Committee's re-establishment in September 1988.¹ On the agenda were the state of the EC-Turkey Association Agreement,² human rights, and the rights of Turkish workers and their families in the Community. The Committee adopted a recommendation calling for a meeting of the Association Council to take place as soon as possible.

Cyprus

2.2.31. On 27 November the Council (General Affairs) approved the third EEC-Cyprus Financial Protocol,³ which had been negotiated and adopted⁴ by the Commission and was duly signed on 30 November. The Council called on Parliament to approve the Protocol.

The Protocol on Financial and Technical Cooperation between the European Economic Community and the Republic of Cyprus will come into effect in the second half of 1990 and will run for five years. Like all such instruments of cooperation it is intended to develop economic links between the parties in various sectors including industry, education, research, technology, trade and services. For these purposes it makes available ECU 44 million in EIB loans, ECU 13 million in grants and ECU 5 million in risk capital, a total of ECU 62 million.

Yugoslavia

2.2.32. The EEC-Yugoslavia Cooperation Council held its eighth meeting in Brussels

on 27 November with Mr Roland Dumas, President-in-Office of the Council, in the chair.⁵ The Yugoslav delegation was led by Mr Budimir Loncar, the Minister for Foreign Affairs, and the Commission was represented by Mr Matutes.

The two sides discussed the state of their respective economies and Mr Loncar gave the Community a progress report on the Yugoslav Government's economic reform programme. He referred to the Memorandum presented to Mr Delors on 23 October by Mr Ante Markovic, President of the Federal Executive Council, setting out the programme and calling for support from the Community and its Member States.

The Community indicated its willingness to consider additional measures to provide aid and develop cooperation once Yugoslavia had completed its negotiations with the IMF on economic and financial reform. The two sides agreed to anticipate the negotiations for a successor to the second Financial Protocol,⁶ which was due to expire on 30 June 1991, to increase technical assistance to certain sectors of the Yugoslav economy and to study the possibility of Yugoslav participation in various Community programmes.

Reviewing EC-Yugoslav trade, the two sides noted an improvement in the balance of trade reflected in a small surplus for Yugoslavia throughout 1988 and in the first half of 1989. On the financial cooperation side almost 50% of EIB loans had been committed. The Commission had signed an Agreement with Yugoslavia on animal health, a measure intended to give effect to the cooperation provided for in Article 7 of the Cooperation Agreement.

Mr Loncar announced that his Government intended to seek a better institutional frame-

¹ First meeting: Bull. EC 1-1989, point 2.2.13.

² OJ 127, 29.12.1964.

³ Second Protocol: OJ L 85, 28.3.1984; Bull. EC 3-1984, point 2.2.29.

⁴ Bull. EC 10-1989, point 2.2.17.

⁵ Previous meeting: Bull. EC 12-1988, point 2.2.26.

⁶ Bull. EC 6-1987, point 2.2.18.

work for EC-Yugoslav relations which would draw Yugoslavia more closely into the European integration process, perhaps along the lines of the arrangements in existence for EFTA or certain Mediterranean countries. The Community took note of this intention.

Following the meeting of the Cooperation Council, a ministerial-level political dialogue took place with Mr Dumas in the chair.

Egypt

2.2.33. The fifth meeting of the EEC-Egypt Cooperation Council was held in Brussels on 6 November with Mr Roland Dumas in the chair.¹ The Egyptian delegation was headed by Dr Abdel Meguid, Egypt's Deputy Prime Minister and Minister for Foreign Affairs.

Dr Meguid raised the Middle East question, with particular emphasis on the Mubarak plan and US Secretary of State Baker's five-point plan. He described Egypt's economic problems and asked the Community to support measures to provide relief for debt-burdened middle-income countries. He expressed satisfaction with the state of EC-Egyptian cooperation, though feeling that there was scope for improvement in areas such as the environment and renewable energy sources. As on previous occasions, Egypt put forward a request for more Community food aid.

The two sides agreed to look closely at ways of strengthening the already close cooperation ties between Egypt and the Community.

Dr Meguid also had a meeting with Mr Delors and Mr Matutes to discuss EC-Egypt relations and the general situation in the Middle East.

2.2.34. In November the Commission approved an ECU 1.5 million cooperation project under the third Financial Protocol² to set up 20 family planning centres in Qena province in Upper Egypt.

Israel

2.2.35. The EEC-Israel Trade and Economic Cooperation Committee met for the first time on 29 November. This is a new forum for the two-way exchange of information and dialogue; similar committees have been set up under all the Additional Protocols to the Mediterranean Cooperation Agreements adopted following the last round of enlargement.

The meeting provided an opportunity to discuss general trade trends, statistics and prospects, including the outlook for the agricultural products covered by the Agreement.

Both sides delivered their assessment of the current situation in the light of the establishment of the EC-Israel free-trade area in January 1989, Israel's trade deficit, which is giving cause for concern, and the satisfactory trend of agricultural trade.

Asia

Asean

Philippines

2.2.36. On 13 November Mr Matutes saw Mr Dominguez, the Philippines' Agriculture Minister, and Mr Villanueva, Chairman of the Coordinating Council for the Programme of Assistance to the Philippines.

Their talks were concerned mainly with progress to date in implementing the assistance programme, and other bilateral issues.

Latin America

Bilateral relations

Colombia

2.2.37. Mr Matutes visited Colombia on 20 November for talks with the President,

¹ Previous meeting: Bull. EC 2-1986, point 2.2.17.

² OJ L 22, 27.1.1988.

Dr Virgilio Barco, the Foreign Minister, Mr Londoño Paredes, and the Ministers for Justice and Economic Development. He also had working meetings with representatives of State bodies which come under the Ministry of Development and with leading figures representing private industry. Mr Paredes outlined to Mr Matutes a special plan for cooperation with Colombia, aimed at helping Colombia overcome its present difficulties, together with a list of proposals for practical projects for implementing the special plan. Mr Matutes explained that the Community was anxious to help and undertook to convey to the Commission the Colombia requests for a Community contribution for implementing the special programme.

Mexico

2.2.38. From 21 to 24 November Mr Matutes carried out an official visit to Mexico at the invitation of the Mexican Government. In addition to holding talks with the President, Mr Salinas, the Foreign Minister, Mr Solana, the Minister for Energy and Mines and the Minister for Commerce, Mr Matutes carried out a number of engagements, including the opening of a 145-bed hospital in the Iztapalapa area, the official opening of the Commission delegation for Mexico and Cuba, the signing of an agreement with the Bank of Mexico and the National Financial Bank under the 'EC International Investment Partners' financing facility, the establishment of the first link between the Community's Business Cooperation Network and a non-member country, and the inauguration of the Business Council, a body of private-sector representatives that will serve as an advisory group for promoting joint ventures between the Community and Mexico.

The Mexican representatives were at pains to point out the new guidelines for Mexican economic policy, based on greater openness and the liberalization of the economy.

ACP countries and OCTs

Renewal of the ACP-EEC Convention

Informal ministerial meeting

2.2.39. Following a series of negotiations between the two parties from 25 to 27 November in Brussels,¹ interspersed with internal coordination meetings, the ACP countries and the Community reached full agreement on all the provisions of the next Convention except the volume and breakdown of funding.

This last point having been left open at the request of the ACP countries, the informal ministerial meeting closed without a final agreement being reached, so it was not possible to conclude the negotiations.

However, it was agreed that very close contacts would be maintained between the two co-Presidents and the Commission in order to explore ways and means of reaching a satisfactory solution on the volume of funding, preferably in time for the signing ceremony to take place on the date originally planned.

Trade cooperation

2.2.40. On 23 November, on a proposal from the Commission,² the Council adopted Regulation (EEC) No 3530/89³ amending Regulation (EEC) No 486/85⁴ on the arrangements applicable to agricultural products and certain goods resulting from the processing of agricultural products originating in the ACP countries or in the OCTs. The amendment reduces the levy applicable to molasses originating in the countries concerned, thus granting the ACP countries a margin of preference in ACP-EEC trade.

¹ Previous meeting: Bull. EC 10-1989, point 2.2.26.

² Bull. EC 7/8-1989, point 2.2.33.

³ OJ L 347, 28.11.1989.

⁴ OJ L 61, 1.3.1985; Bull. EC 2-1985, point 2.2.38.

Stabex*Transfers*

2.2.41. The Commission received 10 requests from four of the least developed countries not signatory to the Lomé Convention — Haiti, Bangladesh, Nepal and Yemen — for transfers relating to the 1988 year of application. Five of the requests gave rise to transfer rights totalling ECU 15 188 487.

Under Stabex rules the Commission had to reduce this amount — and therefore the amount of the individual transfers — by a percentage corresponding to the difference

between available resources and total transfer rights.

On 21 November the following transfers were decided (see Table 1).

Financial and technical cooperation*European Development Fund*

2.2.42. In November the Commission allocated resources from the fourth, fifth and sixth EDFs totalling ECU 154 191 000 to finance projects, programmes and emergency aid operations which it administers (see Table 2).

Table 1 — *Stabex transfers*

Country	Product	Amount in ecus
Nepal	Leather	853 838
	Lentils	108 127
Bangladesh	Jute	3 108 425
Haiti	Cocoa	1 859 744
	Coffee	4 069 866
	Total	10 000 000

Table 2 — *Financing of operations under the fourth, fifth and sixth EDFs*

Country	Project/programme	Amount	
		Grants	Special loans
<i>million ECU</i>			
<i>Economic infrastructure</i>			
Regional	Zaire, Rwanda, Burundi and Tanzania: Kalémié harbour	2.000	8.000
<i>Rural production</i>			
Nigeria	Sectoral import programme		10.000
Regional	Burundi, Rwanda, Zaire: institutional support for agronomic research	2.430	
Zimbabwe	Irrigation programme	6.000	8.000
Botswana	Development of livestock marketing	2.400	
New Caledonia	Rural development	1.778	0.300

million ECU

Country	Project/programme	Amount	
		Grants	Special loans
<i>Industrialization</i>			
Togo	Aid to the phosphate industry		15.700
French Polynesia	Hydroelectric development at Thaiti	0.825	0.825
<i>Social development</i>			
Senegal	Rehabilitation of St Louis hospital	4.000	
Regional OECS	Eastern Caribbean States: Higher Education	7.200	
Uganda	Town planning at Kampala	25.000	
Nigeria	Health	6.900	26.100
Saint Kitts & Nevis	Social infrastructure	2.750	
<i>Aid</i>			
Mozambique	Programme of assistance to displaced persons	12.743	
Ethiopia	Aid for refugees	8.000	
<i>Emergency aid</i>			
Angola	Contribution to relief work by ICRC and other humanitarian organizations to aid victims of the conflict and drought in Angola	2.775	
Ethiopia	Aid to Sudanese refugees arriving in Ethiopia	0.380	
Ivory Coast	Aid to the victims of the floods at Agboville	0.085	
Total		85.266	68.925

Regional cooperation

2.2.43. On 16 November Mr Marín received a delegation from the SADCC¹ led by the Executive Secretary, Mr Sinba Makoni. The delegation had come to present to the Commission and the Member States the theme of next year's annual Consultative Conference: 'SADCC — the next decade — investment, skills and productivity'.

During talks with Mr Makoni, Mr Marín placed particular emphasis on two points:

(i) *The importance of regional cooperation for political progress and economic development in southern Africa.* The countries of southern Africa must increasingly forge investment and trade links and coordinate their economic policies, particularly with a view to spreading more evenly

benefits resulting from the peace process now under way in southern Africa.

(ii) *The Community's involvement in the region's development.* In spite of severe economic difficulties and destabilization to which it was subject, southern Africa achieved the highest rate of commitment of Lomé Convention funds for regional cooperation, showing the sustainability and effectiveness of SADCC operations. This is something which should be reflected when regional cooperation is increased under Lomé IV. The Commission hopes that following the independence process in Namibia and moves towards democracy in South Africa, relations between the countries of

¹ Southern African Development Coordination Conference: Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe.

southern Africa will change from conflict to cooperation.

The SADCC delegation said it had a mandate to integrate Namibia into the organization as soon as it gained independence. The SADCC was currently preparing its own institutions and redirecting its priorities to take account of the entry of its 10th member.

Mr Marín confirmed that following the unanimous agreement reached in the negotiations for the renewal of the Lomé Convention the Commission was already preparing the ground for Namibia to join Lomé IV without delay as soon as it became formally independent.

Institutional relations

Meeting of ACP and EEC representatives of economic and social sectors under the auspices of the ACP-EEC Joint Assembly

2.2.44. Representatives of the economic and social sectors in the Community and the ACP countries met for the 13th time¹ on 7 and 8 November at the headquarters of the Economic and Social Committee in Brussels on the initiative of the ACP-EEC Joint Assembly. The general session was preceded by separate meetings of working parties representing employers, workers, farmers and other groups. The main subjects debated were vocational training and training for farmers, and the deterioration in the terms of trade and its implications for ACP nationals in the context of the fourth ACP-EEC Convention.

The paper on vocational training presented by the working party on farmers and other groups and that on the training of farmers presented by the employers' group were aimed at highlighting vocational training for development in ACP countries; they stressed the importance of involving social and economic interest groups and the role that such groups should play in identifying their own training requirements.

During the subsequent debate the ACP representatives on the three working groups dealt with the subjects of functional literacy and basic training, the training of trainers, the training of women, the development of audiovisual resources, the creation of cooperatives and the training given by trade unions.

The second report, presented by the workers' group, stressed the direct link between the deterioration in the terms of trade and ACP indebtedness. During the discussions, ACP representatives expressed concern about completion of the single market in 1992 and the possible repercussions for all ACP countries, and the Community's new interest in Eastern Europe and the aid given to East European countries.

EEC representatives focused on the need to improve Community aid programmes and trade agreements concerning access for ACP products to European markets.

Mr Carrington, Secretary-General of the ACP countries, and Mr Vidal, Chairman of the Permanent Representatives Committee, then took stock of the state of the negotiations for the renewal of the ACP-EEC Convention and commented on the subjects which were still causing problems.

At the close of the meeting a final declaration was approved and will be transmitted to the ACP-EEC authorities. It highlights the ACP-EEC economic and social partners' concern that solutions to the ACP countries' debt problems should be sought as a matter of urgency, and their desire to improve vocational training and the direct training of farmers, with Community assistance.

Visits

2.2.45. On 14 November Mr Mário Fernandes da Graça Machungo, Prime Minister of Mozambique, accompanied by Mr Daniel Filipe Gabriel Tembe, Trade Minister, met Mr Marín.

¹ 11th meeting: Bull. EC 11-1987, point 2.2.61.

They discussed all subjects of mutual interest, including the situation in southern Africa, the peace process in Mozambique, the economic rehabilitation of Mozambique, including social aspects, and cooperation with the Community.

2.2.46. On 10 November a delegation from Burkina Faso, led by Mr Vokouma, Foreign Minister, met Mr Marín.

Following an exchange of views on the current political and economic situation in Burkina Faso and West Africa, they discussed international and Community cooperation in the transport sector in Burkina Faso, and noted the importance which the Government of Burkina Faso attaches to cooperation with the EEC.

General development cooperation

2.2.47. The main items on the agenda of the Council (Development) meeting in Brussels on 21 November were cooperation with the developing countries of Latin America and Asia (→point 2.2.55), combating AIDS, the environment and food aid (→point 2.2.52).

(i) In the light of the Commission's report on the implementation of the programme to combat AIDS in the developing countries, which was adopted on 21 May 1987,¹ the Council thought that the alarming spread of the disease justified long-term measures and asked the Commission to take steps to support the developing countries' own efforts, taking into account the regional dimension of the problem. The talks also highlighted the need for close coordination between the Community, its Member States and the WHO.

(ii) The Council gave special attention to the issue of development and the environment, first examining a working document drawn up by the Commission on action taken in the field of desertification control since the resolution of April 1986,² and then, after a wide-ranging policy debate, adopting more general conclusions, in

which it noted that it was essential to draw up guidelines to ensure that environmental problems were better incorporated in development cooperation and to allocate appropriate resources. Specific proposals on the subject would be drawn up for the Council's meeting in May 1990.

Generalized preferences

2.2.48. On 3 November the Commission adopted for transmission to the Council a proposal for a Regulation reducing the levies on certain agricultural products originating in developing countries³ which seeks to grant from 1 January to 31 December 1990 beneficiaries of the GSP concessions for agricultural products in the form of 50% tariff reductions within quantitative limits. This measure is a consequence of the Community's action plan for coordinated aid for Poland and Hungary, whereby on 11 and 31 October the Commission took steps to extend the benefits of the GSP to those two countries and to improve agricultural concessions via the GSP.⁴

Commodities and world agreements

Tropical timber

2.2.49. The Council of the International Tropical Timber Organization held its seventh ordinary meeting at its headquarters in Yokohama from 30 October to 7 November.⁵ The Council:

(i) reached a decision on the request to set up two working parties of experts to draw up action plans and work programmes concerning the timber industry and economic information; a working party will also be set up to draw up recommendations on the development of tropical forests;

¹ Bull. EC 5-1987, point 2.2.26.

² Bull. EC 4-1986, point 2.2.29.

³ COM(89) 554 final.

⁴ Bull. EC 10-1989, points 1.1.6 and 1.1.7.

⁵ Previous meeting: Bull. EC 5-1989, point 2.2.48.

(ii) resolved to ask all members to pay their contributions into the ITTO accounts and to make fresh funds available to the ITTO to meet the mounting financial requirements for the conservation and viable exploitation of tropical forests;

(iii) approved a pre-project concerning measures to encourage producer and consumer countries to promote the sustainable development of tropical forests, something that the Commission supported;

(iv) confirmed the continuation in office of the Executive Director for two years.

Tin

2.2.50. A proposal for a Council Decision on the acceptance of the terms of reference of the International Tin Study Group was adopted by the Commission on 29 November.¹ Although the terms of reference mention the participation of the Community as such as a full member, their entry into force is conditional only on States' participation. In view of the desirability of setting up the Group, the Commission is putting forward a proposal for a Decision that will involve both a Community procedure and a joint procedure of the Member States.

Jute

2.2.51. The text of a new International Jute Agreement was adopted at an Unctad-organized conference held in Geneva from 30 October to 3 November. The Agreement will come into force when the current

Agreement expires on 1 January 1991.² The new Agreement is broadly similar to the current one in that it carries no economic provisions and mainly concerns the implementation of projects in the fields of R&D, marketing and cost-cutting to boost production and make the product more competitive. New features are provisions on the development of human resources, regard for environmental considerations and the establishment of links with the Common Fund. The Agreement will be open for signing between 1 January and 31 December 1990.

Food aid

2.2.52. On 21 November the Council (Development) took note of a Commission paper and adopted a resolution on the guidelines to be adopted for food aid, including the need for food aid to be better integrated with other forms of development assistance, the importance of evaluation, and the links with structural adjustment.

Standard food aid

2.2.53. In accordance with Regulation (EEC) No 2508/88,³ the Commission decided to make a contribution under Article 951 of the budget to the financing of purchases of food and seeds by non-governmental organizations and international bodies (Table 3):

¹ COM(89) 587 final.

² Bull. EC 9-1982, point 2.2.17.

³ OJ L 220, 11.8.1988; Bull. EC 7/8-1988, point 2.2.67.

Table 3 — *Cofinanced purchase of food*

Organization	Recipient	Community contribution (ECU)	Product
World Vision Britain	Sudan	397 492	Vegetable oil, legumes
Cinterad	Benin	119 756	Sorghum, legumes, dried fish
Ecoles sans frontières	Vietnam	78 562	Rice, dried fish, soya, maize, paddy seed, peanuts

Emergency aid

El Salvador

2.2.54. Following renewed fighting in El Salvador, the Commission decided on 16 November to provide emergency aid of ECU 300 000 and on 23 November approved additional aid of ECU 1 200 000. This aid will be used to finance medical programmes (medical/surgical teams, medicines, medical equipment) and other basic requirements (blankets, tents, etc.) via Médecins sans frontières France, the International Committee of the Red Cross, Médecins du monde and a consortium of NGOs (Caritas Germanica, Socialist Solidarity and Secours populaire français).

Financial and technical cooperation

2.2.55. On 21 November the Council discussed a Commission report entitled 'Thirteen years of development cooperation with the developing countries of Latin America and Asia — Data and results',¹ which was accompanied by a paper assessing the financial and technical aspects. In its conclusions the Council expressed broad approval of the evaluation. It welcomed the Commission's intention to present a communication containing an overall review of the future development of all forms of aid and cooperation involving the developing countries of Latin America and Asia before the end of the year so that the Council would have the information needed to establish appropriate policy guidelines for the next decade. The Council also took note, pending the opinion of Parliament, of the Commission's proposal for a Decision on the guidelines for 1990.²

2.2.56. After consulting the Committee on Aid to Developing Countries in Latin America and Asia, the Commission decided on 8 November to give financial assistance of ECU 23 200 000 for a project to rehabilitate common land in the Aravalli mountains, Haryana (India) and ECU 123 500 000 for

establishing a regional payments system in Central America.

2.2.57. On 27 November, after consulting the Committee on Aid to the Developing Countries in Latin America and Asia, the Commission decided to finance the following operations from the appropriations under Chapter 93 of the Community budget:

Bangladesh: repair of rural health facilities and primary schools damaged by flooding — ECU 18 650 000;

Bangladesh: overhaul of the systems of the Bangladesh Water Development Board — ECU 13 500 000;

Thailand: pilot project to develop rubber growing in the North East — ECU 5 100 000;

Thailand: development of silk production in the North East — ECU 12 060 000.

Cooperation via non-governmental organizations

2.2.58. In the period from 1 January to 30 November the Commission committed a total of ECU 69.5 million for the cofinancing in developing countries of 433 projects presented by 170 NGOs.

The Commission also contributed ECU 7 846 091 towards 103 projects aimed at increasing European public awareness of development issues.

Aid to promote self-sufficiency of refugee groups

2.2.59. In response to an appeal made by the Office of the UN High Commissioner for Refugees on 7 November, and having received the approval of the Member States, the Commission decided in November to allocate emergency food aid of 20 000 tonnes of cereals equivalent, worth ECU 4

¹ Bull. EC 5-1989, points 2.2.51 and 2.2.52.

² Bull. EC 9-1989, point 2.2.26.

million, to the UNHCR for Cambodian, Lao and Vietnamese refugees in Thailand.

2.2.60. The Commission also decided on 3 November to give emergency aid of ECU 500 000 to the UNHCR to encourage the return of Salvadorian refugees from Honduras.

International organizations and conferences

General Agreement on Tariffs and Trade

Uruguay Round

Safeguards

2.2.61. The negotiating Group on Safeguards held its final meeting of the year in Geneva from 30 October to 2 November, and completed its first reading of the Chairman's draft agreement on safeguard measures. Other matters discussed included structural adjustment, notification and multilateral surveillance, the terms for applying protective measures, specific and differentiated treatment for developing countries, and also the procedure to be applied in respect of 'grey area' measures.

Functioning of the GATT System

2.2.62. The Negotiating Group on the Functioning of the GATT System met in Geneva from 6 to 9 November. The main item on the agenda was the report by the Director-General of GATT, following talks with the heads of the IMF and the World Bank, on ways of achieving greater coherence in global economic policy-making. A number of developing country representatives, together with representatives of the European Community, made the point that the question of links between trade, monetary and financial policies should not be reduced simply to the institutional aspect;

on the contrary, what was needed was a clearer perception of the political aspect of the interconnection between these three areas.

United Nations

United Nations Industrial Development Organization

2.2.63. Representatives of the 151 member countries of Unido met in Vienna from 20 to 24 November to establish guidelines for the Organization's activities during the 1990s.

The main subjects discussed were the development of human resources, technology development and transfer, industrial rehabilitation, environment and energy, and the promotion of small businesses. Other major topics were the industrial regional cooperation programmes in Latin America, Asia and the Pacific, and the questions of external debt and investment promotion. As previously, the Presidency and the Commission representative spoke on behalf of the Community.

The conference also approved the programmes and budgets for the Organization for 1990-91 and confirmed the appointment of the present Director-General, Mr Domingo L. Siazon, for a second four-year term of office.

Diplomatic relations

2.2.64. The following ambassadors, whose appointments took effect on the dates shown, presented their letters of credence to the President of the Council and the President of the Commission.

7 November

HE Mr Kimbulu Moyanso wa Lokwa, Representative of the Republic of Zaire to the EEC; HE Mr Assiongbon Agbenou, Rep-

representative of the Togolese Republic to the EEC and Head of Mission to the ECSC and Euratom; HE Mr Wolde Amanuel Hailu, Head of Mission of the People's Democratic Republic of Ethiopia to the European Communities; HE Mr José Maria Araneo, Head of Mission of the Eastern Republic of Uruguay to the European Communities; HE Mr Manuel José Cardenas, Head of Mission of the Republic of Colombia to the European Communities; HE Mr Nicos Agathocleous, Permanent Delegate of the Republic of Cyprus to the EEC and Head of Mission to the ECSC and Euratom.

9 November

HE Mr James A. E. Thomas, Head of Mission of Antigua and Barbuda to the European Communities; HE Mr Hassan Idriss Ahmed, Head of Mission of the Republic of Djibouti to the EEC; HE Mr Ali Hassan Ali, Representative of the Somali Democratic Republic to the EEC; HE Mr Mihajlo Crnobrnja, Head of Mission of the Socialist Federal Republic of Yugoslavia to the European Communities; HE Mr Diego Ramiro Guelar, Head of Mission of the Argentine Republic to the European Communities.

3. Intergovernmental cooperation

European political cooperation

South Africa

2.3.1. The Twelve issued the following joint statement in Paris and Pretoria on 2 November:

'In mid-October there were confrontations between the Ciskei police and the people of the rural community of Peulton who in August 1988 had been incorporated, against their wishes, in the Ciskei homeland. These violent incidents were followed by the proclamation of a state of emergency, accompanied by a policy of expelling many of the area's inhabitants and razing their homes to the ground.

The Twelve, who have on several occasions expressed their opposition to the forced integration of rural areas into the territory of the homelands, wish to convey to the South African authorities the deep feeling aroused by these events. They strongly request the South African Government to intervene to stop the repression directed against the inhabitants of Peulton, the majority of whom have kept South African nationality. They urge the South African Government to bring to an end the policy of forced integration which runs contrary

to the creation of a climate favourable to dialogue and to peace.'

Lebanon

2.3.2. The Twelve issued the following joint statement in Paris and Brussels on 6 November:

'The election of a President of the Republic of Lebanon, after an interval of more than a year, gives Lebanon the opportunity of a new departure.

The Twelve are deeply gladdened by this development and hope that Lebanon will be able fully to regain its place within the region and the international community as a whole, in a new-found peace, national understanding, and justice. They extend their best wishes for the success of this difficult undertaking, the direction of which is now the responsibility of the new President, Mr René Moawad, to whom the Twelve offer their congratulations.

In paying tribute to the efforts made by the Arab High-level Committee to promote a political settlement, they reaffirm that it is essential to carry forward the peace process initiated in Taif, so as to complete the putting-into-place of renewed institutions and to ensure the restoration of the full sovereignty of Lebanon over the whole of

its territory, free of any non-Lebanese military presence.

Calling on all Lebanese parties to make their contribution to the task now begun of asserting the existence of an independent, sovereign, united Lebanon whose territorial integrity will be respected, the Twelve reaffirm their readiness to be at its side during its reconstruction.'

German Democratic Republic

2.3.3. The Twelve issued the following joint statement in Paris and Brussels on 10 November:

'The Twelve welcome the decision taken by the authorities of the GDR to authorize East German citizens to leave the country freely. They hope that the practical arrangements that have been established will permit the real exercise of this freedom.

The Twelve hope that this represents a stage in a process of far-reaching reforms that will allow the people of the GDR to define their future and to enjoy their democratic rights in full freedom.'

Central America and Onuca

2.3.4. The Twelve issued the following joint statement in Paris and Brussels on 10 November:

'The Twelve welcome the resolution of the UN Security Council establishing under its authority a UN Observer Group in Central America (Onuca). This resolution is in the spirit of the ministerial Joint Political Declaration of San Pedro Sula between the European Community and its Member States and the countries of Central America. They express their support for the Secretary-General of the United Nations and for Onuca in the task which has been entrusted to them.

The Twelve recall the need for the commitments set out in the agreements of Esquipulas,¹ El Salvador,² and Tela,³ to which they have given their support, to be strictly respected by all parties concerned. They expect that these will support the Secretary-General of the United Nations and Onuca in the carrying out of their mission which, in parallel with the other mechanisms that have been established, should contribute to the achievement of a just, stable, and lasting peace in Central America.'

Sudan

2.3.5. The Twelve issued the following joint statement in Paris and Brussels on 10 November:

'The Twelve, who have followed attentively recent developments in Sudan, express their concern at the present situation. After several months of effective ceasefire, the Twelve deplore the resumption of fighting in the South and the resulting suffering and loss of human life.

They make an urgent appeal for an end to the fighting and for the launching of peace negotiations and a process of national reconciliation to lead to a definitive solution to the conflict and to national reconstruction.

They also call for respect of human rights in Sudan, in particular for displaced persons, prisoners of war, and other persons in detention.

The Community and its Member States pay tribute to the results achieved in 1989 by the "lifeline" operation and call for the greatest cooperation on the part of all parties concerned in the use of ground transport for the distribution of new assistance.'

South Africa

2.3.6. The Twelve issued the following joint statement in Paris and Brussels on 14 November:

'The Community and its Member States, who have on several occasions recalled their commitment to fundamental freedoms, are gravely concerned at the recent increase of restrictions imposed upon the press and upon the professional activity of journalists. They are in particular concerned by the warning issued to the *New Nation*, one of the newspapers financed under the Community's positive measures programme, that action might be brought against it under the state-of-emergency laws on the press.

They urge the South African authorities to put an end to such intimidatory measures and ask them to guarantee the freedom of expression which is essential for the creation of a climate conducive to the dialogue of which the Government asserts it is in favour.'

¹ Bull. EC 1-1988, points 2.4.2 and 2.4.3.

² Bull. EC 2-1989, point 2.4.2.

³ Bull. EC 7/8-1989, point 2.3.7.

El Salvador

2.3.7. The Twelve issued the following joint statement in Paris and Brussels on 16 November:

'Faced with the present bloody events in El Salvador which follow the acceleration in the cycle of violence in recent weeks, the Twelve urgently appeal to the parties to the conflict to renounce all recourse to violence and without delay to resume serious negotiations on the basis of the Esquipulas and Tela Agreements. Particularly concerned by the consequences of the fighting, they urge all parties to respect the civilian population.'

Namibia

2.3.8. The Twelve issued the following joint statement in Paris and Brussels on 16 November:

'The Community and its Member States, who have been unsparing in their efforts to help Namibia achieve independence, welcome the completion of the electoral process. They welcome the good conduct of the ballot and the responsible attitude taken by all parties.'

Thanks to the guarantees afforded by the United Nations Transition Assistance Group (Untag), the elections have, for the first time, allowed the Namibian population to express their political choice in a free and fair manner. The Community and its Member States wish to reiterate their full support for the action of the Secretary-General of the United Nations and his Special Representative.

The Community and its Member States wish the Constituent Assembly success in its task of preparing a Constitution and hope that the next stages in the process of independence for Namibia will proceed smoothly to their conclusion in accordance with democratic rules and with the Settlement Plan of the United Nations for Namibia.'

El Salvador

2.3.9. The Twelve issued the following joint statement in Paris and Brussels on 17 November:

'The Twelve are deeply shocked and moved by the assassination of Fr. Ellacuria, Rector of the Central American University, and of five Jesuit priests from

the same University. They condemn this ignominious act of violence as they do all attacks against innocent victims among the civilian population. They reiterate their appeal that an end be put to the violence which has been unleashed in El Salvador?'

Romania

2.3.10. The Twelve issued the following joint statement in Paris and Brussels on 20 November:

'The Community and its Member States reiterate their continuing concern at the situation of human rights in Romania. In particular, they consider unacceptable that the Romanian Government persistently refuses to implement important provisions of CSCE Agreements and in particular of the Vienna Concluding Document. In this context, they also deplore the Romanian refusal to join the consensus at the CSCE meeting on the environment at Sofia.'

In this light, the Twelve want to make it known that none of the members of their Missions in Bucharest will in any way attend the opening of, or activities related to, the 14th Congress of the Romanian Communist Party, which begins on 20 November.'

Czechoslovakia

2.3.11. The Twelve issued the following joint statement in Paris and Brussels on 21 November:

'The Twelve can only condemn outright the violence used by the Czechoslovak police against demonstrators who, exercising their indefensible right to freedom of expression, demanded respect for human rights and fundamental freedoms.'

The Twelve are convinced that it is only through authentic political dialogue and not by recourse to brutal oppression that the legitimate aspirations of Czechoslovakians for democratic reforms can be met.

The Twelve appeal to the Czechoslovak Government to honour the commitments which it freely entered into, particularly those contained in the Helsinki Final Act and the Vienna Concluding Document.'

Lebanon

2.3.12. The Twelve issued the following joint statement in Paris and Brussels on 23 November:

'The Twelve have learnt with indignation of the assassination of the President of the Lebanese Republic, René Moawad. They condemn this odious act which, through their President, strikes at all Lebanese.

The Twelve wish to pay tribute to the courage of President Moawad and to his desire for reconciliation and dialogue. The countries of the European Community express the wish that, despite this tragic event, all possibilities for dialogue be preserved so that the peace process embarked upon in Taif be continued by the participation of all Lebanese.'

2.3.13. The Twelve issued the following joint statement in Paris and Brussels on 25 November:

'The Twelve, who in the wake of the tragic assassination of President Moawad had called for the continuation of the peace process initiated in Taif, are glad that the Lebanese Parliament has been able to meet the needs of the situation by proceeding to the election of a new President of the Republic.

The Twelve congratulate President Elias Hraoui and pay tribute to the devotion to the State exhibited in his taking-on of these high and heavy responsibilities; they assure him of their determination to support all the efforts which it is his task, as of today, to carry forward, in support of national reconciliation, the establishment of renewed institutions, and the restoration of the sovereignty of Lebanon over the whole of its territory, free of any non-Lebanese military presence.

The Twelve express the hope that all the Lebanese will rally round these objectives, so that Lebanon, its unity restored, can once again be fully master of its destiny.'

Central America

2.3.14. The Twelve issued the following joint statement in Paris and Brussels on 27 November:

'The Ministers express their deep concern at the deterioration of the situation in Central America. They condemn in particular the fresh upsurge of violence in El Salvador which has brought in its wake the massacre of a great number of innocent civilians.

They note with regret that the peace process is encountering very serious difficulties. The Ministers consider that it is essential that the impetus created by the Esquipulas agreements and furthered by the Costa del Sol and Tela summits should be continued.

The Ministers consider, in line with the position which they have consistently maintained, that the initiative to relaunch the process should come from the countries in the region themselves with the support of the international community. They make an urgent appeal to the parties involved to return to the path of a negotiated solution which would in the first place allow an end to hostilities.

The Ministers take the view in particular that it is desirable to reaffirm the validity of the commitments undertaken in the declarations of Costa del Sol and Tela. Taking account of subsequent events, it seems to them necessary that any interference in the internal affairs of the countries of the region should be avoided as well as any unilateral action which might carry the risk of leading to a fresh deterioration in the situation. They appeal to the parties involved to find the right mechanisms to renew the dialogue.

The Ministers are also of the view that the efforts of the Organization of American States, as well as the implementation as soon as possible of the mechanisms envisaged by the United Nations in the framework of the Central American peace process, represent important factors contributing to an easing of tension in the region.'

4. Human rights and fundamental freedoms

Human rights and the European Community

2.4.1. A conference on human rights and the European Community in the run-up to 1992 and beyond was held in Strasbourg on 20 and 21 November.

Organized by the European Parliament and the Commission in conjunction with the Florence-based European University Institute to examine fundamental rights in the light of the single market, it was attended by representatives of the Community institutions, the Council of Europe, the European Commission of Human Rights, the European Court of Human Rights, and other non-governmental organizations particularly concerned by the protection of fundamental rights.

To prepare the ground for the conference, various topics were examined in detail by a team of researchers: Community provisions; nationality/citizenship; economic and social rights; consumer rights/safety rights; environmental rights; educational and cultural rights; medical and genetic ethics and related problems; freedom of information and information technology; position of non-Community nationals; methods of protection; rights *vis-à-vis* the authorities; human rights and the Community's external relations; children's rights; women's rights.

The findings were set out in a report proposing a plan of action which, in the opinion of the compilers (Prof. Cassese, Prof. Weller and Mr Clapham), should, in accordance with the principle of subsidiarity, add an extra layer of control over Community activities and help forge a European identity.

The discussions at the conference focused on:

- (a) the European Community's accession to the European Convention of Human Rights;
- (b) the adoption of a Community catalogue of human rights based on the Declar-

ation of Fundamental Rights and Freedoms adopted by the European Parliament on 12 April;¹

- (c) ways and means of increasing the legal protection of human rights, e.g. by improving access to legal redress.

Mr Barón Crespo, the President of the European Parliament, highlighted the various opportunities for consolidating fundamental rights within the Community, while Mrs Lalumière, the Secretary-General of the Council of Europe, advocated making a distinction between those areas which were not part of the Community integration process, e.g. bioethics, and those in which economic integration could work in favour of fundamental rights.

At the end of the conference, President Delors issued a plea for the Community to accede to the European Convention of Human Rights, an idea proposed by the Commission back in 1979² which had lost nothing of its topicality.

Mr Delors said that upholding human rights was one of the Community's tasks day in, day out, a task enshrined in the Treaty, and that the Single Act also provided a basis for solidarity and a sense of belonging for Community citizens.

Of the rights which Community citizens should obtain rapidly, Mr Delors mentioned those which were already the subject of Commission proposals, namely the right of residence³ and voting rights for Member States' nationals in local elections in their Member State of residence.⁴

Mr Delors ended by emphasizing the Community's universal responsibilities, and hoped that the philosophical and ethical term debate would continue so that as sci-

¹ OJ C 120, 16.5.1989; Bull. EC 4-1989, points 1.2.1 to 1.2.7 and 3.2.1.

² Supplement 2/79 — Bull. EC.

³ OJ C 191, 28.7.1989; Bull. EC 6-1989, point 2.1.10.

⁴ OJ C 246, 20.9.1988; Supplement 2/88 — Bull. EC; Bull. EC 6-1988, point 2.1.20.

ence progressed the collective conscience would also progress.

Racism and xenophobia

2.4.2. The results of a survey on racism and xenophobia carried out by the Commission in conjunction with the European Parliament were published on 21 November. The carrying out of the survey was one of the recommendations made in the report of the European Parliament Committee of Inquiry on the rise of Fascism and racism in Europe (December 1985) and the draft resolution submitted by the Commission to the Council on the fight against racism and xenophobia.¹

Schengen Agreement

2.4.3. On 23 November Parliament adopted a resolution on the signing of the Supplementary Schengen Agreement.² Expressing its fears that the rush to sign a Supplementary Agreement on 15 December was an attempt to avoid parliamentary debate, and that the Agreement would endanger the legal protection and fundamental rights of individuals, Parliament expressed its concern about its possible consequences in terms of police powers, the right of individuals to privacy, and compliance with international conventions. It therefore called on the Governments of the Member States concerned to involve and to inform their parliaments and the European Parliament on all the matters involved in the Schengen Agreement and the Supplementary Agreement, and called on them not to sign the Supplementary Agreement before this information had been given.

2.4.4. In another resolution adopted on 23 November, Parliament, fearing that a miscarriage of justice had taken place in the trial of the Birmingham Six, urgently called for a thorough review of their case.

Human rights in the world

2.4.5. In November Parliament also adopted resolutions on the following:²

Recent developments in Central and Eastern Europe: Parliament emphasized the historic

nature of recent events in Central and Eastern Europe brought about by the determination of their peoples to exercise their right to self-determination in a free and democratic manner, with due respect for human rights (→ point 2.2.18);

The situation in Romania: Parliament called on the Foreign Ministers meeting in political cooperation to obtain from the Romanian authorities information on the situation of Dan Petrescu, of whom no news had been received since his arrest, to make representations to the authorities in Bucharest and to press for the respect of the human rights and religious freedom of Pastor Tokés, who had been seriously ill-treated and subjected to threats. It also called on the Romanian Government to honour its commitments and to authorize the children now being prevented from leaving Romanian territory to join their adoptive French families;

The imprisonment of Mikhail Kazachkov: Parliament called for the immediate release of Mr Kazachkov, a Soviet Jew who, after requesting an emigration visa in 1976, had been arrested, accused of treason, theft and speculation, and called for him to be allowed to leave the Soviet Union if he so wished;

The torture and detention of a human rights fieldworker in Hebron, West Bank: Parliament urged the Israeli authorities to review the case of Sha'wan Jabarin with a view to his immediate release, and called on the Governments of the Member States individually and the Council jointly to call on Israel to ensure that administrative detention is only used in exceptional circumstances and that all detainees are given clear reasons for the detention;

The arrest of demonstrators against timber-felling in Sarawak: Parliament called on the Sarawak authorities to release those arrested and to initiate negotiations with the representatives of the indigenous people immediately, and called on the Foreign Ministers meeting in political cooperation

¹ OJ C 214, 16.8.1988; Bull. EC 6-1988, point 2.1.146.

² OJ C 323, 27.12.1989.

to protest to the Malaysian authorities about the arrests. It also called on the Commission to include the problem of Sarawak in its discussions with the Government of Malaysia;

East Timor: Parliament reiterated¹ its demand that the people of East Timor be granted the right to self-determination and independence, and considered that the controversial visit by Pope John II should not be exploited in order to promote integration with Indonesia. It severely condemned the repression which occurred, and demanded the unconditional release of those arrested, a halt to the executions, free access and free movement for journalists, and the re-establishment of communications with the outside world;

Cambodia: After reiterating its complete opposition to a return to power of the Khmer Rouge in Cambodia, Parliament urges that a peace conference should be organized as soon as possible in order to resume the interrupted Paris negotiations. It called on the Commission, the Council and the Foreign Ministers meeting in political cooperation to take all possible steps to isolate the Khmer Rouge army and leadership diplomatically and militarily. It also

called for an intensification of humanitarian aid to the people of Cambodia, particularly through NGOs, pending a political settlement;

The situation in El Salvador: Parliament urged the Government of El Salvador to call an immediate halt to the aerial attacks and to call a ceasefire to enable the wounded to be evacuated from the combat zone, as called for by the Red Cross. It also called on the Foreign Ministers meeting in political cooperation to take all the necessary steps to support the peace effort in the region, pursuant to the Central American Agreements. It called on the Commission to confine itself to providing humanitarian aid via the NGOs until an armistice is arranged;

The conference for a democratic future—hopes for the realization of human rights in South Africa: Parliament saw this conference, to be held on 9 and 10 December, as a hopeful sign of the determination and ability of the South African people finally to establish unrestricted human rights in that country by peaceful means, and fully endorsed the aims of the conference.

¹ OJ C 262, 10.10.1988; Bull. EC 9-1988, point 2.4.16.

5. Financing Community activities

Budgets

General budget

Budgetary procedure

2.5.1. At its meeting on 14 November the Council gave the draft general budget of the

European Communities for 1990 its second reading.¹ It adopted positions on all the proposed modifications and amendments made by Parliament during its first reading.² The broad breakdown of appropriations approved by the Council is as follows:

	<i>million ECU</i>	
	Commitments	Payments
EAGGF Guarantee	26 522.0	26 522.0
EAGGF Guidance/common fisheries policy	1 700.0	1 651.5
Set-aside and income aid	225.0	225.0
Depreciation of agricultural stocks	1 470.0	1 470.0
Monetary reserve	1 000.0	1 000.0
Regional Fund (ERDF)	5 408.0	4 704.5
Social Fund (ESF)	4 075.0	3 321.9
Pedip (Industrial development programme for Portugal)	118.7	108.0
IMPs (integrated Mediterranean programmes)	344.0	303.0
Research, energy, industry	1 686.0	1 390.9
Other policies	2 613.9	2 291.3
including: Food aid	502.6	501.3
Aid to non-associated developing countries	389.8	252.3
Administration: — Commission	1 493.7	1 493.7
— Other institutions	845.8	845.8
Refunds to Member States	872.4	872.4
	48 374.7	46 200.0

The Council agreed to increase aid to Poland and Hungary to ECU 300 million, the figure which Parliament wanted to see incorporated in the revision of the financial perspective scheduled for February 1990. Pending this revision, the Council confirmed the arrangements for the 1990 budgetary procedure as contained in letter of amendment No 1/90: an entry of ECU 200 million accompanied by a negative reserve of the same amount.³

2.5.2. On 14 November the Council, acting on a proposal from the Commission,⁴ also established letter of amendment No 2/90 relating to the savings made in the EAGGF Guarantee Section in 1989 as a result of changes in the average dollar/ecu rate. These savings — ECU 819 million

— have been transferred to the monetary reserve. The Council decided to include an additional ECU 1 billion in this letter of amendment as the foreseeable surplus for the EAGGF Guarantee Section in 1989.

Financial operations

ECSC

Loans raised

2.5.3. In November the Commission made a number of private placings in marks, lire,

¹ Bull. EC 7/8-1989, point 2.5.1.

² OJ C 304, 4.12.1989; Bull. EC 10-1989, point 2.5.3.

³ Bull. EC 10-1989, point 2.5.1.

⁴ Bull. EC 10-1989, point 2.5.2.

French francs, pounds sterling and Swiss francs for the equivalent of ECU 96.8 million.

Loans paid out

2.5.4. Acting under Articles 54 and 56 of the ECSC Treaty, the Commission paid out loans in November totalling ECU 51.6 million, as follows:

Industrial loans

2.5.5. Industrial loans (Article 54 ECSC) totalling ECU 20 million were made in France and Italy.

Conversion loans

2.5.6. Conversion loans (Article 56 ECSC) totalling ECU 28.5 million were paid out in the Federal Republic of Germany, France and Italy.

Workers' housing

2.5.7. Housing loans totalling ECU 3.1 million were granted for steelworkers and mineworkers in Italy.

Measures to combat fraud

Strategy

2.5.8. On 27, 28 and 29 November the Commission's Financial Control and Legal

Service organized a seminar in Brussels on the legal protection of the Community's financial interests. It was attended by Members of the European Parliament, judges, university professors, lawyers and senior officials from the Community institutions (Court of Justice, Court of Auditors) and from national institutions in the 12 Member States.

The seminar covered the entire range of matters involved in links between Community and national law, in particular as regards the penalties designed to uphold the Community's financial legislation, the obligations on national judges to protect Community finances, the need for closer cooperation between national judges and the Court of Justice and matters connected with defining more adequate legal protection at Community and national level so that it can be adapted to the unified internal market. Specific problems concerning infringements committed with the use of modern computerized methods were also discussed.

In addition, the line taken by the Court of Justice in its more recent judgments was analysed, in particular its judgment of 21 September in Case 68/88 *Commission v Greece*,¹ with regard to the responsibility of the Member States for the implementation of Community law and the way in which Community law is enforced by the national authorities.

¹ Bull. EC 9-1989, point 2.7.22.

6. Statistics

General

Programmes

2.6.1. On 15 November the Commission approved the granting of financial assistance to Eurocost (European Centre for Worldwide Cost of Living Comparisons), an association set up to gather and process statistical data to compare the cost of living in the Member States and the non-member countries in which the Community is represented.

2.6.2. On a proposal from the Commission¹ and in the light of the opinions of Parliament² and the Economic and Social Committee,³ the Council adopted, on 20 November, Decision 89/623/EEC⁴ amending Decision 88/390/EEC of 11 July 1988 on special support for the development of agricultural statistics in Ireland.⁵

2.6.3. On 20 November the Council also adopted, on a proposal from the Commission⁶ and in the light of Parliament's opinion,⁷ Decision 89/624/EEC⁴ amending Decision 81/518/EEC of 6 July 1981 on the restructuring of the system for agricultural surveys in Italy.⁸

2.6.4. On 29 November the Commission adopted, for transmission to the Council, a proposal for a Regulation concerning statistical information to be supplied by the Member States on cereals production.⁹ The aim is to obtain more recent and more reliable data on cereals production following the introduction of maximum guaranteed quantities (stabilizers).

Projects

2.6.5. On 28 and 29 November the first joint conference of the heads of the national statistics institutes of the Community and the EFTA countries was held in Brussels. Projects of common interest were discussed concerning environmental statistics, statistics on tourism and transport and elec-

tronic data interchange. A common statement was adopted concerning cooperation between the Community and EFTA in the field of statistics.

The joint Community-EFTA meeting was followed by the biannual Conference of Directors-General of National Statistics Institutes of the Community,¹⁰ which approved a series of Commission (Eurostat) proposals concerning in particular:

- (i) the setting up of a European Committee on Statistical, Economic and Social Information, to provide a discussion forum for compilers and users of statistics;
- (ii) the training programme for European statisticians;
- (iii) the Edifact and statistics programme on the statistical application of electronic messages;
- (iv) the implementation of a programme of family budget surveys;
- (v) the environmental statistics programme;
- (vi) company registers.

Miscellaneous

2.6.6. On 10 November a meeting on electronic data interchange and statistics was held in Luxembourg at which the broad lines of the work of a new statistics group, the Message Development Group, which will operate within the Western Europe Edifact Board of the UN Economic Commission for Europe, was described. Representatives of the national statistics institutes, company statisticians, and compilers

¹ OJ C 234, 12.9.1989; Bull. EC 7/8-1989, point 2.6.1.

² OJ C 291, 20.11.1989; Bull. EC 10-1989, point 2.6.3.

³ Bull. EC 10-1989, point 2.6.3.

⁴ OJ L 359, 8.12.1989.

⁵ OJ L 186, 16.7.1988; Bull. EC 7/8-1988, point 2.1.184.

⁶ OJ C 260, 13.10.1989; Bull. EC 9-1989, point 2.6.2.

⁷ OJ C 304, 4.12.1989; Bull. EC 10-1989, point 2.6.4.

⁸ OJ L 195, 18.7.1981.

⁹ OJ C 8, 13.1.1990; COM(89) 589 final.

¹⁰ Previous meeting; Bull. EC 5-1989, point 2.6.3.

and suppliers of data said they were willing to take part in the new group.

Information

2.6.7. In November the Commission (Eurostat) published a brochure on compar-

able regional unemployment rates (April 1989).¹

¹ Available from the Office for Official Publications of the European Communities, L-2985 Luxembourg.

7. Community institutions

European Parliament

Strasbourg, 20 to 24 November

Highlights

2.7.1. At its November part-session,¹ Parliament, taking its cue from the other institutions, endeavoured to give a suitable response to the historic events taking place in Central and Eastern Europe (→ point 2.2.18): numerous speakers attempted to make the debate on these events and their impact on the Community a historic one. Exceptionally, President Mitterand, in his capacity as President-in-Office of the European Council, Chancellor Kohl and President Delors all took part in the debate.

Two other themes also predominated: strengthening the Community by means of institutional reform in order to complete the internal market and proceed towards economic and monetary union (→ point 2.7.4), and giving the Community a genuine social dimension by means of a Social Charter. The ways in which these objectives overlap and complement each other constituted the recurring theme of the part-session. In addition, many speakers agreed with Mr Giscard d'Estaing (*LDR/F*) that they were assisting at the political birth of the European Parliament.

As a result, the legislative deliberations were cut short to allow time for these major debates.

Institutional reforms to overcome the democratic deficit

2.7.2. Giving an impressive display of unity, firmness and determination, Parliament repeated its demands to play a full part in the Intergovernmental Conference² following the conclaves on the future of the Community proposed by Mr Gonzales and President Mitterand, pressed for the terms of reference of the Intergovernmental Conference to be enlarged, set out its proposals for institutional reform (co-decision, ratification of the reform of the Treaties, involvement in the appointment of Commission Members), and adopted the resolution closing the debate by 211 to 11, with 6 abstentions.

2.7.3. The debate proper, which began on the basis of two oral questions and an intervention by the Chairman of the Committee on Institutional Affairs, Mr Marcelino Oreja (*EPP/E*), was rather overshadowed by events in Central and Eastern Europe, to

¹ The text of the opinions and resolutions adopted by Parliament appear in OJ C 323, 27.12.1989, and the report of the proceedings is published in OJ Annex 2-383.

² Bull. EC 6-1989, points 1.1.1, 1.1.2 and 1.1.11.

which speakers constantly referred to justify once again, and more forcefully, the reform of the institutions and the strengthening of the Community. It emerged from the debate that there was a broad consensus in favour of a number of fundamental solutions, the main components of which were as follows: the urgent need to strengthen the Community, the recognition of a dual parliamentary legitimacy — national and European —, the need for more far-reaching institutional reform than that sought by EMU,¹ and the full and active involvement of the European Parliament in the Intergovernmental Conference and greater powers for the latter. For the first time, the British members of the *Socialist Group* were part of this broad consensus. Only the Danish members of the *RB*, the *ER* (speaking as guardians of the principle of subsidiarity and hence of the freedom of nations), and to a lesser extent certain members of the *ED*, disagreed, albeit in different ways.

2.7.4. In addition to President Delors and Mrs Edith Cresson, the President-in-Office of the Council, 27 speakers took part in the debate.

Mrs Cresson intervened on two occasions, speaking on behalf of the Council. In her first intervention, she repeated what President Mitterrand, the President-in-Office of the European Council, had said at the preceding part-session,² i.e. that a strengthening of the Community was needed in response to developments in Eastern Europe. She referred to various proposals that he had made, in particular concerning an improvement in day-to-day relations between the Council and the European Parliament. Turning to the question of European Parliament involvement in the Intergovernmental Conference, Mrs Cresson said that the Council thought it very important that the European Parliament should be informed and consulted about the conference. With regard to Parliament's specific institutional desiderata, she said that the Council wanted Parliament to be better informed and would like there to be better coordination between the European Parliament, the Council and the Commission via

all appropriate formal and informal channels. Speaking again at the end of the debate, she agreed that it was necessary to improve operating procedures between the three institutions, and said that the procedure for convening an Intergovernmental Conference to revise the Treaty was laid down in Article 236. She also said that the Council had taken note of Parliament's concern to be involved in the conference.

In a wide-ranging address, President Delors took stock of the Single Act, the basis for the progress to be made, and emphasized that, if the Intergovernmental Conference went beyond EMU-related reforms, it should nevertheless bear in mind that EMU was the fundamental reason for convening it: we must remain practical and realistic. Be that as it may, he said, the Commission was in favour of involving the European Parliament in the future Intergovernmental Conference in ways to be determined. He emphasized the three principles of the Single Act, namely better decision-making, better implementation and greater democracy, and said that it was a permanent feature and increasingly relevant. In this connection, the EMU reforms should be based on parallelism between economic and monetary questions, subsidiarity, and a degree of diversity. There was a need for a political and democratic *quid pro quo* in the integration process. EMU would have to be a success, otherwise the Community would be forced to go back to square one. The Strasbourg European Council would therefore have to maintain the momentum built up. President Delors then mentioned the many problems still outstanding: should there be one or two conferences? Should there be a second European chamber? Should the Community have greater powers? Replying to these various institutional proposals, he came out in favour of an executive, ultimately the Commission, which would be more powerful and more responsible, and the involvement of the national parliaments through

¹ OJ C 304, 4.12.1989; Bull. EC 10-1989, points 2.7.12 and 2.7.13.

² Bull. EC 10-1989, points 2.7.14, 2.7.17 and 2.7.39.

greater consultation. On the latter point, he considered that a Commissioner could be designated to liaise with each national Parliament. The Commission (and each Commissioner) should be responsible not only to the European Parliament but also to the European Council. In conclusion, he asked Parliament to examine these questions and to try and help maintain the momentum built up.

Speakers from the *Socialist Group* stressed the links between the institutional debate and social policy, and the developments in Eastern Europe. As far as they were concerned, the Community should not evolve simply towards economic and monetary union but also towards social union. They spoke in favour of an Intergovernmental Conference with the involvement of the European Parliament, pleading for legislative co-decision, Parliament's right of initiative, and greater involvement in the appointment of Commissioners. They also called for a reinforcement of the second arm of democratic legitimacy based on the national parliaments. *EPP* speakers emphasized the need for the European Parliament to be fully involved in the Intergovernmental Conference, arguing that this would be possible if the political will existed. In this respect, they all thought that the integration process needed to be significantly speeded up. *LDR* and *EDA* speakers also took the debate into a wider political context by emphasizing the urgency for institutional reform and the vital need for greater integration. They pleaded for two separate, but closely linked, Intergovernmental Conferences to be held, the first to deal with the complex problems of EMU, the second focusing on wider democratic reform.

ED speakers came out cautiously and practically in favour of a federalism which safeguarded regional and national identities, but against a two-speed Europe. Divided on the Commission's powers, some regarding them as excessive in the absence of democratic control, others considering that any diminution of these powers would reduce Parliament's ability to exercise democratic control, they seemed to accept the principle

of an Intergovernmental Conference. Members of the *EUL* hoped to see an increase in the European Parliament's powers. Speaking in favour of an Intergovernmental Conference, they only regarded it as a first step towards European Union: they considered that the economic and monetary dimension would lead to greater technocracy if it was not supplemented by a genuine European 'social dimension'. The *Greens* called for decentralization, subsidiarity and the involvement of the regional authorities. The *ER* spoke in a different key, advocating a reduction in the powers of the Community institutions, as did the *RB*, which stated its opposition to the Intergovernmental Conference and union.

At the end of the debate, after rejecting by a large majority the motion for a resolution submitted by the *ED*, the European Parliament adopted by 206 to 11, with 6 abstentions, the resolution of its Committee on Institutional Affairs calling for the convening of an Intergovernmental Conference in 1990. The 31 proposed amendments to the text of the Committee on Institutional Affairs fell into five categories: amendments by the *ED* which tried to water down the text: these were rejected; amendments by the *EPP* calling for a preliminary conference at the beginning of 1990, and amendments by the *Socialists* calling for majority voting on social legislation and the right for the European Parliament to ratify amendments to the Treaty: some of these were adopted; amendments by the *LDR* calling for two conferences, with a one-year interval, and demanding that the Commission should refuse to take part in any Intergovernmental Conference from which the European Parliament was excluded: these were rejected; lastly, the amendments by the *Greens* emphasizing subsidiarity and the role of the regions: some of these were adopted.

Opinions, decisions and resolutions

2.7.5. Parliament adopted opinions (first reading) on Commission proposals concerning:

the abolition of the transit advice note at the Community's internal frontiers (→ point 2.1.19);

the persons liable for payment of a customs debt (→ point 2.1.20).

2.7.6. Parliament adopted decisions (second reading) on common positions of the Council on proposals concerning:

the taking up and pursuit of the business of credit institutions (→ point 2.1.6);

the application of redress procedures regarding the award of public supply and works contracts (→ point 2.1.10).

2.7.7. Parliament adopted opinions on Commission proposals concerning:

VAT arrangements applicable to second-hand goods, works of art, antiques and collector's items (→ point 2.1.28);

an increase in real terms in the tax-paid allowances in intra-Community travel (→ point 2.1.30);

a specific R&TD programme for the European Atomic Energy Community in the field of the management and storage of radioactive waste (1990-94) (→ point 2.1.51);

the European Community action scheme for the mobility of university students (Erasmus II) (→ point 2.1.105);

a second Community action programme (1990-94) in the field of vocational training and technological change (Eurotecnet II) (→ point 2.1.108);

the common organization of the market in cereals (→ point 2.1.142);

the temporary withdrawal of a proportion of the reference quantities mentioned in Article 5(c)(1) of Regulation (EEC) No 804/68 on the common organization of the market in milk and milk products (→ point 2.1.152);

establishment of the Community reserve for the application of the levy referred to in Article 5(c) of Regulation (EEC) No 804/68 in the milk and milk products sector (→ point 2.1.152);

the common organization of the market in milk and milk products (→ point 2.1.152);

general rules for the application of the levy referred to in Article 5(c) of Regulation (EEC) No 804/68 in the milk and milk products sector (→ point 2.1.152);

Community financial participation with regard to the facilities for the monitoring and supervision of fishing activities in waters falling under the sovereignty or within the jurisdiction of Portugal (→ point 2.1.167);

the improvement of the conditions under which fishery and aquaculture products are processed and marketed (→ point 2.1.178);

the fixing of rates for the carriage of goods by road between Member States (→ point 2.1.185);

the promotion of energy technology in Europe (→ point 2.1.191).

2.7.8. Parliament adopted a decision on the request to lift Mr Enzo Mattina's parliamentary immunity.

2.7.9. Parliament adopted resolutions on:

the proposal for a Directive on competition in the telecommunications services market (→ point 2.1.59);

the Community Charter of Fundamental Social Rights and economic and social cohesion (→ point 2.1.81);

a Community programme for the economic conversion of coalmining areas (Rechar) (→ point 2.1.111);

levies on heavy goods vehicles (→ point 2.1.186);

recent developments in Central and Eastern Europe (→ points 2.1.18 and 2.4.5);

the signing of the Supplementary Schengen Agreement (→ point 2.4.3);

the trial of the Birmingham Six (→ point 2.4.4);

the situation in Romania (→ point 2.4.5);

the imprisonment of Mikhail Kazachkov (→ point 2.4.5);

the torture and detention of a human rights fieldworker in Hebron, West Bank (→ point 2.4.5);

the arrest of demonstrators against timber-felling in Sarawak (→ point 2.4.5);

East Timor (→ point 2.4.5);

Cambodia (→ point 2.4.5);

the situation in El Salvador (→ point 2.4.5);

the conference for a democratic future—hopes for the realization of human rights in South Africa (→ point 2.4.5);

the Intergovernmental Conference decided on at the European Council in Madrid (→ point 2.7.3);

the appointment of six members of the Court of Auditors of the European Communities.

Council

1358th meeting

2.7.10. General Affairs
(Brussels, 6 November)¹

President: Mr Dumas, French Minister for Foreign Affairs.

Commission: Mr Andriessen, Mr Bange-mann, Mr Christophersen, Mr Delors, Mr Dondelinger and Mr Matutes.

Main items

Economic and monetary union: exchange of views;

Free movement of persons: report from the Chairman of the Coordinators' Group and exchange of views;

Follow-up to the Audiovisual Conference in Paris: Commission report;

Progress report on the Uruguay Round negotiations: examination;

Arrangements and consensus with the United States on steel: adoption of a series of legal texts;

Disputes concerning hormones and soya beans: Commission briefing;

Action plan for Poland and Hungary: agreement to abolish specific quantitative restrictions and extend the scheme of generalized preferences for 1990;

Fifth meeting of the EEC-Egypt Cooperation Council: preparation of position to be adopted;

Scheme of generalized preferences for 1990: agreement as to the substance.

1360th meeting

2.7.11. Telecommunications
(Brussels, 7 November)²

President: Mr Quilès, French Minister for Posts, Telecommunications and Space.

Commission: Sir Leon Brittan and Mr Pandolfi.

Main items

Common action with a view to the adoption of a single worldwide high-definition television production standard: agreement as to the substance (→ point 2.1.56);

Pan-European land-based public radio-paging system in the Community: agreement (→ point 2.1.58).

Other business

Public telecommunications contracts: exchange of views;

Social dimension in telecommunications (1992): exchange of views;

External aspects of telecommunications policy: Commission communication and adoption of the Presidency's conclusions;

¹ Previous meeting: Bull. EC 10-1989, point 2.7.45.

² Previous meeting: Bull. EC 4-1989, point 2.7.12.

Use of the ecu in telecommunications: discussions;

New forms of action in the field of broadband integrated telecommunications: exchange of views;

Open network provision: in-depth discussion.

1361st meeting

2.7.12. Consumers
(Brussels, 9 November)¹

President: Mrs Neiertz, French State Secretary with special responsibility for consumer affairs.

Commission: Mr Van Miert.

Main item

Priorities for relaunching the consumer protection policy: resolution adopted (→ point 2.1.137).

Other business

General product safety: policy discussion;

Package travel: discussion;

Consumer representation at Community level: Commission communication.

1362nd meeting

2.7.13. Economic and Financial Affairs
(Brussels, 13 and 14 November)²

President: Mr Bérégovoy, French Minister for Economic and Financial Affairs and the Budget.

Commission: Sir Leon Brittan, Mr Christophersen, Mr Delors and Mrs Scrivener.

Main items

Economic and monetary union: report from the high-level working party which met at the instigation of the Presidency (→ point 2.1.1);

Abolition of fiscal frontiers: conclusions adopted (→ point 2.1.27).

Other business

Economic and political situation in Hungary, Poland and East Germany: exchange of views;

Saving by households: statement by Mr Cadilhe, Portuguese Finance Minister;

Taxation of savings: detailed discussion.

1363rd meeting

2.7.14. The Council and the Ministers for Health (Brussels, 13 November)³

President: Mr Evin, French Minister for Solidarity, Health and Social Security.

Commission: Ms Papandreou.

Main Items

Labelling of tobacco products: Directive adopted (→ point 2.1.91);

Tar content of cigarettes: common position adopted (→ point 2.1.92);

Second action plan (1990-94) in the context of the 'Europe against cancer' programme: agreement as to the substance of a draft resolution (→ point 2.1.93);

AIDS: agreement as to the substance of a resolution (→ point 2.1.95);

European emergency health card: conclusions adopted (→ point 2.1.97);

Drugs: conclusions adopted (→ point 2.1.98);

Other business

Advertising of tobacco products in the press and by means of bills and posters: policy debate;

¹ Previous meeting: Bull. EC 6-1989, point 2.7.4.

² Previous meeting: Bull. EC 10-1989, point 2.7.47.

³ Previous meeting: Bull. EC 5-1989, point 2.7.10.

Free movement of blood products: exchange of views;

Number of people working in the health professions: exchange of views;

Policy on medicinal products: exchange of views;

WHO-European Community cooperation: exchange of views.

1364th meeting

2.7.15. Industry
(Brussels, 14 November)¹

President: Mr Fauroux, French Minister for Industry and Town and Country Planning.

Commission: Mr Bangemann, Sir Leon Brittan and Mr Pandolfi.

Main items

The situation in the shipbuilding industry in the Community: Commission report and policy debate (→ point 2.1.38);

Industrial implications of the multilateral trade negotiations for the textile industry and on transparency in aid to that industry: Commission presentation and policy debate (→ point 2.1.39);

Situation in the Community footwear industry: Commission presentation and policy debate (→ point 2.1.40).

Other business

Italian public steel sector: detailed discussion;

High-definition television: Commission statement.

1365th meeting

2.7.16. Budget (Brussels, 14 November)²

President: Mr Charasse, French Minister with special responsibility for the budget.

Commission: Mr Schmidhuber.

Main item

Second reading of the draft general budget of the European Communities for 1990: positions adopted (→ point 2.5.1).

Other business

Meeting with a European Parliament delegation.

1366th meeting

2.7.17. Agriculture
(Brussels, 20 to 22 November)³

President: Mr Nallet, French Minister for Agriculture.

Commission: Mr Mac Sharry.

Main items

Waiving of the additional co-responsibility levy: agreement in principle (→ point 2.1.141);

Simplification of the current system of the additional co-responsibility levy: policy debate (→ point 2.1.141);

Operation of the milk quota system: further discussions (→ point 2.1.151);

Adjustment of agricultural structures: further discussions (→ point 2.1.154);

Mutual assistance between the administrative authorities of the Member States to ensure the correct application of legislation on veterinary and zootechnical matters: Directive adopted (→ point 2.1.165).

Other business

Monitoring of the payment of the amounts granted on exportation of agricultural products: examination of proposal;

Veterinary checks in intra-Community trade: proposal examined.

¹ Previous meeting: Bull. EC 9-1989, point 2.7.15.

² Previous meeting: Bull. EC 7/8-1989, point 2.7.13.

³ Previous meeting: Bull. EC 10-1989, point 2.7.51.

1367th meeting

2.7.18. Development cooperation
(Brussels, 21 November)¹

President: Mr Pelletier, French Minister for Cooperation and Development.

Commission: Mr Marín.

Main items

Programme to combat AIDS: conclusions adopted (→ point 2.2.47);

Countering desertification: conclusions adopted (→ point 2.2.47);

Food aid guidelines: resolution adopted (→ point 2.2.52);

Cooperation with the developing countries of Latin America and Asia: conclusions adopted (→ point 2.2.55).

Other business

Renewal of the ACP-EEC Convention: Commission report;

Uruguay Round negotiations: Commission report;

European volunteers programme for development: briefings by the French and German delegations;

International Foundation for Research in Africa: proposal by the French delegation.

1368th meeting

2.7.19. Internal market
(Brussels, 23 and 24 November)²

President: Mrs Cresson, French Minister for European Affairs.

Commission: Mr Bangemann, Sir Leon Brittan and Mrs Scrivener.

Main items

Elimination of frontier controls in the field of road and inland waterway transport: agreement (→ point 2.1.4);

Non-automatic weighing instruments: common position approved (→ point 2.1.11);

Abolition of the transit advice note in Community transit: common position adopted (→ point 2.1.19).

Other business

Merger control: broad consensus;

Right of residence: exchange of views;

Tax exemptions for certain means of transport temporarily imported: examination of a proposal for a Directive;

Gas appliances: discussion;

Insurance against civil liability in respect of the use of motor vehicles: substantive agreement;

Procurement procedures of entities operating in the water, energy, transport and telecommunications sectors: policy debate;

Direct life assurance — freedom to provide services: discussion.

1369th meeting

2.7.20. General Affairs
(Brussels, 27 November)³

President: Mr Dumas, French Minister for Foreign Affairs.

Commission: Mr Andriessen, Mr Christophersen, Mr Delors, Mr Marín and Mr Matutes.

Main items

Future relations between the Community and EFTA: exchange of views; conclusions adopted (→ point 2.2.12);

Action plan for Poland and Hungary: agreement (→ point 2.2.21).

¹ Previous meeting: Bull. EC 5-1989, point 2.7.11.

² Previous meeting: Bull. EC 10-1989, point 2.7.48.

³ Previous meeting: this Bulletin, point 2.7.10.

Other business

Preparations for the European Council meeting on 8 and 9 December;

Redirection of the Community's Mediterranean policy: Commission statement;

Preparation of the eighth ministerial meeting of the EEC-Yugoslavia Cooperation Council.

1370th meeting

2.7.21. Fisheries
(Brussels, 27 November)¹

President: Mr Mellick, French Minister with special responsibility for maritime affairs.

Commission: Mr Marín.

Main items

Total allowable catches for 1989: Regulation adopted (→ point 2.1.164);

Compliance with the Community arrangements for the conservation and management of fishery resources — Community financial contribution: decision adopted (→ point 2.1.166);

Guide prices for 1990: three Regulations adopted (→ point 2.1.175).

Other business

Processing and marketing of fishery and aquaculture products: in-depth discussion;

Conservation of fishery resources: policy discussion;

Progress of negotiations with non-member countries in the fisheries sector: Commission report.

1371st meeting

2.7.22. Environment
(Brussels, 28 and 29 November)²

President: Mr Lalonde, French State Secretary for the Environment.

Commission: Mr Ripa di Meana.

Main items

Establishment of the European Environment Agency and the European environment monitoring and information network: common approach adopted (→ point 2.1.116);

Conservation of tropical forests: conclusions adopted (→ point 2.1.126).

Other business

Freedom of access to information on the environment: policy debate;

Protection of natural and semi-natural habitats and of wild flora and fauna: debate;

Protection of fresh, coastal and marine waters against pollution caused by nitrates from diffuse sources: further examination;

Internal market, taxation and the environment: initial exchange of views.

1372nd meeting

2.7.23. Labour and Social Affairs
(Brussels, 30 November)³

President: Mr Soisson, French Minister for Labour, Employment and Vocational Training.

Commission: Mr Bangemann and Ms Papandreou.

Main items

European employment survey: resolution adopted (→ point 2.1.84);

Minimum health and safety requirements for the workplace: Directive adopted (→ point 2.1.99);

Minimum health and safety requirements for the use by workers of machines, equip-

¹ Previous meeting: Bull. EC 6-1989, point 2.7.14.

² Previous meeting: Bull. EC 9-1989, point 2.7.13.

³ Previous meeting: Bull. EC 10-1989, point 2.7.53.

ment and installations: Directive adopted (→ point 2.1.100);

Minimum health and safety requirements for the use by workers of personal protective equipment: Directive adopted (→ point 2.1.101);

Negotiations of the International Labour Conference on safety in the use of chemicals at work: Decision adopted (→ point 2.1.103);

Eurotecnet II: agreement (→ point 2.1.108).

Other business

Protection of workers from the risks related to exposure to carcinogens at work: common position approved;

Community action programme for the development of continuing vocational training (Force): Commission communication;

Commission action programme for the implementation of the Social Charter: Commission communication;

The social aspects of the European company: Commission communication;

Vocational training and the employment of women in Europe: communication from the French delegation.

Commission

Measures taken

2.7.24. In November the Commission adopted the following provisions:¹

Programme of regional environmental measures (Envireg) (→ point 2.1.112);

General guidelines for Community initiatives (structural Funds) (→ point 2.1.115).

Proposals adopted

2.7.25. In November the Commission adopted proposals on the following:

Restrictions on the marketing and use of certain dangerous substances and preparations (→ point 2.1.13);

R&TD programme in the field of transport (Euret) (→ point 2.1.52);

Community action programme for the development of continuing vocational training (→ point 2.1.106);

Action by the Community for the protection of the environment in the Mediterranean region (Medspa) (→ point 2.1.127);

Prior authorization of shipments of radioactive wastes (→ point 2.1.135);

Community system of information on accidents involving consumer products (Ehlass) (→ point 2.1.138);

Measures for the conservation and management of fishery resources (→ point 2.1.165);

Development of rail transport in the Community (→ point 2.1.183);

Community quota for the carriage of goods by road between Member States (→ point 2.1.184);

Weights and dimensions of commercial vehicles (→ point 2.1.187);

Statistical information to be supplied by the Member States on cereals production (→ point 2.6.4).

Communications

2.7.26. In November the Commission adopted, for transmission to the institutions concerned, communications on the following:

Protection of national treasures (→ point 2.1.18);

Assessing the impact on businesses of the Commission's proposals (→ point 2.1.34);

European Economic Interest Grouping for high-definition television (→ point 2.1.57);

Action programme for the implementation of the Community Charter of Fundamental Social Rights for Workers (→ point 2.1.80);

¹ Selected items.

Community action programme for the development of continuing vocational training (→ point 2.1.106);

Development of rail transport in the Community (→ point 2.1.183);

Relations with non-member Mediterranean countries (→ point 2.2.29).

Community Law Courts

New Cases

2.7.27. The following cases came before the Court of Justice and the Court of First Instance in November, either as references for preliminary rulings or as actions brought directly.¹

Free movement of goods

Case C-312/89 *Union départementale des syndicats CGT de l'Aisne v Sidef Conforama, Arts et Meubles, and JIMA*
Basis: Article 177 of the EEC Treaty

Can the concept of 'measures having equivalent effect' to quantitative restrictions on imports contained in Article 30 of the EEC Treaty be applied to a general provision whose effect is to prohibit Sunday working for employees?

Customs union

Case C-324/89 *Nordgetränke v HZA Hamburg-Ericus*
Basis: Article 177 of the EEC Treaty

1. Should the Common Customs Tariff (1984) be interpreted as meaning that apricot purée made by pressing the fruit pulp through a sieve and then bringing it to the boil for no more than 30 seconds in a vacuum concentrator should be classified under heading No 20.05 C as fruit purée, being a cooked preparation?

2. If not: Is it to be interpreted as meaning that products of the kind described should

be classified under heading No 20.06 B as 'fruit otherwise prepared or preserved'?

3. If not: Under which other heading should the goods be classified?

Competition

Case T-151/89 *STPS v Commission*
Basis: Article 173 of the EEC Treaty

Annulment of Commission Decision 89/515/EEC relating to a proceeding under Article 85 of the EEC Treaty (IV/31.553 — Welded steel mesh), or, in the alternative, reduction of the fine imposed.

Case T-152/89 *ILRO v Commission*
Basis: Article 173 of the EEC Treaty

Annulment of Commission Decision 89/515/EEC relating to a proceeding under Article 85 of the EEC Treaty (IV/31.553 — Welded steel mesh), or, in the alternative, reduction of the fine imposed.

Case T-157/89 *Algemene Financieringsmaatschappij Nefico v Commission*
Basis: Article 173 of the EEC Treaty

Annulment of Commission Decision 89/536/EEC relating to a proceeding under Article 85 of the EEC Treaty (IV/31.734 — Film purchases by German television stations).

Social affairs

Case C-317/89 *Rocella v Bundesanstalt für Arbeit*
Basis: Article 177 EEC

Does the rule of notional residence, contained in Articles 73(1) and 74(1) of Council Regulation No 1408/71, mean in particular that where the children of persons entitled

¹ The numbers of cases before the Court of Justice are preceded by the letter 'C', and the numbers of cases before the Court of First Instance are preceded by the letter 'T'.

For more detailed information, see the material published by the Court of Justice in the *Official Journal* and the *European Court Reports*, and the publications of its Information Office (e.g. the weekly *Proceedings of the Court*).

to child allowances reside in another Member State of the European Community those persons must be treated, for the purposes of Section 11a of the German Child Allowances Act 'Bundeskindergeldgesetz' and the tax provisions referred to therein, as if their children were resident within the territory covered by the Act?

Free movement of workers

Case C-292/89 *R. v Immigration Appeal Tribunal*, ex parte *Antonissen*
Basis: Article 177 EEC

1. For the purpose of determining whether a national of a Member State is to be treated as a 'worker' within the meaning of Article 48 of the EEC Treaty when seeking employment in the territory of another Member State so as to be immune from deportation save in accordance with Council Directive 64/221/EEC may the legislature of the second Member State provide that such a national may be required to leave the territory of that State (subject to appeal) if after six months from admission to that territory he has failed to enter employment?

2. In answering the foregoing question what weight if any is to be attached by a court or tribunal of a Member State to the declaration contained in the minutes of the meeting of the Council when the Council adopted Directive 68/360/EEC?

Case C-308/89 *Di Leo v Land Berlin*
Basis: Article 177 of the EEC Treaty

Is Article 12 of Council Regulation No 1612/68 to be interpreted as meaning that children who come within the scope of its provisions are to be treated in the same way as nationals, not only where the education or training is pursued in the the host State, but also where such children receive their education of training in another Member State of which they are nationals?

Agricultural policy

Case C-314/89 *Rauh v HZA Nürnberg-Fürth*
Basis: Article 177 of the EEC Treaty

1. Where a dairy farm is transferred by inheritance or a similar transaction, are producers who did not take over the holding until after the expiry of the non-marketing undertaking also entitled to receive a special reference quantity under Article 3a of Council Regulation No 857/84 as amended by Council Regulation No 764/79?

2. If not: Is Council Regulation No 857/84, as amended by Council Regulation No 764/89, valid in so far as where a dairy farm is transferred by inheritance or a similar transaction producers who did not take over the holding until after the expiry of the non-marketing undertaking are not entitled to receive a special reference quantity?

Case C-342/89 *Germany v Commission*¹
Basis: Article 173 of the EEC Treaty

Partial annulment of Commission Decision C(89) 1525 as regards an advance against the booking of expenditure financed by the EAGGF Guarantee Section.

Transport

Case C-354/89 *Schiocchet v Commission*
Basis: Article 173 of the EEC Treaty

Annulment of Commission Decision 89/524/EEC on a dispute between Luxembourg and France on the establishment of a special regular passenger service between those two States.

Infringements

Case C-349/89 *Commission v Italy*
Basis: Article 169 of the EEC Treaty

Failure to comply with Council Directive 85/322/EEC on classical swine fever and African swine fever and Council Directive

¹ OJ C 317, 19.12.1989.

85/325/EEC on health problems affecting intra-Community trade in fresh meat.

Case C-353/89 *Commission v Netherlands*
Basis: Article 169 of the EEC Treaty

Seeking a declaration that by imposing restrictions on the free movement of broadcasting services the Netherlands has failed to fulfil its obligations under the Treaty.

Case C-360/89 *Commission v Italy*
Basis: Article 169 of the EEC Treaty

Seeking a declaration that by enacting Act No 80 of 17 February 1987 providing for special rules to expedite the execution of public works Italy has failed to fulfil its obligations under Article 59 of the EEC Treaty and Council Directive 71/305/EEC concerning the coordination of procedures for the award of public works contracts.

Disputes between the Community and its staff

v Commission:

Case T-153/89 *Martin and her children*

v Court of Justice:

Case T-156/89 *Valverde Mordt*¹

Judgments

2.7.28. Decisions were given in the following cases in September:

ECSC — Steel

23.11.1989: Case C-381/87 *Hoogovens Groep v Commission*¹

1. The amount of the fine imposed on the Hoogovens undertaking by Article 2 of Commission Decision C(87) 2031 final/3 shall be fixed at ECU 460 710.

2. The remainder of the application is dismissed.

Free movement of goods

23.11.1989: Case C-145/88 *Torfaen Borough Council v B&Q*¹

Article 30 of the Treaty must be interpreted as meaning that the prohibition which it lays down does not apply to national rules prohibiting retailers from opening their premises on Sunday where the restrictive effects on Community trade which may result therefrom do not exceed the effects intrinsic to rules of that kind.

23.11.1989: Case C-150/88 *Eau de Cologne & Parfümerie-Fabrik Glockengasse No 4711 v Provide*²

1. Article 6(2) of Council Directive 76/768/EEC on cosmetic products precludes national rules from requiring an indication of the quality and quantity of the substances whose presence is indicated on the packaging, in advertisements, or in the names of cosmetic products covered by the Directive.

2. Article 6(1)(a) of the aforesaid Directive prohibits a Member State from requiring, in the case of imported cosmetic products manufactured by a producer established in the Community, that the name of the undertaking established and responsible for marketing in that Member State should be given on the packaging, containers or labels of the products.

Customs union

9.11.1989: Case C-386/87 *Bessin et Saison v Administration des douanes et droits indirects*³

1. The provisions of Council Regulation No 1430/79 on the repayment or remission of import or export duties do not apply in a case where an application for reimbursement of import duties was submitted to the competent authorities of a Member State by an importer after that Regulation had

¹ OJ C 317, 19.12.1989.

² OJ C 322, 23.12.1989.

³ OJ C 313, 13.12.1989.

entered into force in respect of duties paid prior to its entry into force.

2. In the absence of Community rules on the repayment or remission of import or export duties, it is not contrary to the general principles of Community law for the national legislation of a Member State to provide for a mandatory time-limit of three years for the submission of all applications for reimbursement of customs duties wrongfully charged.

Social policy

15.11.1989: Cases C-268/89 and C-268/89 R *Funoc v Commission*¹

Removed from the Court Register.

(Seeking the annulment of the decision of Commission Directorate-General V, contained in a letter of 9 June 1989, to set off amounts due and amounts payable in respect of certain projects in which the European Social Fund was involved, and in the alternative an order for compensation.)

28.11.1989: Case C-379/87 *Groener v Minister for Education and City of Dublin Vocational Education Committee*²

A permanent full-time post of lecturer in public vocational education institutions is a post of such a nature as to justify the requirement of linguistic knowledge, within the meaning of the last subparagraph of Article 3(1) of Council Regulation No 1612/68, provided that the linguistic requirement in question is imposed as part of a policy for the promotion of the national language which is, at the same time, the first official language and provided that that requirement is applied in a proportionate and non-discriminatory manner.

Agriculture

7.11.1989: Case C-125/88 *Criminal proceedings against Nijman*³

1. The court of a Member State is not bound to interpret national rules on the marketing and use of plant protection products in the light of the text and purpose of

Directive 79/117/EEC, for purposes of the application of that Directive to products not containing one or more of the active substances listed in the Annex to the Directive.

2. In an area which has not been fully harmonized within the Community, Articles 30 and 36 do not preclude national legislation prohibiting the sale, placing in stock or store or the use of a plant protection product not authorized by such legislation and imposing a penalty in criminal law for failure to comply.

3. Articles 13(1) and 20 of the free trade agreement between the EEC and Sweden do not preclude national legislation prohibiting the sale, placing in stock or store or the use of a plant protection product not authorized by such legislation and imposing a penalty in criminal law for failure to comply.

14.11.1989: Case C-14/88 *Italy v Commission*⁴

1. The Commission's Decision of 5 November 1987 on the refunding by the EAGGF Guidance Section to Italy of the aid for 1984 granted to organizations of fruit and vegetable producers pursuant to Article 14(1) of Council Regulation No 1035/72 is declared void in so far as the Commission did not allow a sum of LIT 158 524 650 to be charged to the EAGGF in connection with such aid.

2. The remainder of the application is dismissed.

16.11.1989: Case C-131/87 *Commission v Council*⁴

Council Directive 87/64/EEC amending Directive 72/461/EEC on health problems affecting intra-Community trade in fresh meat and Directive 72/462/EEC on health and veterinary inspection problems upon importation of bovine animals and swine

¹ OJ C 317, 19.12.1989.

² OJ C 324, 28.12.1989.

³ OJ C 301, 30.11.1989.

⁴ OJ C 313, 13.12.1989.

and fresh meat from third countries is declared void.

16.11.1989: Case C-333/87 *Germany v Commission*¹

The application is dismissed.

(Seeking the partial annulment of Commission Decisions 87/468/EEC and 87/469/EEC on the clearance of the accounts in respect of the EAGGF expenditure for 1984 and 1985.)

16.11.1989: Case C-11/88 *Commission v Council*²

Council Directive 87/519/EEC amending Directive 74/63/EEC on undesirable substances and products in animal nutrition is declared void.

21.11.1969: Case C-244/88 *Usines coopératives de déshydratation du Vexin and Others v Commission*³

The application is dismissed as inadmissible.

(Seeking the annulment of Commission Regulation No 1910/88 suspending advance fixing of the aid for dried fodder.)

Fisheries

14.11.1989: Joined Cases C-6 and C-7/88 *Spain and France v Commission*²

Commission Regulation No 315/87 concerning the catch declarations of vessels flying the flag of a Member State and operating in the fishing zone of certain developing countries is declared void.

External relations

28.11.1989: Case C-121/88 *AE Metalleftikon, Viomihanikon kai Naftiliakon Epihiriseon and Others v Council*⁴

The application is dismissed.

(Seeking the annulment of Council Decision 86/59/EEC terminating the anti-dumping proceeding concerning imports of dead-burned (sintered) natural magnesite orig-

inating in China and North Korea, and any preceding or succeeding act connected therewith.)

28.11.1989: Case C-122/86 *AE Metalleftikon, Viomihanikon kai Naftiliakon Epihiriseon and Others v Commission and Council*⁴

The application is dismissed.

(Seeking compensation for the damage caused by Council Decision 86/59/EEC terminating the anti-dumping proceeding concerning imports of dead-burned (sintered) natural magnesite originating in China and North Korea, and by the Council's decision not to adopt the proposal for a Regulation imposing a definitive anti-dumping duty on the said imports.)

28.11.1989: Case C-129/86 *Greece v Council*⁴

The application is dismissed.

(Seeking the annulment of Council Decision 86/59/EEC terminating the anti-dumping proceeding concerning imports of dead-burned (sintered) natural magnesite originating in China and North Korea, and any preceding or succeeding act connected therewith.)

Budget

14.11.1989: Case C-30/88 *Greece v Commission*³

The application is dismissed.

(Seeking the annulment of three decisions whereby on 17 November and 10 December 1987 the Commission approved financing projects in connection with the special aid for Turkey.)

Institutions

9.11.1989: Case C-353/88 *Briantex SAS and Di Domenico v Commission*⁵

¹ OJ C 310, 9.12.1989.

² OJ C 313, 13.12.1989.

³ OJ C 317, 19.12.1989.

⁴ OJ C 322, 23.12.1989.

⁵ OJ C 309, 8.12.1989.

1. The application is dismissed as inadmissible in so far as it is brought in the name of Antonio Di Domenico.

2. For the rest, the application is dismissed as unfounded.

Infringements

18.10.1989: Case C-294/87 *Commission v Italy*¹

Removed from the Court Register.

(Failure to fulfil obligations under Council Regulation No 2261/84 and Commission Regulation No 3061/84: failure to complete permanent computerized files of olive-oil data by the prescribed date of 1 November 1985.)

15.11.1989: Case C-194/88 *Commission v Italy*

Removed from the Court Register.

(Infringement of Council Directive 71/305/EEC concerning the coordination of procedures for the award of public contracts: the awarding authority failed to publish a notice concerning the award of a public works contract in the *Official Journal*.)

15.11.1989: Case C-325/88 *Commission v Germany*

Removed from the Court Register.

(Failure to comply with Council Directive 85/467/EEC amending for the sixth time (PCBs/PCTs) Directive 76/769/EEC on restrictions on the marketing and use of certain dangerous substances and preparations.)

16.11.1989: Case C-360/88 *Commission v Belgium*²

By failing to adopt within the prescribed period all the measures necessary to implement Council Directive 84/450/EEC on misleading advertising, Belgium has failed to fulfil its obligations under the EEC Treaty.

28.11.1989: Case C-186/88 *Commission v Germany*³

By systematically requiring carriers of fresh poultrymeat to make a prior declaration of such goods in order to ensure systematic veterinary inspection, Germany has failed to fulfil its obligations under Article 30 of the EEC Treaty, under Council Directive 71/118/EEC on health problems affecting trade in fresh poultrymeat and under Council Directive 83/643/EEC on the facilitation of physical inspections and administrative formalities in respect of the carriage of goods between Member States.

29.11.1989: Case C-281/81 *Commission v Greece*⁴

By instructing Kydep to purchase inferior quality durum wheat from the 1982 harvest, Greece has failed to fulfil its obligations under the provisions relating to the common organization of the market in cereals.

Disputes between the Community and its staff

v Commission:

9.11.1989: Joined Cases C-75, C-146 and C-147/88 *Bonazzi-Bertottilli and Others v Commission*²

The applications are dismissed as inadmissible.

(Seeking the annulment of the decisions whereby the Commission calculated the length of service completed by each of the applicants which was taken into account for the purpose of calculating the Community retirement pension.)

13.11.1989: Case C-317/87 *Kingston and Others*¹

Removed from the Court Register.

(Application of Council Regulation No 3619/86 as regards the five-yearly review of

¹ OJ C 317, 19.12.1989.

² OJ C 313, 13.12.1989.

³ OJ C 322, 23.12.1989.

⁴ OJ C 324, 28.12.1989.

the weighting; annulment of salary statements.)

v Parliament:

21.11.1989: Joined Cases C-41 and C-178/88 *Becker and Starquit*¹

The applications are dismissed.

(Seeking the annulment of the decisions of the European Parliament of 12 November 1987 and 30 March 1988, relating to the reconstruction of the applicants' careers following their reinstatement.)

v Court of Justice:

9.11.1989: Case C-55/88 *Katsoufros*¹

The application is dismissed as unfounded.

Court of Auditors

2.7.29. After receiving the replies from the institutions and organizations concerned during October, at its meeting on 9 November the Court adopted:

(i) its report (Annex to the 1988 ECSC annual report) on the accounting and financial management of the ECSC. This report was sent to the Council, the Commission and Parliament on 17 November;

(ii) its report on the 1988 accounts of the European Centre for the Development of Vocational Training (Berlin). This report was sent to the Commission and the Centre on 22 November;

(iii) its report on the 1988 accounts of the European Foundation for the Improvement of Living and Working Conditions (Dublin). This report was sent to the Commission and the Foundation on 22 November;

(iv) its report on the 1988 JET (Joint European Torus) statements. This report was sent to the Council, Parliament and members of the JET on 22 November;

(v) its report on the accounts of the European Schools for the financial year 1988. This report was sent to the Board of Govern-

ors and to the institutions on 27 November;

(vi) the annual report² on implementation of the general budget of the European Communities for the financial year 1988 and on the operations of the European Development Funds. This report was formally addressed to the institutions on 30 November.

Economic and Social Committee

271st plenary session

2.7.30. The Economic and Social Committee held its 271st plenary session in Brussels on 15 and 16 November. Mr Masprone and Mr Hovgaard Jakobsen presided successively, and Mr Pandolfi, Commission Vice-President, attended.

2.7.31. The Committee debated and adopted opinions on the following:

Revision of the 1974 Council Decisions on convergence of economic policies and the role of the Governors of the Central Banks (→ point 2.1.2);

The Annual Economic Report 1989/90 (→ point 2.1.3);

Direct insurance—agreement with Switzerland (→ point 2.1.7);

Improvement of the business environment and the promotion of SMEs (→ point 2.1.35);

Framework programme of Community activities in the field of research and technological development (1990-94) (→ point 2.1.42);

European Environment Agency (→ point 2.1.116);

¹ OJ C 313, 13.12.1989.

² OJ C 312, 12.12.1989.

Improving the processing and marketing of agricultural and forestry products (→ point 2.1.155);

Bovine somatotrophin (→ point 2.1.158);

Protection of animals during transport (→ point 2.1.159);

EEC-accepted plant protection products (→ point 2.1.16);

Positive measures relating to shipping (→ point 2.1.188).

2.7.32. The Committee also debated and adopted an own-initiative opinion concerning ecological balance as a fundamental aspect of economic and social development (→ point 2.1.117).

2.7.33. The Committee also adopted opinions on the following, without debate, unanimously in all but one case, in which there was one vote against:

Medical and health research agreements with the EFTA countries (→ point 2.1.44);

The Community information system on disability questions (Handynet) (→ point 2.1.88);

Rules governing the payment and calculation of pensions (→ point 2.1.89);

Protection of outside workers against ionizing radiation (→ point 2.1.104);

Programme for the coordination of information on the environment in Europe (Corine) (→ point 2.1.128);

Common organization of the market in raw tobacco.

ECSC Consultative Committee

281st session (extraordinary)

2.7.34. (Luxembourg, 6 November)

Chairman: Mr Soulé

Items discussed

Regional action programme for the conversion of coalmining areas (Rechar): examination;

The new steel arrangement to be concluded with the United States, and the relevant Community provisions: consultation.

European Investment Bank ¹

EIB loans in November

2.7.35. In November, the European Investment Bank lent ECU 1 073.4 million for capital investment projects in the European Community; of that total ECU 29.4 million was from NCI resources.² In the United Kingdom the Bank provided ECU 358.6 million, in Italy ECU 204.36 million, in France ECU 146.4 million, in Germany ECU 121.2 million, in Greece ECU 87.8 million, in Portugal ECU 74.4 million, in Denmark ECU 49.8 million, in Spain ECU 28.2 million and in Ireland ECU 2.6 million.

Outside the Community the EIB lent ECU 92.5 million, of which ECU 60 million in Egypt and ECU 23 million in Israel. The remaining ECU 9.5 million went to Burundi, New Caledonia and Swaziland, ECU 5.5 million stemming from risk capital resources.

In the Community

United Kingdom

2.7.36. UKL 149 million of the total UKL 282.5 million lent in the United Kingdom was concentrated on industry. The Bank supported the modernization of a soft drinks plant and a chocolate factory and the construction of a new glass plant. Other

¹ For more information, please contact the Information Division of the European Investment Bank, 100 boulevard Konrad Adenauer, L-2950 Luxembourg, tel. (352) 4379-1.

² The conversion rates used by the EIB for statistical purposes during the quarter are those current on 30 September, when ECU 1 = BFR/LFR 43.35, DKR 8.05, DM 2.06, DR 181.17, PTA 131.16, FF 7.00, HFL 2.33, IRL 0.77, LIT 1 506.75, ESC 174.82, UKL 0.68, USD 1.11.

loans were for the construction of advanced biomedical products and for steel processing. Global loans were made available in support of SME investment in industry and connected services; a special feature of these global loans is that in principle the UK intermediary will be able to use the funds throughout the European Community.

UKL 61.6 million went to the provision and laying of a new optical-fibre cable network from the UK and Ireland to the US and the Caribbean. UKL 33.6 million was lent for the development of an onshore oilfield.

Italy

2.7.37. Bank loans in Italy totalled LIT 309 billion. Small and medium-sized schemes were supported through a number of intermediaries who together covered all of Italy and served the following policy objectives: stimulating investment by SMEs in industry, related services and agriculture, promoting environmental protection and the use of advanced technology in industry, helping regional development and energy saving.

With a view to improving the quality of the environment, the EIB financed investment to clean the Gorzone basin, water treatment in the Venice lagoon and a series of sewage treatment and solid waste disposal facilities in the centre-north.

The development and introduction of advanced technology played an important role. In northern Italy the development of new types of flexible manufacturing systems, robots and machine-tools received funds as did the application of advanced technologies in vehicle component plants. In Milan the Bank financed biomedical research, and at Padua it made a loan available for a veterinary analysis and research centre. To stimulate regional development, a glass bottles manufacturing plant in Pescia received finance.

In addition, the Bank financed the extension and modernization of the telecommuni-

cations network in the Mezzogiorno and the construction of natural gas distribution grids in the centre-north and in the south.

France

2.7.38. In France, the total financing figure of FF 1 025 million was made up of three global loans: two for financing investment in small and medium-sized infrastructure schemes by local authorities in the regional development areas of Corsica, the Pyrenees and the South of France and a third for the leasing of real estate by small and medium-sized enterprises throughout France.

FR of Germany

2.7.39. Global loans, serving a broad range of policy objectives, accounted for DM 198 million of the total DM 250.1 million lent in Germany. All of them can be used to finance small and medium-sized environmental investment schemes, while some can also support energy saving and advanced technology projects and joint ventures between SMEs of different Member States. Other loans went to the construction of microelectronics plants producing integrated circuits and, in an assisted area north of Hamburg, of an office building. The EIB also provided funds for investment to reduce air pollution at two coal-burning power plants.

Greece

2.7.40. In Greece, DR 15.9 billion went to four projects: continuing the reconstruction of the city of Kalamata, which was damaged by earthquakes in 1986, the development of a lignite mine, modernization of the rolling stock of the national railways, and upgrading the road structure in Thessaloniki.

Portugal

2.7.41. The Portuguese railways obtained funds for modernizing the main lines Lis-

bon-Oporto and Pampilhosa-Vilar Formoso as well as two suburban lines for Lisbon and Oporto. In the context of Portugal's industrial development programme (Pedip) a global loan has been made available to the government to stimulate investment by SMEs, bringing the total of EIB loans to ESC 13 billion.

Denmark

2.7.42. In Denmark, the EIB financed the construction of three motorway sections, one providing access to the future Great Belt Link and two in northern Jutland. A harbour improvement scheme, financed through an intermediary, brings the total lending to DKR 400.1 million.

Spain

2.7.43. With loans for water schemes and forest protection in Castile and León and for road and rail infrastructure in Valencia, lending in Spain amounted to PTA 3.7 billion.

Ireland

2.7.44. In Ireland the EIB lent IRL 2 million for upgrading the natural gas network.

Outside the Community

Mediterranean basin

2.7.45. In Egypt, a heavy-duty tyre factory which is a joint venture with an EC enterprise, and the construction of an irrigation system, together received ECU 60 million.

2.7.46. To support investment by industrial SMEs, the Bank made a global loan of ECU 23 million available in Israel.

ACP countries and OCTs

2.7.47. In Swaziland, the EIB lent ECU 4 million for the construction of a cotton/polyester spinning mill. Using ECU 5.5 million of risk capital resources, the Bank also financed investment to improve the efficiency of smallholder tea production in Burundi; in New Caledonia a global loan is to support industrial, agro-industrial, transport and tourist SMEs.

PART THREE
DOCUMENTATION

1. The ecu

Values in national currencies of ECU 1

November 1989 ¹		
BFR/ LFR	Belgian franc and Luxembourg franc (convertible)	42.9676
	Belgian franc and Luxembourg franc (financial)	43.0430
DKR	Danish krone	7.95118
DM	German mark	2.04733
DR	Greek drachma	184.487
ESC	Portuguese escudo	176.351
FF	French franc	6.96187
HFL	Dutch guilder	2.31030
IRL	Irish pound	0.772830
LIT	Italian lira	1 503.68
PTA	Spanish peseta	130.437
UKL	Pound sterling	0.711809
AUD	Australian dollar	1.42888
CAD	Canadian dollar	1.30855
FMK	Finnish markka	4.75996
NKR	Norwegian krone	7.71452
NZD	New Zealand dollar	1.90218
OS	Austrian schilling	14.4153
SFR	Swiss franc	1.81098
SKR	Swedish krona	7.18842
USD	United States dollar	1.11901
YEN	Japanese yen	160.664

¹ Average for the month; OJ C 303, 2.12.1989.

NB: Explanatory notes on the ecu and 'green' rates can be found in Bull. EC 7/8-1982, points 3.1.1 to 3.1.3, and Bull. EC 9-1989, point 2.1.3.

Representative rates ('green' rates)

Conversion rates into national currencies for the ecu used in connection with the common agricultural policy

November 1989		
National currency/sector		Value in national currency of ECU 1
BFR/ LFR	Belgian franc and Luxembourg franc All products	48.2869
DKR	Danish krone Sheepmeat and goatmeat Other products	8.66492 8.93007
DM	German mark Milk and milk products and beef and veal Cereals Other products	2.35053 2.37360 2.36110
DR	Greek drachma Sheepmeat and goatmeat Pigmeat Eggs and poultrymeat Other crop products Structures Tobacco, cereals, sugar, wine and olive oil Other products	180.508 204.245 171.165 179.387 197.622 190.998 164.996
ESC	Portuguese escudo All products	192.002
FF	French franc Milk and milk products and wine Sheepmeat and goatmeat Beef/veal and pigmeat Other products	7.69787 7.65577 7.85183 7.69787
HFL	Dutch guilder Cereals Other products	2.66089 2.63785
IRL	Irish pound Sheepmeat and goatmeat Beef/veal Other products	0.829788 0.873900 0.856765

November 1989		
National currency/sector		Value in national currency of ECU 1
LIT	Italian lira Pigmeat	1 700.83 on 18.9.1989
	Cereals and oilseeds	1 673.00
	Wine	1 676.00
	Fruit and vegetables and tobacco	1 690.00
	Other products	1 682.00
PTA	Spanish peseta Sheepmeat and goatmeat Pigmeat	153.315 147.136
	Other livestock products	155.786
	Cereals and sugar	154.213
	Other crop products	152.896
UKL	Pound sterling Sheepmeat and goatmeat Beef/veal Pigmeat	0.671291 0.729831 0.756267
	Other livestock products	0.706728
	Other crop products	0.701383

2. Infringement procedures

Failure to implement Directives

Letters of formal notice

3.2.1. In November the Commission sent letters of formal notice for failure to inform it of national measures to implement the following Directives:

Transport

Council Directive 86/364/EEC of 24 July 1986 relating to proof of compliance of vehicles with Directive 85/3/EEC on the weights, dimensions and certain other technical characteristics of certain road vehicles (Greece)

OJ L 221, 7.8.1986

Environment

Council Directive 87/217/EEC of 19 March 1987 on the prevention and reduction of environmental pollution by asbestos (Greece)

OJ L 85, 28.3.1987

Council Directive 88/347/EEC of 16 June 1988 amending Annex II to Directive 86/280/EEC on limit values and quality objectives for discharges of certain dangerous substances included in List I of the Annex to Directive 76/464/EEC (Greece)

OJ L 158, 25.6.1988

Council Directive 87/219/EEC of 30 March 1987 amending Directive 75/716/EEC on the approximation of the laws of the Member States relating to the sulphur content of certain liquid fuels (FR of Germany and Ireland)

OJ L 91, 3.4.1987

Council Directive 85/339/EEC of 27 June 1985 on containers of liquids for human consumption (Greece)

OJ L 176, 6.7.1985

Customs union and indirect taxation

Council Directive 87/53/EEC of 15 December 1986 amending Directive 83/643/EEC on the facilitation of physical inspections and administrative formalities in respect of the carriage of goods between Member States (Greece)

OJ L 24, 27.1.1987

Council Directive 83/182/EEC of 28 March 1983 on tax exemptions within the Community for certain means of transport temporarily imported into

one Member State from another (Spain and Portugal)

OJ L 105, 23.4.1983

3.2.2. The Commission also sent a letter of formal notice for failure to comply with a judgment of the Court of Justice concerning the following Directive:

Internal market

Council Directive 82/470/EEC of 29 June 1982 on measures to facilitate the effective exercise of freedom of establishment and freedom to provide services in respect of activities of self-employed persons in certain services incidental to transport and travel agencies (ISIC Group 718) and in storage and warehousing (ISIC Group 720) (Italy)

OJ L 213, 21.7.1982

Reasoned opinions

3.2.3. In November the Commission delivered reasoned opinions for failure to inform it of national measures to implement the following Directives:

Internal market

Council Directive 87/354/EEC of 25 June 1987 amending certain Directives on the approximation of the laws of the Member States relating to industrial products with respect to the distinctive numbers and letters indicating the Member States (Belgium)

OJ L 192, 11.7.1987

Environment

Council Directive 87/432/EEC of 3 August 1987 on the eighth adaptation to technical progress of Directive 67/548/EEC on the approximation of laws, regulations and administrative provisions relating to the classification, packaging and labelling of dangerous substances (Belgium)

OJ L 239, 21.8.1987

Council Directive 80/836/Euratom of 15 July 1980 amending the Directives laying down the basic safety standards for the health protection of the general public and workers against the dangers of ionizing radiation (Belgium and Ireland)

OJ L 246, 17.9.1980

3. Additional references in the Official Journal

3.3.1. This section lists the titles of legal instruments and notices of Community institutions or organs which have appeared in the Official Journal since the last Bulletin was published but relating to items appearing in earlier issues of the Bulletin; the references were not available when the Bulletin went to press.

The number of the Bulletin and the point to which this additional information refers is followed by the title shown on the cover of the Official Journal, the number of the issue and the date of publication.

Bull. EC 5-1989

Point 2.1.85

Commission Decision 89/659/EEC of 3 May 1989 relating to Ministerial Decision No E 3789/128 of the Greek Government establishing a special single tax on undertakings
OJ L 394, 30.12.1989

Point 2.1.96

Commission Decision 89/633/EEC of 3 May 1989 concerning aid provided or to be provided by the Spanish Government to Enasa, an undertaking producing commercial vehicles under the brand 'Pegaso'
OJ L 367, 16.12.1989

Point 2.1.97

Commission Decision 89/661/EEC of 31 May 1989 concerning aid provided by the Italian Government to Alfa Romeo, an undertaking in the motor vehicle sector
OJ L 394, 30.12.1989

Bull. EC 7/8-1989

Point 2.1.215

Proposal for a Council Directive on the transit of electricity through transmission grids
OJ C 8, 13.1.1990

Bull. EC 9-1989

Point 2.2.11

Proposal for a Council Decision on the conclusion of an Agreement between the European Economic

Community and the Polish People's Republic on trade and commercial and economic cooperation
OJ C 322, 23.12.1989

Bull. EC 10-1989

Point 2.1.102

Commission Decision 89/637/EEC of 31 October 1989 on the establishment of Community support frameworks for Community structural assistance in the French overseas departments and Corsica, and the French regions concerned by Objective 1.

Commission Decision 89/638/EEC of 31 October 1989 on the establishment of Community support frameworks for Community structural assistance in the Italian regions concerned by Objective 1, namely Abruzzo, Basilicata, Calabria, Campania, Molise, Apulia, Sardinia and Sicily.

Commission Decision 89/639/EEC of 31 October 1989 on the establishment of Community support frameworks for Community structural assistance in the region of the United Kingdom concerned by Objective 1, namely Northern Ireland.

Commission Decision 89/640/EEC of 31 October 1989 on the establishment of Community support frameworks for Community structural assistance in Ireland.

Commission Decision 89/641/EEC of 31 October 1989 on the establishment of Community support frameworks for Community structural assistance in the regions of Spain concerned by Objective 1 (Asturias, Galicia, Andalusia, Ceuta, Melilla, Valencia, Canary Islands, Castile-La Mancha, Castile-León, Murcia and Extremadura).

Commission Decision 89/642/EEC of 31 October 1989 on the establishment of Community support frameworks for Community structural assistance in the Portuguese regions concerned by Objective 1, namely the whole country
OJ L 370, 19.12.1989

Point 2.1.111

Proposal for a Council Directive concerning municipal waste water treatment
OJ C 1, 4.1.1990

Point 2.1.154

Proposal for a Council Decision concerning safeguard measures in the veterinary field in the framework of the internal market
OJ C 327, 30.12.1989

Point 2.1.155

Proposal for a Council Decision on financial aid from the Community for the eradication of African swine fever in Sardinia
OJ C 327, 30.12.1989

Point 2.1.156

Proposal for a Council Decision introducing a Community financial measure for the eradication of infectious haemopoietic necrosis of salmonids in the Community
OJ C 327, 30.12.1989

Point 2.1.157

Proposal for a Council Decision introducing a Community measure for the eradication of brucellosis in sheep and goats
OJ C 327, 30.12.1989

Point 2.1.158

Proposal for a Council Directive amending Directive 88/407/EEC laying down the animal health requirements applicable to intra-Community trade in and imports of deep-frozen semen of domestic animals of the bovine species
OJ C 327, 30.12.1989

Point 2.1.159

Proposal for a Council Regulation (EEC) on animal health conditions governing the placing of rodents on the market in the Community
OJ C 327, 30.12.1989

Point 2.1.160

Proposal for a Council Regulation (EEC) laying down general health rules for the production and placing on the market of products of animal origin and specific health rules for certain products of animal origin
OJ C 327, 30.12.1989

Point 2.1.161

Proposal for a Council Regulation (EEC) laying down health rules for the production and placing on the market of melted animal fat, greaves and by-products of rendering for human consumption
OJ C 327, 30.12.1989

Point 2.1.162

Proposal for a Council Regulation (EEC) concerning game meat and rabbit meat
OJ C 327, 30.12.1989

Point 2.1.163

Proposal for a Council Directive amending Directive 85/511/EEC introducing Community measures for the control of foot-and-mouth disease
OJ C 327, 30.12.1989

Point 2.1.164

Proposal for a Council Regulation (EEC) on the zootechnical and genealogical conditions governing intra-Community trade in equidae.

Proposal for a Council Regulation (EEC) on animal health conditions governing intra-Community trade in and import from third countries of live equidae

Proposal for a Council Regulation (EEC) on intra-Community trade in equidae intended for participation in competitions
OJ C 327, 30.12.1989

Point 2.1.165

Proposal for a Council Regulation (EEC) laying down the veterinary rules for the disposal and processing of animal waste, for its placing on the market and for the prevention of pathogens in feedstuffs
OJ C 327, 30.12.1989

Point 2.1.166

Proposal for a Council Regulation (EEC) on animal health conditions governing intra-Community trade and imports from third countries of fresh poultrymeat and fresh meat of reared game birds
OJ C 327, 30.12.1989

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